

ZA00JKL
Maryland Independent College and University Association
Miscellaneous Grant Programs

Capital Budget Summary

Grant and Loan *Capital Improvement Program*
(\$ in Millions)

<i>Program</i>	<i>2014 Approp.</i>	<i>2015 Approp.</i>	<i>2016 Request</i>	<i>2017 Estimate</i>	<i>2018 Estimate</i>	<i>2019 Estimate</i>	<i>2020 Estimate</i>
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MICUA	\$10.500	\$9.000	\$8.000	\$4.000	\$4.000	\$4.000	\$4.000
Total	\$10.500	\$9.000	\$8.000	\$4.000	\$4.000	\$4.000	\$4.000

<i>Fund Source</i>	<i>2014 Approp.</i>	<i>2015 Approp.</i>	<i>2016 Request</i>	<i>2017 Estimate</i>	<i>2018 Estimate</i>	<i>2019 Estimate</i>	<i>2020 Estimate</i>
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GO Bonds	\$10.500	\$9.000	\$8.000	\$4.000	\$4.000	\$4.000	\$4.000
Total	\$10.500	\$9.000	\$8.000	\$4.000	\$4.000	\$4.000	\$4.000

GO: general obligation

MICUA: Maryland Independent College and University Association

Summary of Recommended Bond Actions

1. Johns Hopkins University Bloomberg School of Public Health
Approve.
2. Notre Dame of Maryland University Gibbons Hall
Approve.
3. Washington Adventist University Health Sciences Building
Approve.

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4. Section 2 – Maryland Independent College and University Association – Maryland Institute College of Art

Approve the modification of allowable uses of general obligation bonds.

Performance Measures and Outputs

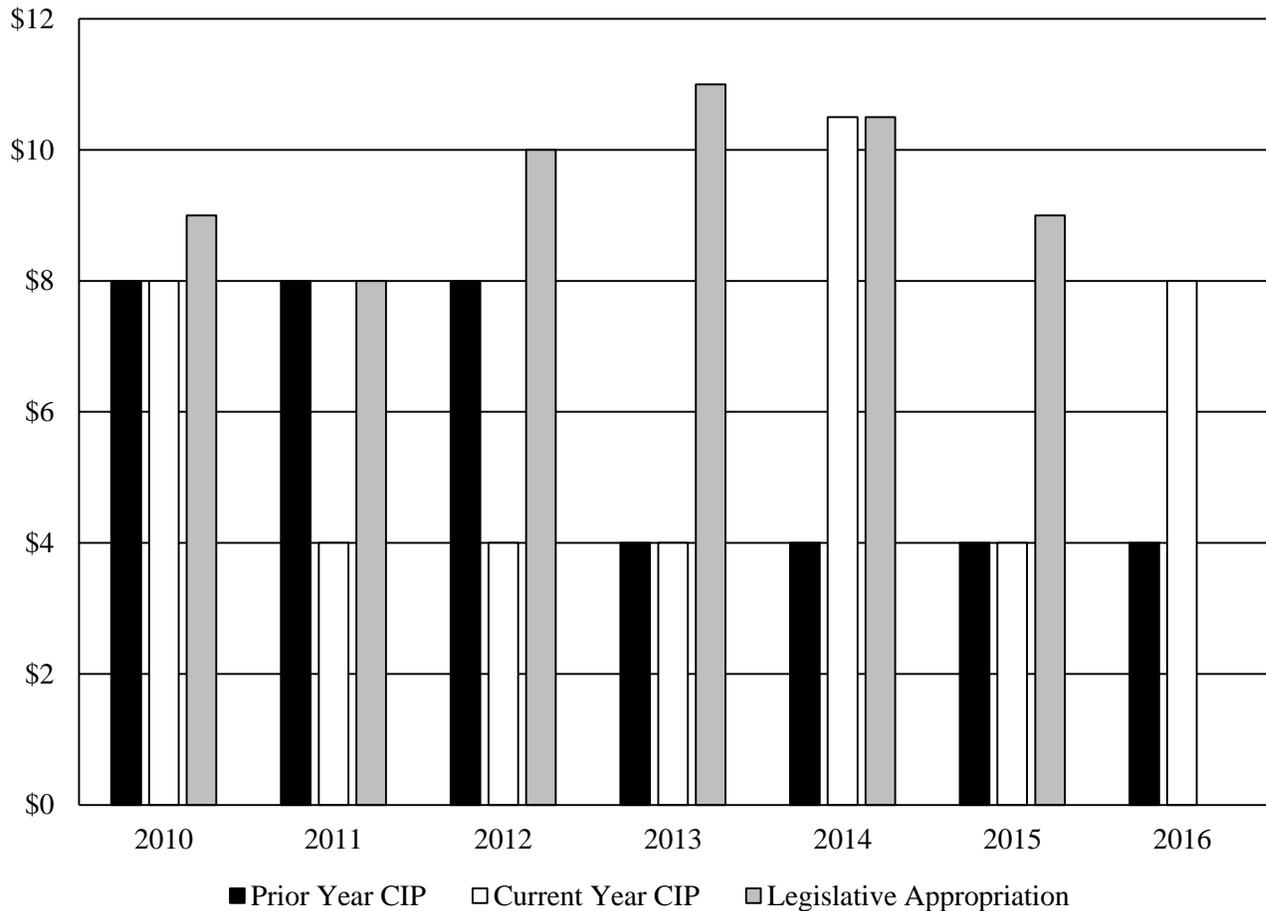
Funds are provided for grants to assist the State’s private colleges and universities with costs of constructing and renovating academic facilities and infrastructure. The grants leverage institutional resources and private donations, which must at least match the State appropriation for each project. The 14 eligible institutions are represented by the Maryland Independent College and University Association (MICUA), established in 1971. MICUA institutions are a critical component for meeting the State’s goals in postsecondary education. MICUA recently reported that its member institutions served over 63,000 students in the State and granted about 14,300 degrees and certificates. Receiving about 2% of the State’s capital higher education budget, MICUA institutions serve about 15% of the State’s higher education students and produce about 27% of degrees awarded.

Budget Overview

As shown in **Exhibit 1**, the fiscal 2014 and 2015 budgets programmed \$10.5 million and \$9.0 million, respectively, in State support, while the fiscal 2016 budget programs only \$8.0 million for three new MICUA projects. This is equal to the smallest amount of State funding that MICUA has received in the past six years, \$8.0 million in fiscal 2011. However, the *Capital Improvement Program* (CIP) has shown only \$4.0 million in each out-year for MICUA projects since fiscal 2012. The General Assembly has increased MICUA funding in six of the past seven years.

Exhibit 2 shows the MICUA capital program appropriations from fiscal 1995 to 2015. Overall, the State provided \$149.9 million to 14 institutions. The Johns Hopkins University (JHU) received the most funding at \$35.3 million, or 24%. The next largest recipient is the Maryland Institute College of Art, which received \$15.4 million, followed by Washington College, which received \$14.7 million. The remaining 11 institutions received \$84.6 million, or about \$7.7 million each on average. This exhibit excludes Baltimore International College, which is no longer eligible to receive State capital funding due to its partnership with a for-profit university. By full-time equivalent student enrollment, JHU accounts for about 45% of enrollment, while Loyola University of Maryland has about 12% and Stevenson University about 9% of total MICUA enrollment. The remaining 11 institutions average about 1,300 students per campus and account for about 34% of the total MICUA enrollment in fiscal 2014. As well as having the largest enrollment, JHU is also the only independent research institution by Carnegie classification in the State, so it has greater financial need for capital improvements than smaller, nonresearch-oriented campuses. Institutions are to receive funding only once every three years to ensure that all institutions receive funding; however, JHU is up again in fiscal 2016 after last receiving funding in fiscal 2014.

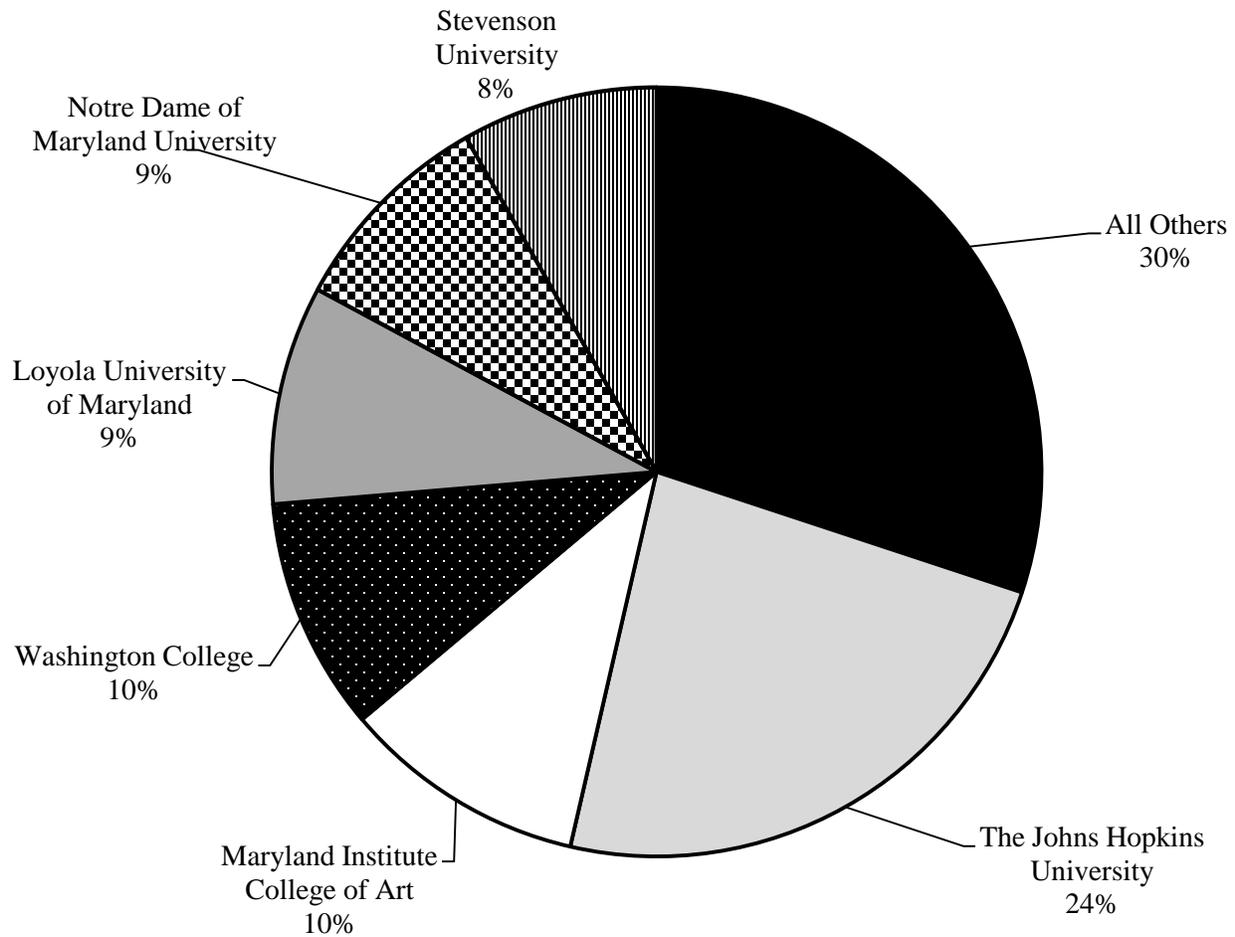
Exhibit 1
Historic Funding for MICUA Projects
Fiscal 2010-2016
(\$ in Millions)



CIP: Capital Improvement Program
MICUA: Maryland Independent College and University Association

Source: Department of Budget and Management

Exhibit 2
Maryland Independent College and University Association
Capital Appropriations
Fiscal 2005-2015
(\$ in Millions)



Note: Includes only funding appropriated through the Maryland Independent College and University Association’s capital budget program.

Source: Maryland Independent College and University Association

MICUA has also requested one modification to prior capital budget bill language to allow the Maryland Institute College of Art to use general obligation bond funding to *acquire* property in addition to planning, designing, construction, renovating, and equipping property. The Department of Legislative Services has no issue with this request as it is consistent with the project approved in the 2013 CIP.

The Johns Hopkins University

Authorization Uses
(\$ in Millions)

<i>Description</i>	<i>Prior Authorization</i>	<i>2016 Request</i>	<i>2017 Estimate</i>	<i>2018 Estimate</i>	<i>2019 Estimate</i>	<i>2020 Estimate</i>
Planning	\$0.000	\$0.573	\$0.000	\$0.000	\$0.000	\$0.000
Construction	0.000	7.794	0.000	0.000	0.000	0.000
Total	\$0.000	\$8.367	\$0.000	\$0.000	\$0.000	\$0.000

Authorization Sources
(\$ in Millions)

<i>Description</i>	<i>Prior Authorization</i>	<i>2016 Request</i>	<i>2017 Estimate</i>	<i>2018 Estimate</i>	<i>2019 Estimate</i>	<i>2020 Estimate</i>
GO Bonds (28.7%)	\$0.000	\$2.400	\$0.000	\$0.000	\$0.000	\$0.000
Nonbudgeted (71.3%)	0.000	5.967	0.000	0.000	0.000	0.000
Total	\$0.000	\$8.367	\$0.000	\$0.000	\$0.000	\$0.000

This project will renovate 15,000 gross square feet (GSF) of space in four obsolete and functionally inadequate research suites located on three floors of JHU’s Bloomberg School of Public Health in Baltimore City. By reconfiguring existing spaces and creating usable space in obsolete areas, the project will enable the public health school to recapture unused space to increase research. Fiscal 2016 funding allows for design and construction of these renovations. Due to the lack of surge space in the building, the project will be completed in phases. Construction will last from April 2016 to July 2018, although JHU has indicated that it could accelerate this project to be completed by December 2016. Unlike most other MICUA-funded projects, this project is not related to undergraduate academics.

The public health school’s facility is a series of connected buildings located across the street from the Johns Hopkins Hospital. The oldest section dates back to 1926, but the laboratory space proposed for renovation was built in 1986. The laboratory spaces in question are vertically aligned on floors five, six, and seven of this building, and about half of this space, 7,500 GSF, is currently vacant because of the poor physical condition and inefficiencies of the facility. Modern laboratory space emphasizes collaboration, so space must be reconfigured to allow greater flexibility and communication between principal investigators. Additionally, the current building was built before modern information technology standards, so cable connections are haphazard or inconvenient. Much of the benches and shelving are fixed in place and outdated. Renovations would remove certain walls, conceal gas lines,

and provide modern safety equipment. Due to a lack of space on the medical campus, renovation is the most practical course of action to create modern research space. JHU estimates the laboratories will also create 35 full-time jobs, as well as make the institution more competitive for research grants. Finally, the Department of Health and Mental Hygiene’s East Baltimore Maryland Public Health Laboratory will benefit from the close proximity to the increased abilities of the public health school resulting from this project.

The total State share of this project is projected to be 28.7%. The last fiscal year in which JHU received MICUA capital funding was in fiscal 2014 for construction of Malone Hall for the Whiting School of Engineering.

The President should comment on whether all \$2.4 million is necessary in fiscal 2016 given the project will be broken into at least two phases.

Notre Dame of Maryland University

**Authorization Uses
(\$ in Millions)**

<i>Description</i>	<i>Prior Authorization</i>	<i>2016 Request</i>	<i>2017 Estimate</i>	<i>2018 Estimate</i>	<i>2019 Estimate</i>	<i>2020 Estimate</i>
Planning	\$0.000	\$1.025	\$0.000	\$0.000	\$0.000	\$0.000
Construction	0.000	9.495	0.000	0.000	0.000	0.000
Total	\$0.000	\$10.520	\$0.000	\$0.000	\$0.000	\$0.000

**Authorization Sources
(\$ in Millions)**

<i>Description</i>	<i>Prior Authorization</i>	<i>2016 Request</i>	<i>2017 Estimate</i>	<i>2018 Estimate</i>	<i>2019 Estimate</i>	<i>2020 Estimate</i>
GO Bonds (30.4%)	\$0.000	\$3.200	\$0.000	\$0.000	\$0.000	\$0.000
Nonbudgeted (69.6%)	0.000	7.320	0.000	0.000	0.000	0.000
Total	\$0.000	\$10.520	\$0.000	\$0.000	\$0.000	\$0.000

This project will assist in the renovation of the interior and exterior of Gibbons Hall, an 84,250 GSF building dating from 1873. It is an easily recognizable structure along the Charles Street Corridor in Baltimore City given its white bell tower and baroque architecture. Recent storm damage

has resulted in accelerated deterioration of this historic building, which is the central and iconic building on the Notre Dame of Maryland University (NDMU) campus. Fiscal 2016 funding allows for design and renovation of Gibbons Hall.

This project will convert some unused space into functional space to greatly improve Americans with Disabilities Act (ADA) compliance and to improve technology in the building. This will include installing a new elevator and ADA-accessible building entrance. It will also include critical repairs to the roof and mansard slate replacement on the Merrick Tower, both of which were damaged during Superstorm Sandy in October 2012. The Gibbons Hall building envelope is also in poor condition following recent severe winter storms. Repairs will be consistent with Maryland Historic Trust standards. NDMU has also received a planning grant from the National Trust for Historic Preservation to support exterior renovations to repair and paint 278 windows but needs additional support to make necessary renovations to the rest of the building. No State funding will be used in religious convent space attached to Gibbons Hall.

Undergraduate enrollment at NDMU consist of 80% Maryland residents, and about half are Pell grant-eligible students. Renovated classroom space will benefit humanities and social sciences courses, as well as a television/radio studio for student use. NDMU has a strong focus on teacher education, as it is the largest private producer of new teachers in Maryland.

The total State share of this project is projected to be 30.4%. The last fiscal year in which NDUM received MICUA capital funding was in fiscal 2012 for \$4 million for the construction of a new nursing building.

Washington Adventist University

Authorization Uses (\$ in Millions)

<i>Description</i>	<i>Prior Authorization</i>	<i>2016 Request</i>	<i>2017 Estimate</i>	<i>2018 Estimate</i>	<i>2019 Estimate</i>	<i>2020 Estimate</i>
Planning	\$0.000	\$0.660	\$0.000	\$0.000	\$0.000	\$0.000
Construction	0.000	9.065	0.000	0.000	0.000	0.000
Total	\$0.000	\$9.725	\$0.000	\$0.000	\$0.000	\$0.000

Authorization Sources
(\$ in Millions)

<i>Description</i>	<i>Prior Authorization</i>	<i>2016 Request</i>	<i>2017 Estimate</i>	<i>2018 Estimate</i>	<i>2019 Estimate</i>	<i>2020 Estimate</i>
GO Bonds (24.7%)	\$0.000	\$2.400	\$0.000	\$0.000	\$0.000	\$0.000
Nonbudgeted (75.3%)	0.000	7.325	0.000	0.000	0.000	0.000
Total	\$0.000	\$9.725	\$0.000	\$0.000	\$0.000	\$0.000

This project will renovate 24,000 net square foot (NSF) and construct a 2,000 NSF addition to the Health Sciences Building located on the campus of Washington Adventist University (WAU) in Takoma Park, Maryland. The existing building dates to the 1940s, with additions and renovations dating to the 1970s and 1980s. The infrastructure is obsolete, and the classroom space is functionally inadequate for modern degree programs. Additionally, WAU launched new health and wellness degree programs in fall 2014 and would like to increase enrollment in health shortage areas, such as nursing. Fiscal 2016 funding allows for design, renovation, and construction of this project.

Renovation would create five additional nursing laboratories, a remote nursing station, and observation areas for faculty and clinical personnel. This renovation and construction project will create classrooms, laboratories, faculty offices, and group study spaces to address WAU’s space deficiencies and revitalize an old building at the only public four-year institution in Montgomery County. The current facility has only three classrooms that cannot accommodate the instructional needs of the health care programs and only one skills laboratory for the nursing program. A modern nursing program requires multiple laboratories to replicate different scenarios and simulations that reflect care across the age continuum as well as a mock nursing unit with simulated patient rooms. These activities are critical for students to acquire familiarity with direct nursing care.

While WAU reports enrollment has increased in its health programs, its full-time equivalent enrollment has decreased from 1,111 in fiscal 2011 to 759 in fiscal 2014, a decrease of 352 students, or 31.7%. Additionally, the Maryland Higher Education Commission’s opening fall 2014 enrollment report indicates WAU’s total student headcount declined 10.8% in fall 2014 from fall 2013.

The total State share of this project is projected to be 24.7%. The last fiscal year in which WAU received MICUA capital funding was in fiscal 2004 for \$2.3 million to construct a new music education building.

The President should comment on whether the enrollment decline has freed up space on the campus that can be repurposed for WAU’s health-related degree programs rather than renovating an entire building.

GO Bond Recommended Actions

1. Approve the \$2.4 million for the planning, design, construction, renovation, and capital equipping of renovations to four laboratory suites in the Bloomberg School of Public Health at The Johns Hopkins University.
2. Approve the \$3.2 million in general obligation bonds for planning, design, construction, renovation, and capital equipping of the renovations to Gibbons Hall at Notre Dame of Maryland University.
3. Approve the \$2.4 million in general obligation bonds for planning, design, construction, renovation, and capital equipping of the Health Sciences Building at Washington Adventist University.
4. Approve the modification of general obligation bond uses for the Maryland Institute College of Art to include acquisition of property. This action does not change the total amount of State support, \$4 million, for this project.