

**ITEM NUMBER IV.A.:****SIX-YEAR CAPITAL PLAN (ACTION)****PURPOSE OF ITEM:**

This item provides information on the upcoming annual submission of University's Six-Year Capital Plan for Board approval.

**APPROPRIATE COMMITTEE:**

FINANCE AND LAND USE

**BRIEF NARRATIVE:**

George Mason annually submits a six-year capital plan to the Virginia Department of Planning and Budget (DPB). The deadline for submission typically occurs between July and September. In September 2021, Mason presented the six-year capital plan developed in alignment with a 20-year Master Planning study. The Master Plan was completed in December 2021 and adopted by the Board in January 2022.

The six-year capital plan is presented in advance of Governor Youngkin's review and execution of the Commonwealth Budget. As a result, three projects submitted in September 2021 for DPB Capital Budget Requests (CBRs) will remain on Mason's prospective project list pending confirmation of funding approval. All three projects were included as line-item authorizations in former Governor Northam's proposed 2022 Executive Budget dated December 16, 2021. Pending budgetary outcome, the following FY22 project submissions will proceed into pre-planning if approved or be resubmitted to the Commonwealth for funding if not approved:

- Improve Telecom/Network Infrastructure Phase 3
- Student Innovation Factory Building
- Interdisciplinary Science & Engineering Building

Presentation figures include expenditures to date, and those anticipated for active projects and pro forma funding plans for prospective projects in Mason's Six-Year Capital Plan. Projects are highlighted to indicate FY22 CBR submissions pending approval and proposed FY23 CBRs.

FY23 submissions include the Business School building, an addition to EagleBank Arena and Aggregated Deferred Maintenance as described in the following sections. The scope of Phase 1 renovation to the existing EagleBank Arena is not eligible for Commonwealth funding and may be reduced pending budget modeling in support of campus debt in the coming months. Academic VIII and Point of View Cottages have received prior authorization for planning studies which are anticipated to commence in FY23. Projects proposed for FY23 funding approval include the following:

### **Business School Building**

The School of Business (SBUS) boasts Mason's fourth largest enrollment and second largest projected growth of the ten academic units. SBUS additionally supports the second largest undergraduate online program, the largest unit represented in Mason Korea, INTO and Advance programs. However, SBUS notably lacks a dedicated building to support their operations, enrollment and growth, as other smaller units have. SBUS maintains a significant presence on Fairfax for undergraduate programs and Arlington's Mason Square for graduate programs. SBUS at Fairfax presently relies on 44K assignable square feet (ASF) in four shared buildings on-campus and 12K ASF in off-campus lease space, all of which have reached capacity.

The proposed new building will be approximately 200K gross square feet (GSF), centrally located to facilitate interdisciplinary collaboration between SBUS and other Mason Units, and a defining element of the northern quad envisioned in Mason's Master Plan. This new building would provide dedicated space to support approximately 6,500 full-time equivalent (FTE) students including approximately 2,000 FTE business majors, approximately 2,000 non-business students and 4% annual planned growth.

The building program would include dedicated teaching, collaboration and student engagement space for SBUS, plus replacement space as a result of demolition of Lecture Hall to accommodate the new building site. Replacement space would include one approximately 3,000 ASF and

two approximately 1,000 ASF university shared classrooms, along with support space for those classrooms. In 2018, SBUS developed an initial space program for the building, which includes the following elements:

- Teaching spaces
  - Technology-rich classrooms
  - Trading rooms
  - Lecture halls
- Student service spaces
  - Career services
  - Student success
  - Maker space
  - Student organizations
- Engagement spaces
  - Executive development suite
  - Incubator/start-up space
  - Behavioral research lab
  - Video studio

Building elements identified during the 2018 study will inform the conceptual planning study including a Detailed Project Program and cost estimates to support project implementation.

### **EagleBank Arena Addition**

George Mason University completed a planning study in January 2022 to evaluate the potential market demand, return-on investment (ROI), and alternatives addressing a variety of budget ranges for proposed renovations and additions to EagleBank Arena. EagleBank arena was constructed in 1985 and is the University's basketball arena and host to a variety of non-University events, such as concerts, family shows, expos and other events. The primary intent of the analysis was to evaluate potential opportunities for extending the useful life of EagleBank Arena to continue to serve the needs of the University and surrounding community. The Phase 1 market assessment analysis evaluated existing and potential future market demand for events and renovations at the Arena and what changes, if any, may be needed to maximize the facility's future operating potential. This phase additionally evaluated space needs based on Mason's Master Plan and stakeholder interviews. Phase 2 physical structure

planning included development of a series of addition and renovation options for the Arena based on the Phase 1 analyses, as well as physical constraints of the building itself. Planning options for the existing arena were presented with a phasing strategy that would support campus funding across a series of future capital projects that are not eligible for Commonwealth support. Planning options for an addition to the existing arena as proposed herein for a FY23 CBR submission would include space for both Education and General (E&G) and Auxiliary Enterprise (AE) use, and would therefore support a shared funding model with the Commonwealth.

The proposed addition to EagleBank Arena would connect to the existing facility at the north entrance. This approximately 135K GSF building addition would be comprised of 23% AE space in support of Mason's Men's and Women's Basketball teams and 77% E&G use in support of the College for Visual and Performing Arts, student design competitions, career fairs, University Life events and other academic activities as follows:

- AE space (23% of program)
  - Dedicated practice courts
  - Coaching staff suites
  - Team lockers
  - Lounge and video viewing rooms
  - Sports medicine, strength & conditioning
- E&G space (77% of program)
  - Faculty offices
  - Student learning and engagement spaces
  - Performance and rehearsal rooms
  - Broadcast/recording/editing rooms
  - 4,000 seat multipurpose venue

Building elements identified during the 2022 study will inform the conceptual planning study including a Detailed Project Program and cost estimates to support project implementation.

### **Aggregated Deferred Maintenance**

The University's buildings are nearing a 30-year average age and major building systems are reaching the end of their useful life. Mason Facilities has implemented a

Facility Condition Assessment Program (FCAP) to physically inspect each campus building on a 3-year cycle. Based upon the FCAP's review and assuming annual maintenance reserve allocations from the Commonwealth remain consistent, over the next 5 years Mason will have a deficit in funding for critical deferred maintenance of E&G buildings of \$36 million. The University is requesting a capital project to aggregate the critical deferred maintenance. Funding would be used for replacement and repair projects for all E&G buildings for the following building elements:

- Aging roofs, windows, exterior doors, and repairs to exterior wall systems
- Interior doors, flooring, and ceilings; repairs to existing fire walls; and refresh of interior painting.
- Main electrical equipment, fire alarm systems, fire pumps, and generators; and repairs to existing plumbing and fire suppression systems.
- Heating, cooling, and ventilation equipment, controls, and distribution systems at the end or beyond their useful life.
- Elevators and lifts at or beyond their useful life.
- Sidewalks and ADA repairs

The University will also take the opportunity to look for energy efficiency with the replacement of systems. These efficiencies will be assessed in the electrical equipment, HVAC equipment, and building envelope. Without the investment into these buildings, the buildings will continue to depreciate to the point where replacement will be necessary.

STAFF RECOMMENDATION:

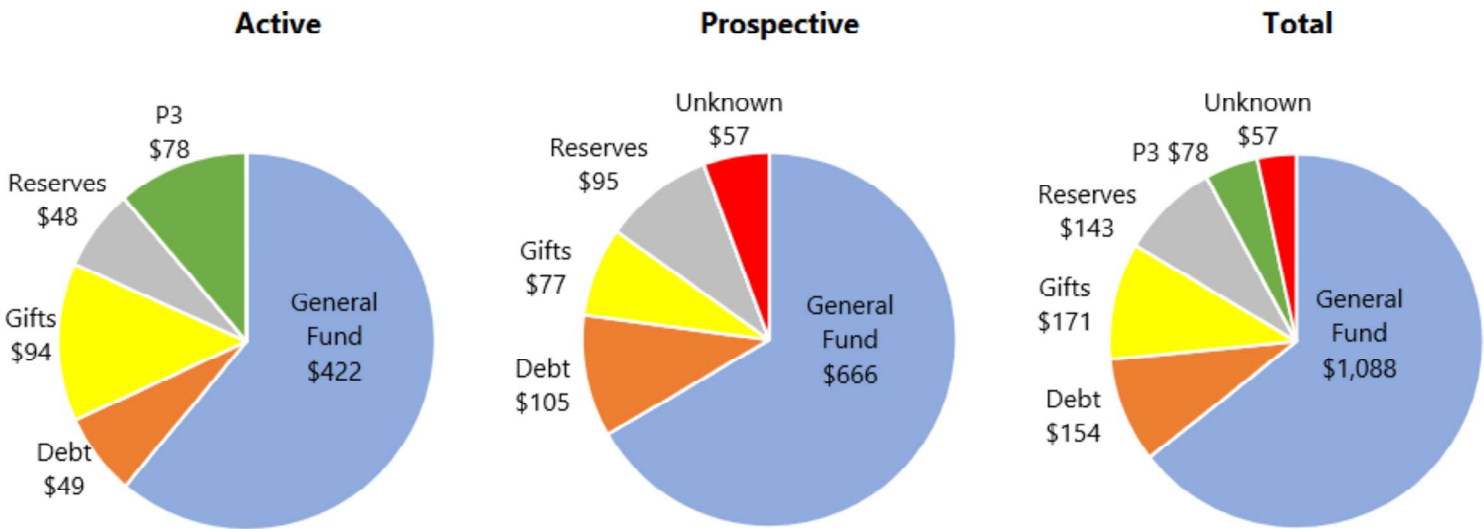
Board approval of the proposed Six-Year Capital Plan.



# Six-Year Capital Plan

## Capital Matters

# Capital Plan Summary (\$Ms)



	Expenditures			Funding Sources							
	Actual To-Date	Amount Remaining	Total Expected	General Fund	Debt	Gifts and Contracts	Central / School Reserves	Internal Lending / Bank	Public-Private Partner	Funding Not Yet Identified	Total Funding Plan
Total Active	165	525	690	422	49	94	48	0	78	0	690
Total Prospective			1,000	666	105	77	95	0	0	57	1,000
GRAND TOTAL			1,690	1,088	154	171	143	0	78	57	1,690

# Active Projects (\$Ms)

	Budget			Funding Sources							Total Funding Plan
	Actual To-Date	Amount Remaining	Total Expected	General Fund	Debt	Gifts * and Contracts	Central / School Reserves	Internal Lending / Bank	Public-Private Partner	Funding Not Yet Identified	
<b>ACTIVE</b>											
Fuse at Mason Square	5	252	257	89	0	90	0	0	78	(0)	<b>257</b>
Utility Infrastructure (Core)	46	6	52	21	28	1	4	0	0	(0)	<b>52</b>
Horizon Hall / Harris Theater	107	13	120	117	0	0	3	0	0	(0)	<b>120</b>
Telecom Infrastructure Phase I	1	10	11	11	0	0	0	0	0	0	<b>11</b>
Telecom Infrastructure Phase II	0	23	23	12	11	0	0	0	0	0	<b>23</b>
Aquatic and Fitness Center	0	10	10	0	10	0	(0)	0	0	0	<b>10</b>
Central Heating and Cooling	0	5	5	5	0	0	0	0	0	0	<b>5</b>
Necklace Phase I	0	3	3	0	0	0	3	0	0	0	<b>3</b>
Johnson Center HVAC Repairs	0	5	5	0	0	0	5	0	0	0	<b>5</b>
Life Science Engineering	3	100	102	102	0	0	0	0	0	0	<b>102</b>
TTIP Bachelors Capital Invest.	2	21	23	23	0	0	0	0	0	0	<b>23</b>
Maintenance Reserve	0	41	41	41	0	0	0	0	0	0	<b>41</b>
Miscellaneous Renovations	0	37	37	0	0	3	34	0	0	0	<b>37</b>
<b>Total Active</b>	<b>165</b>	<b>525</b>	<b>690</b>	<b>422</b>	<b>49</b>	<b>94</b>	<b>48</b>	<b>0</b>	<b>78</b>	<b>0</b>	<b>690</b>

\*Bridge financing may be use while gifts are collected.



# Prospective Projects – Preliminary Funding (\$Ms)

	Budget			Funding Sources							Total Funding Plan
	Actual	Amount	Total	General		Gifts *	Central /	Internal	Public-	Funding	
	To-Date	Remaining	Expected	Fund	Debt	and Contracts	School Reserves	Lending / Bank	Private Partner	Not Yet Identified	
PROSPECTIVE - PRELIMINARY FUNDING											
Improve Telecom/Network (Ph 3)			24	14	0	0	10	0	0	0	24
Student Innovation Factory Bldg.			30	30	0	0	0	0	0	0	30
Interdisciplinary Sci. & Eng. Bldg.			150	150	0	0	(0)	0	0	(0)	150
Business School			165	83	0	41	41	0	0	0	165
EagleBank Arena Addition			150	115	35	0	0	0	0	0	150
Aggregated Deferred Maintenance			36	36	0	0	0	0	0	0	36
EagleBank Arena Reno (Ph 1 - S)			30	0	30	0	0	0	0	0	30
Academic VIII			200	200	0	0	0	0	0	0	200
Point of View Cottages			8	4	0	4	0	0	0	0	8
Real Estate Acquisitions			40	0	0	0	40	0	0	0	40
Small Capital Improvement Prog.			4	0	0	0	4	0	0	0	4
Projects with Preliminary Funding			837	632	65	45	95	0	0	0	837

\*Bridge financing may be use while gifts are collected.

## Key:

FY22 Capital Budget Request
Proposed FY23 Capital Budget Request
Pending Synario Testing
Approved for Planning

# Prospective Projects – Pro Forma (\$Ms)

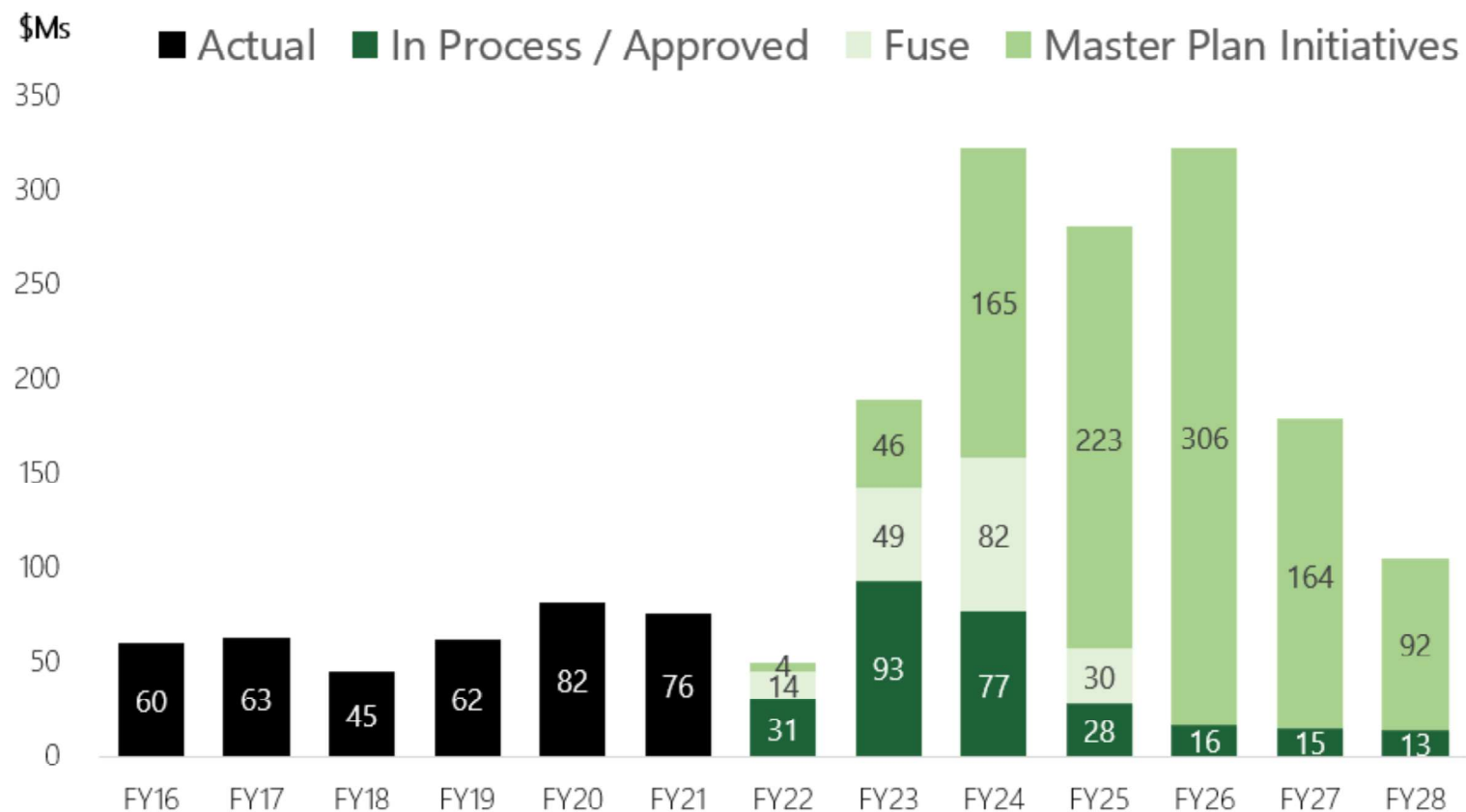
	Budget			Funding Sources							Total Funding Plan
	Actual To-Date	Amount Remaining	Total Expected	General Fund	Debt	Gifts * and Contracts	Central / School Reserves	Internal Lending / Bank	Public- Private Partner	Funding Not Yet Identified	
PROSPECTIVE - FUNDING UNDETERMINED											
Concert Hall Renovation			25	0	0	25	0	0	0	0	25
Contemplative Center			7	0	0	7	0	0	0	0	7
Sustainability Initiatives			50	22	29	0	0	0	0	0	50
Multimodal Transportation (Ph 1)			30	13	12	0	0	0	0	5	30
Recreation & Well-Being (Ph 1)			26	0	0	0	0	0	0	26	26
Recreation & Well-Being (SUB-1)			26	0	0	0	0	0	0	26	26
Arlington Student Housing			0	0	0	0	0	0	0	0	0
Faculty / Staff Housing (Ph 1)			0	0	0	0	0	0	0	0	0
Field House + Track & Soccer Stadium			0	0	0	0	0	0	0	0	0
Lacrosse Stadium & Fields			0	0	0	0	0	0	0	0	0
W Campus Mixed-Use (Ph 1)			0	0	0	0	0	0	0	0	0
Baseball Stadium			0	0	0	0	0	0	0	0	0
Softball Stadium			0	0	0	0	0	0	0	0	0
Multipurpose Stadium & Fields			0	0	0	0	0	0	0	0	0
Tennis Complex			0	0	0	0	0	0	0	0	0
Faculty / Staff Housing (Ph 2)			0	0	0	0	0	0	0	0	0
W Campus Mixed-Use (Ph 2)			0	0	0	0	0	0	0	0	0
Hotel & Conference Center			0	0	0	0	0	0	0	0	0
W Campus Mixed-Use (Ph 3)			0	0	0	0	0	0	0	0	0
W Campus Mixed-Use (Ph 4)			0	0	0	0	0	0	0	0	0
Projects with Funding Undetermined			163	34	40	32	0	0	0	57	163
Total Prospective			1,000	666	105	77	95	0	0	57	1,000
GRAND TOTAL			1,690	1,088	154	171	143	0	78	57	1,690

\*Bridge financing may be use while gifts are collected.

# Capital Project Pro Forma Funding Source Summary (\$Ms)

	Prior Years	FY22	FY23	FY24	FY25	FY26	FY27	FY28	Total
<b>GENERAL FUND (GF)</b>	<b>128</b>	<b>31</b>	<b>125</b>	<b>205</b>	<b>217</b>	<b>229</b>	<b>120</b>	<b>34</b>	<b>1,088</b>
<b>NON GENERAL FUND (NGF)</b>									
Debt									
Prior Issue - Taxable	0	0	0	0	0	0	0	0	<b>0</b>
Prior Issue - Tax Exempt	28	0	0	0	0	0	0	0	<b>28</b>
Planned - Taxable	0	0	5	47	34	26	(19)	(17)	<b>75</b>
Planned - Tax Exempt	0	0	0	17	6	7	16	6	<b>51</b>
Planned - Tax Exempt (gift offset)	0	0	0	0	0	0	0	0	<b>0</b>
Total Debt	28	0	5	63	39	33	(3)	(11)	<b>154</b>
Gift									
Received	5	6	10	1	0	0	0	0	<b>22</b>
Pledged	0	0	0	2	0	0	0	0	<b>2</b>
Planned	0	1	7	14	15	35	54	21	<b>146</b>
Total Gifts	5	7	17	17	15	35	54	21	<b>171</b>
Sponsored Research Grant	0	0	0	0	0	0	0	0	<b>0</b>
University Reserves	4	11	35	32	(1)	23	3	3	<b>111</b>
School / Department Reserves	0	0	6	6	11	3	3	3	<b>32</b>
Internal Loan	0	0	0	0	0	0	0	0	<b>0</b>
Central Bank	0	0	0	0	0	0	0	0	<b>0</b>
<b>Total Non General Fund</b>	<b>37</b>	<b>18</b>	<b>63</b>	<b>119</b>	<b>64</b>	<b>94</b>	<b>57</b>	<b>16</b>	<b>468</b>
<b>PUBLIC-PRIVATE PARTNERSHIP (P3)</b>	<b>0</b>	<b>9</b>	<b>27</b>	<b>30</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>78</b>
<b>FUNDING NOT IDENTIFIED</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>2</b>	<b>55</b>	<b>57</b>
<b>TOTAL FUNDING SOURCES</b>	<b>165</b>	<b>59</b>	<b>216</b>	<b>353</b>	<b>292</b>	<b>323</b>	<b>179</b>	<b>105</b>	<b>1,690</b>

# Capital Expenditure Plan



(1) Excludes portion that will be funded through partner contributions (Fuse \$77M, Initiatives \$100M).

# Active Capital Projects

ACTIVE CAPITAL PROJECTS				Expenditure Plan (\$Ms)									Pro-Forma Funding Plan (\$Ms)						SLT	
Capital Project	Campus	Type	GSF	Prior								Total	Philanthropy	General	P3 /		Debt	Agreement		
				Years	FY22	FY23	FY24	FY25	FY26	FY27	FY28	Cost	Commit	Project	Fund	Cash	Other		Commit	Project
Active Projects																				
Fuse at Mason Square	Arlington	New	505,520	5	24	76	112	41	--	--	--	257	21	69	89	(0)	78	--	--	35%
Utility Infrastructure (Core)	Fairfax	Reno	0	46	6	--	--	--	--	--	--	52	--	1	21	4	--	28	--	40%
Horizon Hall / Harris Theater	Fairfax	New	219,712	107	12	1	--	--	--	--	--	120	--	--	117	3	--	--	--	98%
Telecom Infrastructure Phase I	Fairfax	Reno	976	1	1	7	2	--	--	--	--	11	--	--	11	--	--	--	--	100%
Telecom Infrastructure Phase II	Various	Reno	0	--	0	8	15	--	--	--	--	23	--	--	12	--	--	--	11	53%
Aquatic and Fitness Center	Fairfax	Reno	0	--	0	0	9	0	--	--	--	10	--	--	--	0	--	--	10	0%
Central Heating and Cooling	Fairfax	New	0	--	0	3	2	--	--	--	--	5	--	--	5	--	--	--	--	100%
Necklace Phase I	Fairfax	New	0	0	1	2	--	--	--	--	--	3	--	--	--	3	--	--	--	0%
Johnson Center HVAC Repairs	Fairfax	Reno	0	0	0	4	0	1	--	--	--	5	--	--	--	5	--	--	--	0%
Life Science Engineering	Sci Tech	New	133,300	3	4	52	33	10	--	--	--	102	--	--	102	--	--	--	--	100%
TTIP Bachelors Capital Invest.	Various	Reno	0	2	7	5	2	3	3	1	--	23	--	--	23	--	--	--	--	100%
Maintenance Reserve	Various	Reno	0	--	--	7	7	7	7	7	7	41	--	--	41	--	--	--	--	100%
Miscellaneous Renovations	Various	Reno	0	--	--	4	7	7	7	7	7	37	--	3	--	34	--	--	--	0%
Total Active Projects				165	54	170	188	68	16	15	13	690	21	73	422	48	78	28	21	



# Commonwealth Six-Year Plan Submission

CAPITAL NEEDS W/ PRELIMINARY FUNDING				Expenditure Plan (\$Ms)									Pro-Forma Funding Plan (\$Ms)							SLT
				Prior									Total	Philanthropy		General		P3 /		Debt
Capital Project	Campus	Type	GSF	Years	FY22	FY23	FY24	FY25	FY26	FY27	FY28	Cost	Commit	Project	Fund	Cash	Other	Commit	Project	(State)
E&G Projects																				
Improve Telecom/Network (Ph 3)	Fairfax	New	NA	--	--	10	14	0	--	--	--	24	--	--	14	10	--	--	--	59%
Student Innovation Factory Bldg.	Fairfax	New	60,000	--	0	5	22	3	--	--	--	30	--	--	30	0	--	--	--	100%
Interdisciplinary Sci. & Eng. Bldg.	Fairfax	New	150,000	--	0	7	30	59	46	7	--	150	--	--	150	(0)	--	--	--	100%
Business School	Fairfax	New	200,000	--	--	0	13	37	62	46	7	165	4	37	83	41	--	--	--	50%
EagleBank Arena Addition	Fairfax	New	135,000	--	--	1	15	47	74	14	0	150	--	--	115	0	--	--	35	77%
EagleBank Arena Reno (Ph 1 - S)	Fairfax	Reno	27,300	--	--	--	2	18	10	--	--	30	--	--	--	--	--	--	30	0%
Academic VIII	Sci Tech	New	200,000	--	--	1	26	41	72	52	8	200	--	--	200	0	--	--	--	100%
Point of View Cottages	Point of View	New	8,200	--	--	1	7	0	--	--	--	8	--	4	4	0	--	--	--	50%
Real Estate Acquisitions	Various	New	NA	--	--	20	20	--	--	--	--	40	--	--	--	40	--	--	--	0%
Small Capital Improvement Prog.	Various	Reno	NA	--	4	--	--	--	--	--	--	4	--	--	--	4	--	--	--	0%
Aggregated Deferred Maintenance	Fairfax	Reno	0	--	--	--	7	7	7	7	7	36	--	--	36	--	--	--	--	100%
Total E&G												837	4	41	632	95	0	0	65	
Total				0	4	46	155	212	272	126	22	837	4	41	632	95	0	0	65	

## Key:

FY22 Capital Budget Request
Proposed FY23 Capital Budget Request
Pending Synario Testing
Approved for Planning

# Pro Forma Capital Needs

CAPITAL NEEDS W/ FUNDING UNDETERMINED				Expenditure Plan (\$Ms)									Pro-Forma Funding Plan (\$Ms)						SLT	
				Prior									Total	Philanthropy	General	P3 /		Debt		Agreement
Capital Project	Campus	Type	GSF	Years	FY22	FY23	FY24	FY25	FY26	FY27	FY28	Cost	Commit	Project	Fund	Cash	Other	Commit	Project	(State)
Auxiliary Projects																				
Concert Hall Renovation	Fairfax	Reno	NA	--	--	--	--	1	15	9	--	25	--	25	--	--	--	--	--	0%
Contemplative Center	Fairfax	New	10,000	--	--	--	--	0	7	0	--	7	--	7	--	0	--	--	--	0%
Sustainability Initiatives	Fairfax	New	NA	--	--	--	10	10	10	10	10	50	--	--	22	--	--	--	29	0%
Multimodal Transportation (Ph 1)	Fairfax	New	NA	--	--	--	--	--	3	18	10	30	--	--	13	5	--	--	12	0%
Recreation & Well-Being (Ph 1)	Fairfax	New	0	--	--	--	--	--	--	1	25	26	--	--	--	26	--	--	--	0%
Recreation & Well-Being (SUB-1)	Fairfax	Reno	0	--	--	--	--	--	--	1	25	26	--	--	--	26	--	--	--	0%
Total Auxiliary												163	0	32	34	57	0	0	40	
P3 Projects - Developer Financed																				
Arlington Student Housing	Fairfax	New	0	--	--	--	--	0	--	--	--	0	--	--	--	0	--	--	--	0%
Faculty / Staff Housing (Ph 1)	Fairfax	New	0	--	--	--	--	--	0	--	--	0	--	--	--	0	--	--	--	0%
Field House + Track & Soccer Stadium	Fairfax	New	370,000	--	--	0	--	--	--	--	--	0	--	--	--	0	--	--	--	0%
Lacrosse Stadium & Fields	Fairfax	New	240,000	--	--	0	--	--	--	--	--	0	--	--	--	0	--	--	--	0%
W Campus Mixed-Use (Ph 1)	Fairfax	New	162,500	--	--	0	--	--	--	--	--	0	--	--	--	0	--	--	--	0%
Baseball Stadium	Fairfax	New	170,000	--	--	--	0	--	--	--	--	0	--	--	--	0	--	--	--	0%
Softball Stadium	Fairfax	New	130,000	--	--	--	0	--	--	--	--	0	--	--	--	0	--	--	--	0%
Multipurpose Stadium & Fields	Fairfax	New	540,000	--	--	--	0	--	--	--	--	0	--	--	--	0	--	--	--	0%
Tennis Complex	Fairfax	New	90,000	--	--	--	--	0	--	--	--	0	--	--	--	0	--	--	--	0%
Faculty / Staff Housing (Ph 2)	Fairfax	New	250,000	--	--	--	--	0	--	--	--	0	--	--	--	0	--	--	--	0%
W Campus Mixed-Use (Ph 2)	Fairfax	New	162,500	--	--	--	--	0	--	--	--	0	--	--	--	0	--	--	--	0%
Hotel & Conference Center	Fairfax	New	100,000	--	--	--	--	0	--	--	--	0	--	--	--	0	--	--	--	0%
W Campus Mixed-Use (Ph 3)	Fairfax	New	162,500	--	--	--	--	0	--	--	--	0	--	--	--	0	--	--	--	0%
W Campus Mixed-Use (Ph 4)	Fairfax	New	162,500	--	--	--	--	0	--	--	--	0	--	--	--	0	--	--	--	0%
Total P3												0	0	0	0	0	0	0	0	
Total				0	0	0	10	12	34	38	69	163	0	32	34	57	0	0	40	