

# Capital Outlay

The adopted capital outlay program for the 2010 Session is found in the budget bills (HB 29 and HB 30), for a total of \$1,972.6 million (all funds). Almost two-thirds of this amount, or \$1,265.0 million, is from the general fund or general fund supported bonds. The remaining amount, \$707.6 million, is from nongeneral funds or nongeneral fund supported bonds.

The general fund appropriations in the budget bills contain \$1,265.0 million for projects to be funded directly by the general fund or by general fund supported bonds issued by the Virginia Public Building Authority (VPBA) and the Virginia College Building Authority (VCBA). Of this amount, \$0.9 million is supported by general fund cash (HB 29) and \$1,264.1 million supported by VCBA and VPBA bonds (HB 30). Restrictive language would limit the ability of the bond projects to move forward at the beginning of the biennium, subject to the development of a plan by the Secretary of Finance. This plan will recommend debt issuance that maintains debt capacity at or under levels identified by the most recent Debt Capacity Advisory Committee report.

Approved general fund and tax-supported bond projects include \$1,087.6 million for new construction and renovation projects, and \$27.2 million to provide equipment for buildings scheduled to be completed during the biennium.

All of the \$707.6 million for projects to be supported from nongeneral fund sources are found in the budget bills, \$84.5 million for FY 2010 in HB 29 and \$623.1 in HB 30. Of this amount, \$259.0 million is to be funded directly with nongeneral fund cash, an additional \$206.9 million in 9(c) bond authority, and \$241.7 million in 9(d) bond authority for auxiliary enterprise and other nongeneral fund revenue-supported projects at the colleges and universities.

<b>Approved Capital Outlay Funding</b>			
<b><u>Fund Type</u></b>	<b><u>CH 872 FY 2010</u></b>	<b><u>CH 874 FY 2010-12</u></b>	<b><u>Total</u></b>
General Fund Cash	\$ 0.9	\$ 0.0	\$ 0.9
VPBA / VCBA Tax-Supported Bonds	0.0	1,264.1	1,264.1
9(c) Revenue Bonds	0.0	206.9	206.9
9(d) NGF Revenue Bonds	74.5	167.2	241.7
Nongeneral Fund Cash	<u>10.0</u>	<u>249.0</u>	<u>259.0</u>
<b>TOTAL</b>	<b>\$85.5</b>	<b>\$1,872.1</b>	<b>\$1,972.6</b>

The general fund appropriations can be categorized into four major types of projects as indicated in the following table:

<b>GF and General Fund Supported Bond Capital Appropriations By Project Type</b>		
<u>Major Category</u>	<u>\$ In Millions</u>	
	<u>GF</u>	<u>Bonds</u>
New Construction and Renovations	\$ 0.0	\$1,087.6
Maintenance Reserve	0.0	115.0
Energy Conservation	0.0	35.2
Equipment for Previously Approved Projects	0.9	26.3
Planning	<u>0.0</u>	<u>0.0</u>
<b>Total, GF/GF Supported Capital Projects</b>	<b>\$0.9</b>	<b>\$1,264.1</b>

Descriptions of the projects follow:

- **New Construction and Renovations on Previously Planned Projects.** Includes \$1,087.6 million in tax-supported bonds for 31 renovations and new construction projects previously approved for detailed planning in Chapter 1 and Chapter 2 of the 2008 Special Session I. The table below lists the eligible projects.

<b>GF Supported Bond Capital New Construction Projects</b>
<u>Project Title</u>
<b>Christopher Newport University</b>
Construct Integrated Science Center (Phase II)
Construct Luter School of Business
<b>College of William and Mary</b>
Renovate Tucker Hall

**GF Supported Bond Capital  
New Construction Projects** *(cont'd)*

**Project Title**

Construct Integrated Science Center (Phase III)

**George Mason University**

Renovate Fine Arts Building

Construct Campus Library Addition, Phase I

Construct Potomac Science Center

**James Madison University**

Renovate West Wing Rockingham Hospital

Renovate/Expand Duke Hall

**Jamestown Yorktown Foundation**

Construct Yorktown Museum

**Longwood University**

Construct University Technology Center

**Norfolk State University**

Construct New Nursing and General Classroom Building

Renovate Wilder Center

**Old Dominion University**

Construct a Systems Research & Academic Building

**Radford University**

Construct New Computational Sciences Building

**University of Mary Washington**

Construct Information and Technology Convergence Center Phase I

**University of Virginia**

Renovate New Cabell Hall

Renovate Ruffner Hall

**University of Virginia's College at Wise**

Construct Library

**Virginia Commonwealth University**

Construct General Classroom Building

**Virginia Community College System**

Replace Tyler Academic Bldg. Northern VA Community College

Expand Brault Building, Northern VA Community College

Construct Learning Resources Bldg Southside Virginia

Construct Workflow Training Center, Woodbridge Campus, Northern VA  
Community College

**GF Supported Bond Capital  
New Construction Projects (cont'd)**

**Project Title**

**Virginia Military Institute**

Renovate Science Building

Renovate Post Hospital

**Virginia State University**

Construct Multipurpose Center

**Virginia Polytechnic Institute and State University**

Renovate Davidson Hall

Construct Chiller Plant

Construct Engineering Signature Building

**Virginia Cooperative Extension and Agriculture Experiment Station**

Construct Human and Agricultural Bioscience Building I

- **New Construction and Renovations on Previously Planned Projects from Savings.** Provides for the construction, renovation or improvement of seven projects previously approved for planning in Chapter 1 of the 2008 Acts of Assembly, Special Session 1. No additional debt authorization is required. The projects will move forward by using estimated savings from projects within the current bond authorization from Chapter 1 and Chapter 2 of the 2008 Acts of Assembly. The table below lists the eligible projects.

<b>Priority / Agency Name / Project Title</b>
<p><b>1. Christopher Newport University (242)</b> Construct Integrated Science Center (Phase II) (17690)</p> <p><b>2. Longwood University (214)</b> Construct University Technology Center (17668)</p> <p><b>3. Norfolk State University (213)</b> Renovate Wilder Center (17627)</p> <p><b>4. College of William and Mary (204)</b> Renovate Tucker Hall (17652)</p> <p><b>5. Old Dominion University (221)</b> Construct a Systems Research &amp; Academic Building (17678)</p> <p><b>6. George Mason University (247)</b> Renovate Fine Arts Building (17697)</p> <p><b>7. Virginia Military Institute (211)</b> Renovate Science Building (17664)</p>

- **Central Maintenance Reserve.** Appropriates \$65.0 million in FY 2011 and \$50.0 million in FY 2012 in tax-supported bonds for state agencies and higher education institutions for capital maintenance reserve projects.
- **Energy Conservation Projects.** Provides \$35.2 million in tax-supported debt for new energy conservation projects to be undertaken by the Department of General Services, the Department of Corrections, the Department of Game and Inland Fisheries, and institutions of higher education. Interest payments on these bonds will be partially offset by federal funds available under the American Recovery and Reinvestment Act of 2009 (ARRA).
- **Equipment Supplements**
  - *Equipment for Projects Nearing Completion.* Includes \$0.9 million GF and \$26.3 million in tax-supported bonds to purchase furnishings and equipment for projects scheduled to come on-line in FY 2011 and FY 2012. The table below lists the eligible projects.

## Equipment for Projects Nearing Completion

### **Department of General Services**

War Memorial Education Wing

### **University of Virginia**

Construct Information Technology Engineering

### **Virginia State University**

Renovate Singleton Hall

### **Norfolk State University**

Construct New Library

### **Longwood University**

Renovate and Construct Addition to Bedford Hall

### **University of Mary Washington**

Construct Dahlgren Campus

### **University of Virginia's College at Wise**

Renovate Greear Gym and Construct Multipurpose Center

### **George Mason University**

Construct Krasnow Addition, Phase II

Thompson and West Halls Renovation

### **Virginia Community College System**

Renovate Burnette Hall, Parham Campus, J. Sargeant Reynolds

Renovate Phase I Facility, Downtown Campus, J. Sargeant Reynolds

Renovate Smith Building, Lord Fairfax

Renovate Academic Classrooms and Administrative Buildings,  
Rappahannock

Renovate Library, Chester Campus, John Tyler

Renovate Warren and Scott Halls, Dabney S. Lancaster

Construct Occupational Program Building, Culinary Arts Career Studies  
Certificate Program, Central Virginia

Construct support services building, Woodbridge Campus, Northern Virginia

Renovate Hampton III Building, Thomas Nelson

### **Eastern Virginia Medical School**

Construct Medical Education and Research Building

- **Tax-Supported Debt Issuance Limitations.** Adopted language would preclude the issuance of the authorized tax supported debt for new construction and renovation projects, maintenance reserve, energy conservation, equipment supplements, or Higher Education Equipment Trust Fund (HEETF) allocations until the development of a plan by the Secretary of Finance prior to the 2011 Session. This plan will recommend debt issuance that maintains debt capacity at or under levels identified by the most recent

Debt Capacity Advisory Committee report as well as the stated prioritization of projects in the following order:

Priority 1: Maintenance Reserve,

Priority 2: Higher Education Equipment Trust Fund (HEETF),

Priority 3: Equipment for previously funded projects,

Priority 4; Construction funds for projects with completed planning, and

Priority 5: Improvements: Energy Conservation

- **Community College Student Housing.** Language authorizes construction of a student housing facility at the Alexandria Campus of Northern Virginia Community College by the college’s foundation or a private entity.
- **Capital Lease Authorizations.** Language authorizing the following capital leases is included in the budget.

<b>Agency</b>	<b>Capital Leases</b>
Virginia Community College System	Northern Virginia Community College, Manassas Campus.
Department of Motor Vehicles	Consumer Service Centers in Williamsburg, Culpepper, and Suffolk.
Department of Social Services	Child support, regional, or day-care offices.