



Office of the Chief Financial Officer and Treasurer

August 17, 2023

The Honorable Eric J. Holcomb  
Governor of the State of Indiana  
Statehouse  
Indianapolis, IN 46204

Dear Governor Holcomb:

At its meeting on August 4, 2023, the Purdue University Board of Trustees approved the planning, financing, construction and award of construction contracts for Hillenbrand Residence Hall South on the West Lafayette campus.

This project will construct an eight-story, approximately 252,000 GSF residence hall to provide 896 new pod-style beds for first-year students and will be located immediately south of the existing Hillenbrand Residence Hall. The current Hillenbrand Residence Hall dining area will be renovated and expanded to add roughly 300 more seats than are available now.

This new residence hall will help address on-campus housing demand and the existing wait list. It has the support of Purdue's Action Council on Student Housing and Wellbeing – an initiative that began at the start of the spring 2023 semester with the goal of providing a supportive environment in which Boilermakers can pursue their highest aspirations.

The estimated total project cost is \$149,000,000 and will be fully funded Non-Fee Replaced Debt – Auxiliary Housing/Dining.

Subject to review by the Commission for Higher Education and recommendation by the State Budget Committee and the Budget Agency, we request your approval to proceed with this project. Attached are the completed forms that the Commission has prescribed for its review of such projects. We will be happy to answer any questions you or your staff may have or to provide any additional information that is needed.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Ruhl', written over a light blue horizontal line.

Christopher A. Ruhl  
Chief Financial Officer and Treasurer

Attachments

c: Seth Hinshaw, Chief Financial Officer, Indiana Commission for Higher Education  
Zachary Jackson, Director, Indiana State Budget Agency  
Jasmine Williams, Assistant Director, Indiana State Budget  
Kathleen Thomason, Comptroller, Purdue University  
Anne Hazlett, Senior Director, Government Relations, Purdue University

**PROJECT COST SUMMARY**  
Hillenbrand Residence Hall South

<b>Institution:</b>	Purdue University	<b>Budget Agency Project No.:</b>	B-1-24-1-01
<b>Campus:</b>	West Lafayette	<b>Institutional Priority:</b>	N/A
<b>Previously approved by General Assembly:</b>	No	<b>Previously recommended by CHE:</b>	No
<b>Part of the Institution's Long-term Capital Plan:</b>	Yes		

<b>Project Size:</b>	252,525 GSF (1)	141,335 ASF (2)	0.56 ASF/GSF
<b>Net change in overall campus space:</b>	252,525 GSF	140,564 ASF	

<b>Total cost of the project (3):</b>	\$ 149,000,000	<b>Cost per ASF/GSF:</b>	\$ 590.04 GSF
<b>Total cost of the demolition:</b>	\$ 1,460,000		\$ 1,054.23 ASF
<b>Funding Source(s) for project (4):</b>	Amount	Type	
	\$ 149,000,000	Non-Fee Replaced Debt -- Auxiliary Housing/Dining	
<b>Estimated annual debt payment (6):</b>	\$ 0		
<b>Are all funds for the project secured:</b>	Yes		

**Project Funding:**  
The project is being fully funded by Non-Fee Replaced Debt -- Auxiliary Housing/Dining. All funds are secured.

**Project Cost Justification**  
This project's scope and cost are described more in the Capital Project Details section.

<b>Estimated annual change in cost of building operations based on the project:</b>	\$ 2,096,496
<b>Estimated annual repair and rehabilitation investment (5):</b>	\$ 2,235,000

(1) Gross Square Feet (GSF)- Sum of all area within the exterior envelope of the structure.  
(2) Assignable Square Feet (ASF)- Amount of space that can be used by people or programs within the interior walls of a structure. Assignable square feet is the sum of the 10 major assignable space use categories: classrooms, laboratories, offices, study facilities, special use facilities, general use facilities, support facilities, health care facilities, residential facilities and unclassified facilities. For information on assignable space use categories, see Space-Room Codes tab.  
(3) Projects should include all costs associated with the project (structure, A&E, infrastructure, consulting, FF&E, etc.)  
(4) Be consistent in the naming of funds to be used for projects. If bonding, note Bonding Authority Year (1965, 1929, 1927, etc.)  
(5) Estimate the amount of funding the institution would need to set aside annually to address R&R needs for the project. CHE suggests 1.5% of total construction cost  
(6) If issuing debt, determine annual payment based on 20 years at 4.75% interest rate  
- If project is a lease-purchase or lease, adjust accordingly. Note the total cost of the lease in the project cost, and annual payments in project description

# PROJECT DETAILED DESCRIPTION - ADDITIONAL INFORMATION

## Hillenbrand Residence Hall South

<b>Institution:</b>	Purdue University	<b>Budget Agency Project No.:</b>	B-1-24-1-01
<b>Campus:</b>	West Lafayette	<b>Institutional Priority:</b>	N/A

### Description of Project

This project will construct an eight-story, approximately 252,000 GSF residence hall immediately south of the existing Hillenbrand Residence Hall on the West Lafayette campus and provide 896 new pod-style beds for first-year students. The existing Hillenbrand Residence Hall dining area will be renovated and expanded to include approximately 800 total seats – roughly 300 more seats than currently exist – to support the additional residents and campus community. The project will also increase space on the ground floor for the growing Data Mine learning community that is currently located in Hillenbrand Residence Hall.

### Need and Purpose of the Program

This new residence hall will help address on-campus housing demand and the existing wait list. Since 2013, student enrollment has increased by 31 percent, and the completion of this project will contribute to a 35 percent increase in the number of on-campus beds.

As larger freshmen cohorts continue to enroll at Purdue West Lafayette and live in residence halls, fewer spaces are available for sophomores. Over the last four years, the number of freshmen living in residence halls has increased nearly 18 percent. For the 2022-23 academic year, 1,800 sophomores requested to live in a residence hall and were turned away due to lack of available beds. For the past seven years, the university has master leased off-campus apartments to help supplement the demand for on-campus living space. Currently, more than 1,000 beds are being master leased. The projected total number of students living in University Residences for 2023-24 is 15,939, compared to 15,899 in 2022-23.

The Data Mine is an interdisciplinary, fully immersive living, learning and research-based community with more than 1,200 students, faculty and researchers involved. The Data Mine was available to 100 students in 2018-19 and has grown significantly since that time. Comprised of 20 learning communities, the program enables students to learn about data sciences while pursuing other disciplines, promoting "Data Science for All." Through participation in courses, seminars, research and professional development experiences, students are equipped with highly sought after skills in the workforce. The Data Mine has corporate partnerships with more than 40 companies to allow students to collaborate on real-world problems using modern applications.

Providing more on-campus housing capacity aligns with the Purdue Moves 2.0 Transformative Education initiative and the Giant Leaps Housing and Dining Master Plan. This project has the support of the Action Council on Student Housing and Wellbeing—an initiative that began at the start of the Spring 2023 semester with the goal of providing a supportive environment in which Boilermakers can pursue their highest aspirations.

### Space Utilization

The new Hillenbrand Residence Hall South building will add over 100,000 ASF of residential space. It will also provide more than 3,000 ASF of class lab space for the Data Mine program. Other student-centric spaces added include food facility, lounge, and study space, for a near total 150,000 ASF. Around 800 ASF of food facility space in the existing Hillenbrand building will be repurposed to non-assignable public queuing and corridor space.

### Comparable Projects

Griffin Residence Hall North and Meredith Residence Hall South (2018)

- o 351,000 GSF (combined)
- o \$103,000,000
- o \$293/GSF

New construction of two residence halls that included 1,300 total beds

The proposed project is for a single residence hall with approximately 900 beds with approximately 100,000 GSF less space. Economies of scale and inflation account for the higher costs per GSF of this project.

The comparable project was delivered with a Public-Private Partnership (P3), and the proposed project is using a Construction Manager as Constructor (CMc) delivery method.

### Background Materials

**CAPITAL PROJECT REQUEST FORM**  
**INDIANA PUBLIC POSTSECONDARY EDUCATION**  
**INSTITUTION CAMPUS SPACE DETAILS FOR Hillenbrand Residence Hall South**

(INSERT PROJECT TITLE AND SBA No.)	Current Campus Totals			Subtotal Current and Future Space	Capital Request		Net Future Space
	Current Space in Use	Space Under Construction (1)	Space Planned and Funded (1)		Space to be Terminated (1)	New Space in Capital Request (2)	
<b>A. OVERALL SPACE IN ASF</b>							
Classroom (110 & 115)	335,609	(2,532)	18,301	351,378	-	-	351,378
Class Lab (210,215,220,225,230,235)	798,413	(16,463)	19,594	801,544	-	4,666	806,210
Non-class Lab (250 & 255)	1,705,678	25,281	(662)	1,730,297	-	-	1,730,297
Office Facilities (300)	2,337,380	(46,473)	25,018	2,315,925	(1,201)	2,655	2,317,379
Study Facilities (400)	416,131	55,895	4,349	476,375	-	8,958	485,333
Special Use Facilities (500)	1,207,887	8,486	(6,524)	1,209,849	(771)	8,419	1,217,497
General Use Facilities (600)	977,156	(27,128)	9,749	959,777	-	7,083	966,860
Support Facilities (700)	2,881,468	(876)	(8,559)	2,872,033	-	-	2,872,033
Health Care Facilities (800)	220,687	-	(1,990)	218,697	-	90	218,787
Resident Facilities (900)	2,424,325	-	-	2,424,325	(135)	111,281	2,535,471
Unclassified (000)	129,184	-	-	129,184	-	-	129,184
<b>B. OTHER FACILITIES</b>							
(Please list major categories)							
<b>TOTAL SPACE</b>	<b>13,433,918</b>	<b>(3,810)</b>	<b>59,276</b>	<b>13,489,384</b>	<b>(2,107)</b>	<b>143,152</b>	<b>13,630,429</b>

Notes:

- Space/Room codes based on Postsecondary Ed Facilities Inventory and Classification Manual (2006)

(1) Identify in a footnote the specific facilities that are included in the data in these columns. Do not include pending approval, non-submitted projects or non-funded projects

Space under construction includes:

- Schleman/Stewart Renovation
- Whistler Mechanical Project
- Ross-Ade Stadium Renovation
- Zucrow High Speed Propulsion Lab
- Mackey Locker Rooms Renovation
- Brown Family Hall Renovation
- Libraries Study Space Renovation
- University Hall and Related Renovations

Space planned and funded includes:

- Life Sciences Phenotyping Greenhouse Building
- Nursing and Pharmacy Education Building
- Northwest Chiller Plant System Improvements
- Vawter Hall Electrical Enhancements and Replacement
- PMU 2nd Floor Hospitality Renovation
- Mechanical Engineering Building Renovation
- Birck Nanotechnology Center Clean Room Modernization and Related Renovations
- Chilled Water Capacity Enhancement Projects
- Runway 5-23 and Intermediate Connector Taxiway
- Purdue Airport Terminal
- Grant Street Parking Garage Repairs
- Shealy Hall Roof Replacement
- Shreve Hall Electrical Enhancements and Replacement
- University and Schleman Halls Strategic Transformer Replacement
- Wetherill Lab Drain and Supply Line Replacement Phase I

(1) Spaces to be terminated include the following areas in Hillenbrand Residence Hall:

- Office space repurposed into class lab space
- Residential storage space being repurposed into class lab space
- Food facility space being repurposed into non-assignable public circulation space

(2) Spaces added as part of this project include class labs, office, study, general use (recreation and lounge), support, health care, and residential spaces.

**CAPITAL PROJECT COST DETAILS**  
**Hillenbrand Residence Hall South**

<b>Institution:</b>	Purdue University	<b>Budget Agency Project No.:</b>	B-1-24-1-01
<b>Campus:</b>	West Lafayette	<b>Institutional Priority:</b>	N/A

**ANTICIPATED CONSTRUCTION SCHEDULE**

	<u>Month</u>	<u>Year</u>
<b>Bid Date</b>	February	2024
<b>Start Construction</b>	March	2024
<b>Occupancy (End Date)</b>	August	2026

**ESTIMATED CONSTRUCTION COST FOR PROJECT**

	<u>Cost Basis (1)</u>	<u>Estimated Escalation Factors (2)</u>	<u>Project Cost</u>
<b><u>Planning Costs</u></b>			
a. Engineering	\$ 4,665,000		N/A
b. Architectural	\$ 4,600,000		N/A
c. Consulting	\$ 240,000		N/A
<b><u>Construction</u></b>			
a. Structure (Civil)	\$ 61,600,000		N/A
b. Mechanical	\$ 34,000,000		N/A
c. Electrical	\$ 16,000,000		N/A
<b><u>Movable Equipment</u></b>	\$ 3,820,000		N/A
<b><u>Fixed Equipment</u></b>	\$ -		N/A
<b><u>Site Development/Land Acquisition</u></b>	\$ 11,000,000		N/A
<b><u>Other (PM fee, insurance, contingencies, geotechnical)</u></b>	\$ 13,075,000		N/A
<b>TOTAL ESTIMATED PROJECT COST</b>	<b>\$ 149,000,000</b>	<b>\$ -</b>	<b>N/A</b>

(1) Cost Basis is based on current cost prevailing as of: (INSERT MONTH AND YEAR)

(2) Explain in the Description of Project Section of the "Cap Proj Details" schedule the reasoning for estimated escalation factors

**CAPITAL PROJECT OPERATING COST DETAILS**  
**Hillenbrand Residence Hall South**

<b>Institution:</b>	<u>Purdue University</u>	<b>Budget Agency Project No.:</b>	<u>B-1-24-1-01</u>
<b>Campus:</b>	<u>West Lafayette</u>	<b>Institutional Priority:</b>	<u>N/A</u>

					<b>GSF OF AREA AFFECTED BY PROJECT</b>	<b>252,525</b>
<b>ANNUAL OPERATING COST/SAVINGS (1)</b>						
	Cost per GSF	Total Operating Cost	Personal Services	Supplies and Expenses		
1. Operations	\$ 4.61	\$ 1,164,996	\$ 621,000	\$ 543,996		
2. Maintenance	\$ 1.19	\$ 300,564	\$ 300,564	\$ -		
3. Fuel	\$ -	\$ -	\$ -	\$ -		
4. Utilities	\$ 2.50	\$ 630,936	\$ -	\$ 630,936		
5. Other	\$ -	\$ -	\$ -	\$ -		
<b>TOTAL ESTIMATED OPERATIONAL COST/SAVINGS</b>	<b>\$ 8.30</b>	<b>\$ 2,096,496</b>	<b>\$ 921,564</b>	<b>\$ 1,174,932</b>		

**Description of any unusual factors affecting operating and maintenance costs/savings.**

Utilities are generally higher than an academic building due to the nature of the residence hall facility.

(1) Based on figures from "Individual Cap Proj Desc" schedule