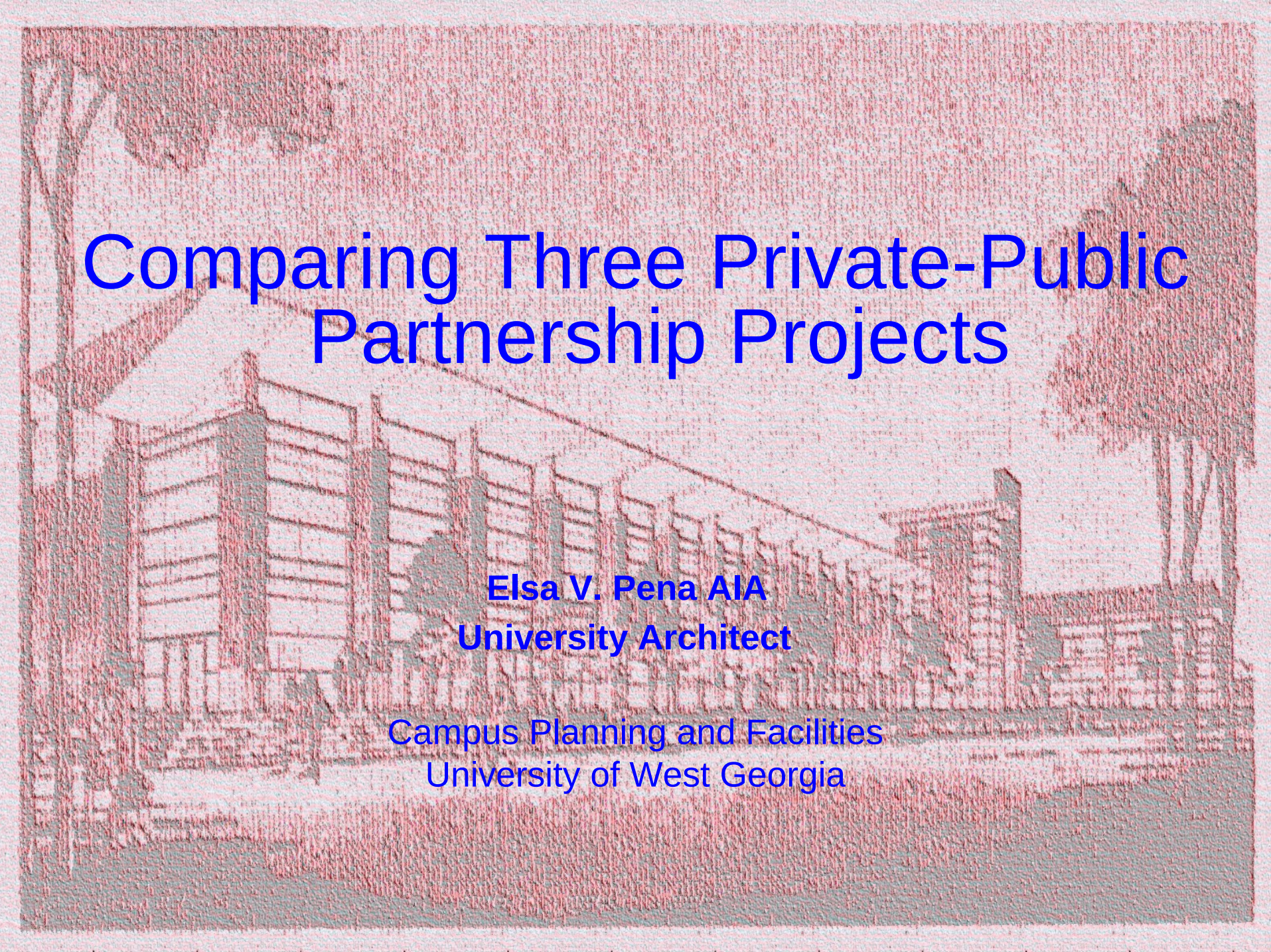




Comparing Three Private-Public Partnership Projects

Elsa V. Pena AIA
University Architect

Campus Planning and Facilities
University of West Georgia



We Need More Housing

AND

A place for the students to have FUN

OhReally!!!

???

- Why And How Did We Make Our Decision
- A Showcase Of Two Housing Projects And A Student Activities Building
- Analysis Of The Process And Approaches For Each Case
- Lessons Learned

Parameters

- Consistent With Master Plan and Housing Plan
- Use Available Expertise/Models
- Expedited Delivery
- Cost Effectiveness/Affordable
- Manage and Maintain Resulting Building
- Consensus Driven/ Collaborative Process
- Minimum Institutional Monetary Outlay

Why Private Partnerships

- **BOR Strategic Goal 7** “Developing and using innovative delivery to fund and develop projects”
- **Non Availability Of State Funding**
- **Urgency Of The Needs**
- **Schedule Constraints.** Coordination with academic year schedule
- **Quality Control.** Providing the means to enhance the institution’s ability to obtain a better quality project

Project Showcase

1. University Suites

Completed August 2004

2. Arbor View Apartments

Completed August 2005

3. Campus Center

Completion August 2006

University Suites

- 612 Beds In suite arrangement with mw kitchenette
- GSF: 138,950 sft. Three Buildings, Four Stories and a Commons Building
- Unit Type :
 - Two Bedrooms single, One Bath
 - Two Bedrooms double, Two Bath
- Construction Type : Wood Frame, Brick Veneer
- Construction Cost : \$9,300,000
- Project Cost : \$13,500,000

University Suites



University Suites



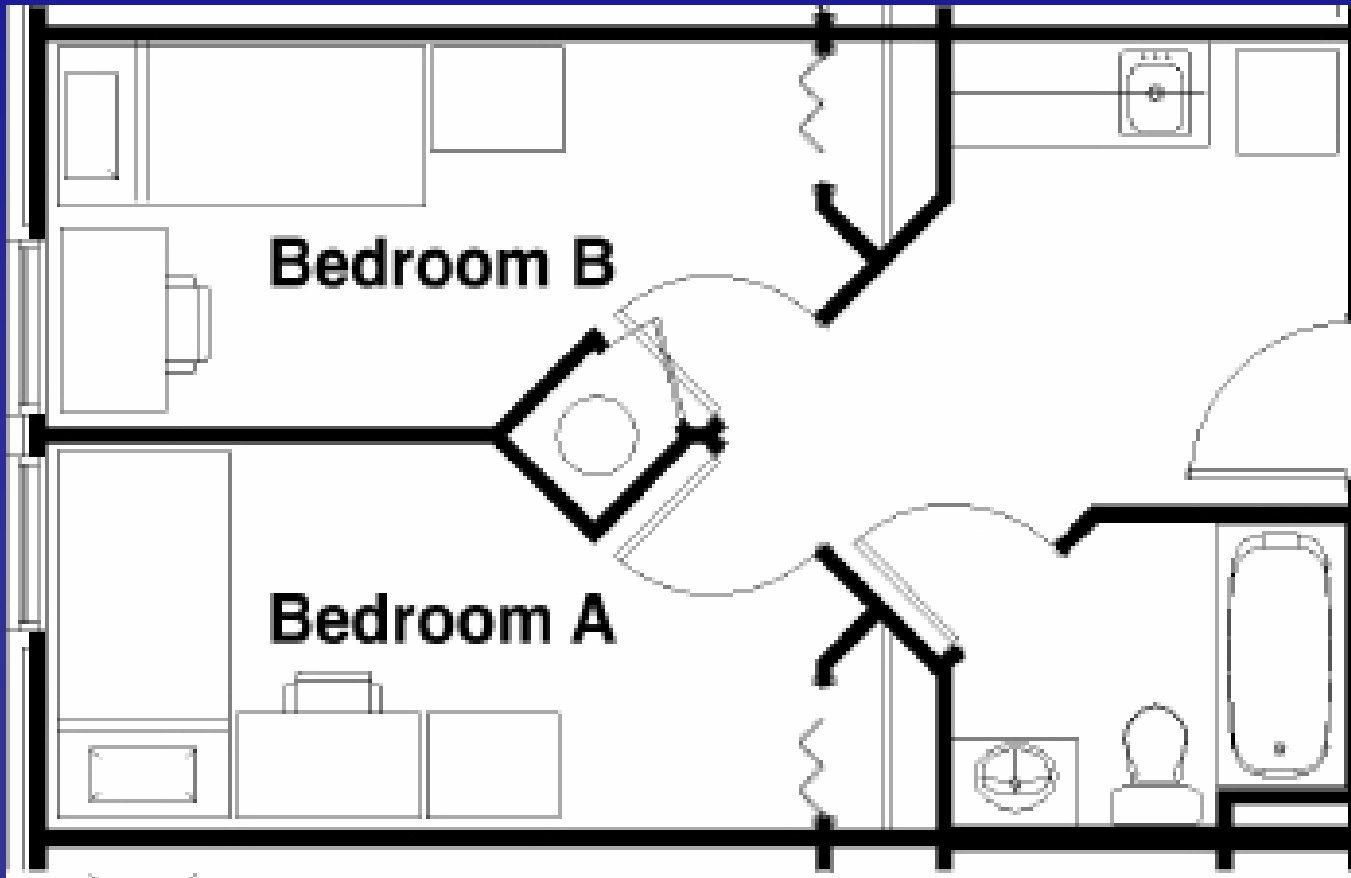


University Suites

Two Single Occupancy Bedrooms – One Bath

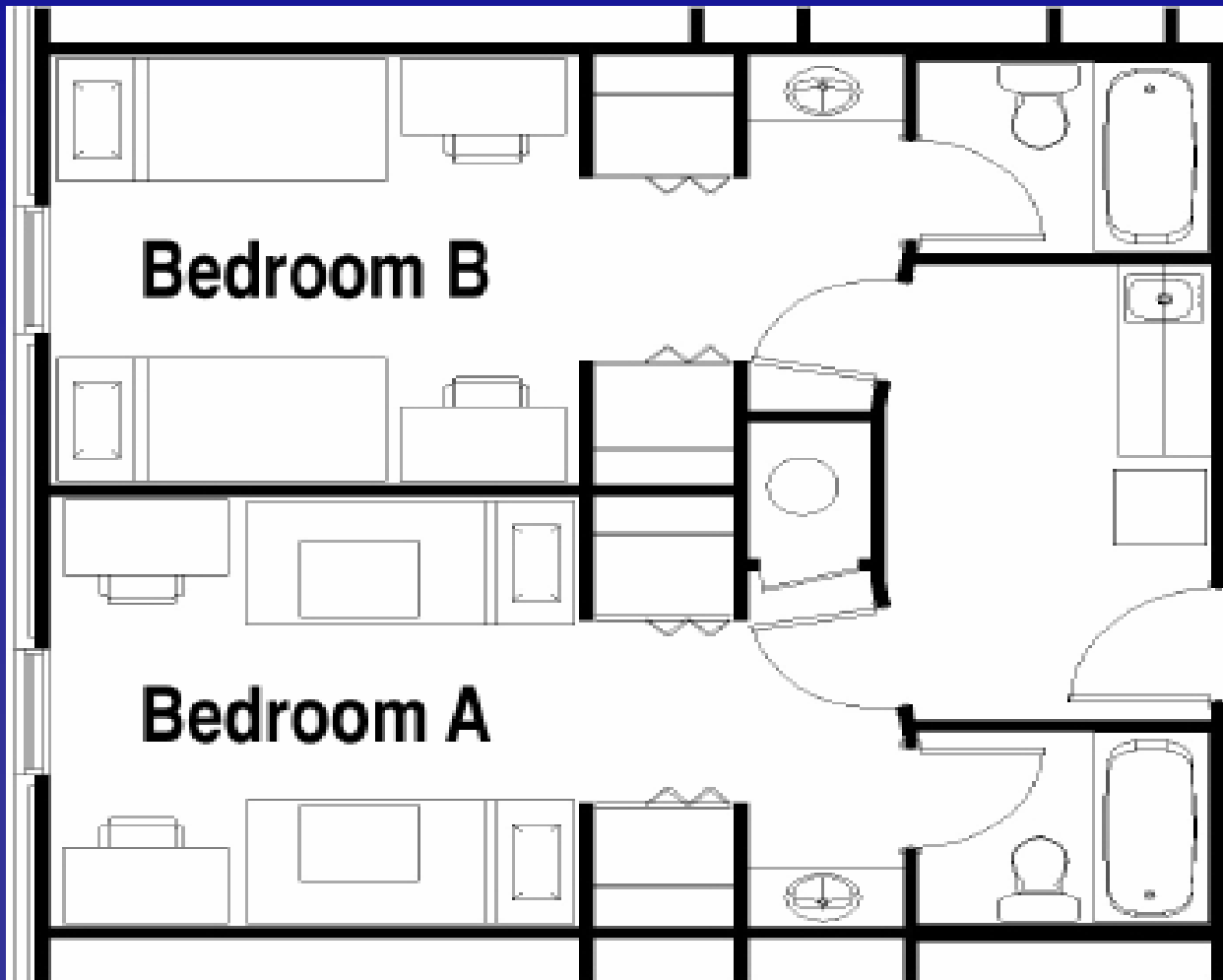
Rate per
Semester:

\$ 1,640



University Suites

Two Double Occupancy Bedrooms - Two Bath



Rate per
Semester:

\$ 1,440

Arbor View Apartments

- 602 Beds apartment style, single bedrooms, living room, full kitchen
- GSF: 189,505 sq ft Three Buildings, three and three and one half stories
- Unit Type :
 - Two Bedrooms, One Bath
 - Four Bedrooms, Two Baths
- Construction Type: Wood Frame, Brick Veneer
- Construction Cost : \$16,500,000
- Project Cost : \$19,175,000

Arbor View Apartments



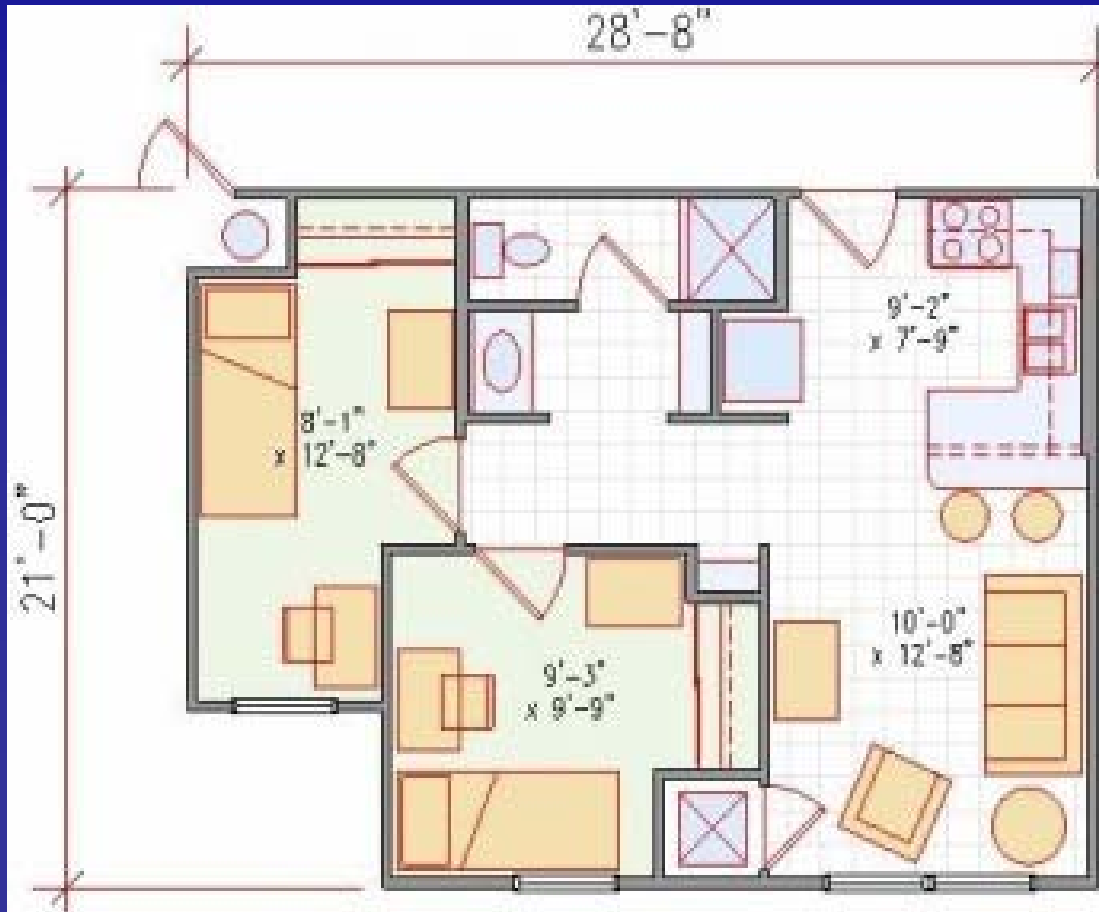




WARNING
Only Access
and Emergency
Exits Beyond
This Point
Student's Safety
is Assured
at All Times

Arbor View Apartments

Two Bedroom/ 1Bath



Rate:

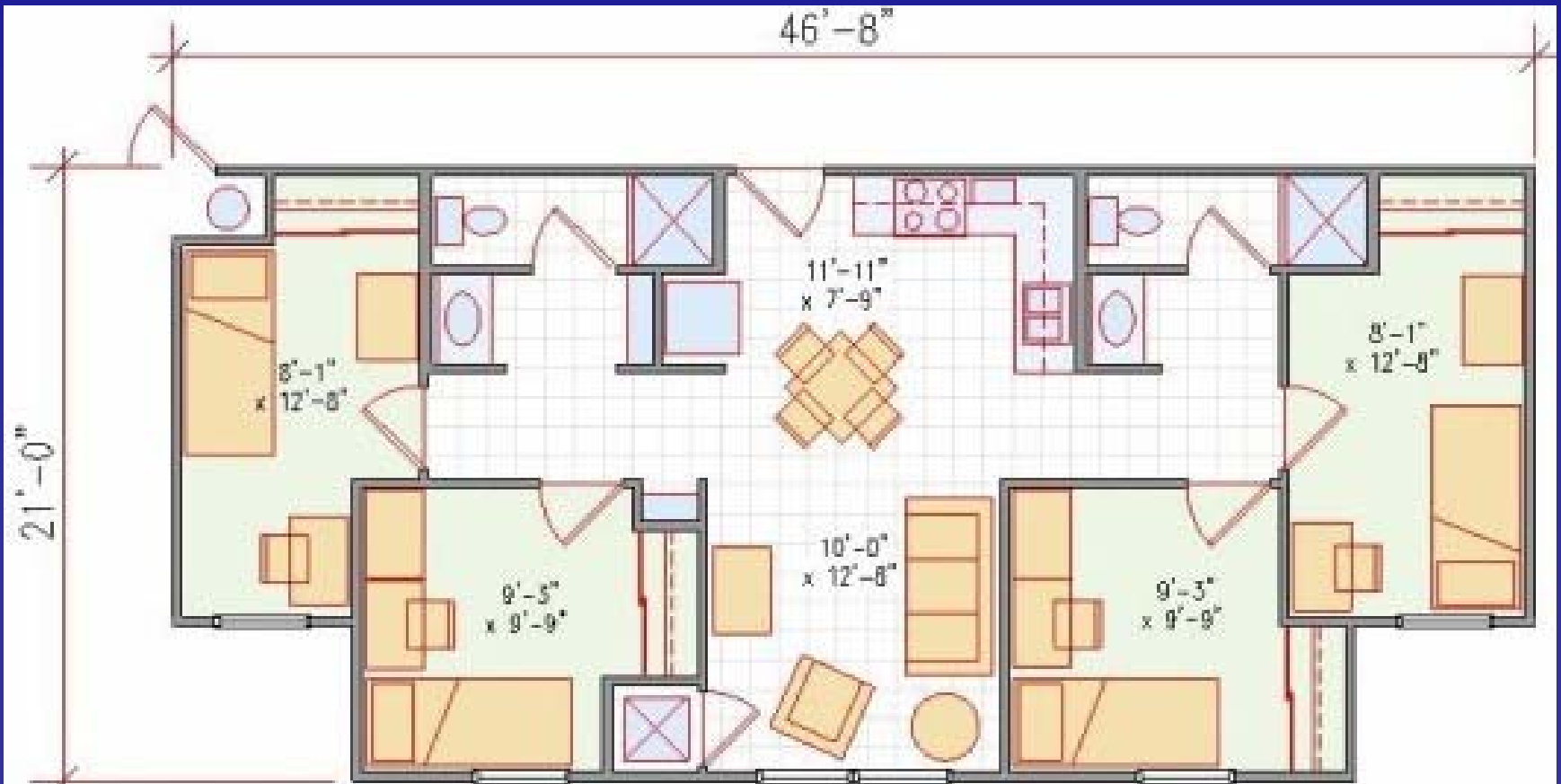
\$1,900 per semester

\$940 Summer Semester

Arbor View Apartments

Four Bedroom/ 2 Bath

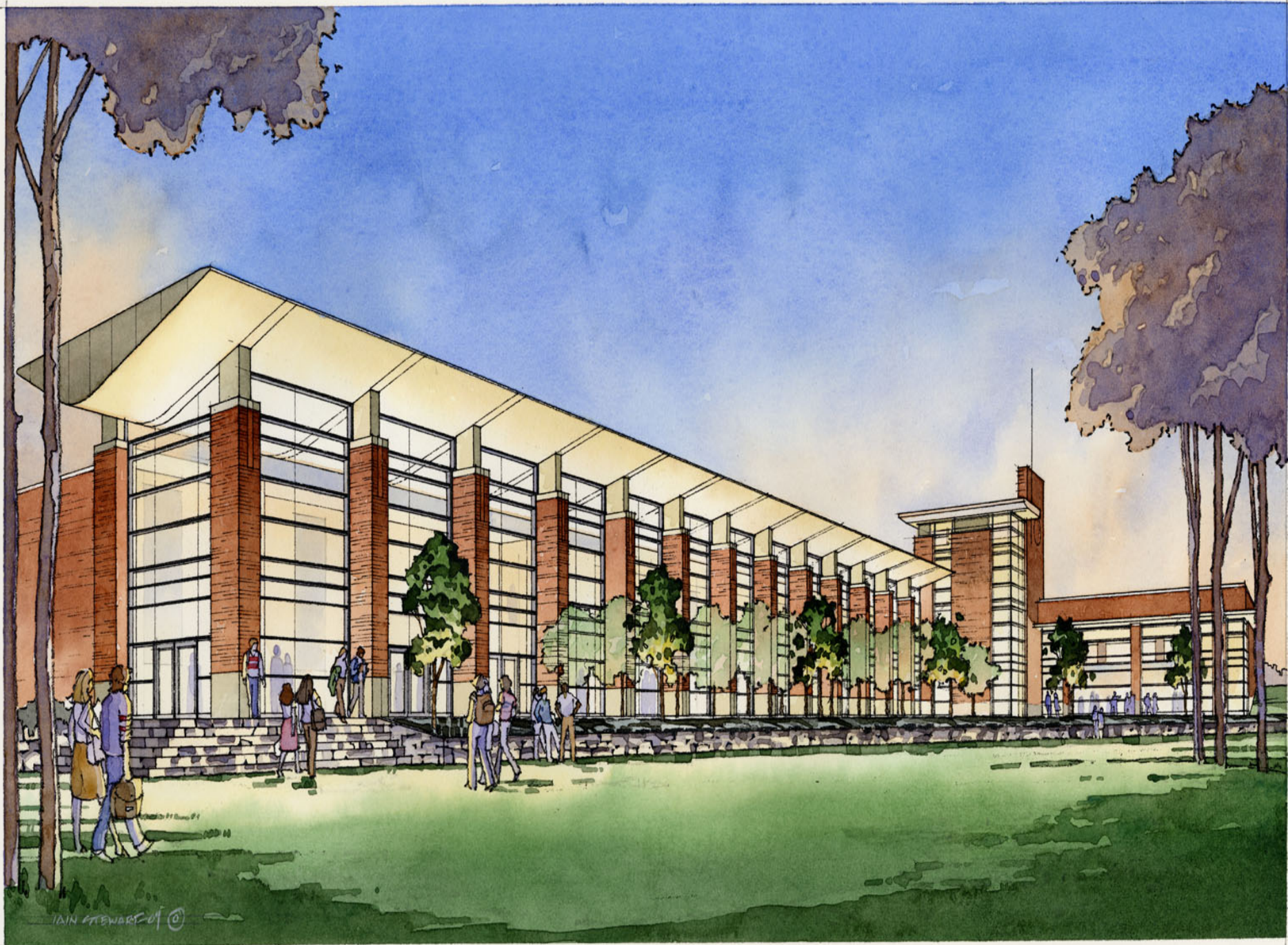
Rate: \$1,800 per semester; \$840 per summer semester



Campus Center

To Be Completed August 2006

- **Spaces** : Admin Areas, Fitness Area, Aerobics, Running track, Four Gym Courts, Ballroom, Game Room
- **GSF** : 131,500 sq ft. 82,500 new, 49,000 remodeled
- **Construction Type** : Steel/Concrete Frame, CMU, Brick, Cast Stone
- **Construction Cost** : \$ 21,000,000
- **Project Cost** : \$29,000,000













The Cast

University

Business Officer
Student Affairs
Housing
Auxiliary Services
Parking
Security
Facilities
Information Technology
University Counsel

Foundation

Lessor/BOR

Vice-Chancellor for Facilities
AVC for Real Property
Director of Planning
Facilities Program Manager
Academic Affairs
Environmental
Fiscal Affairs

Counsel- Attorney General

Consultants

Design Team
Contractor Team
Program Manager
Investment Banker
Development Authority
Market Consultant
Credit Enhancer
(Developer)

Lawyers:
Trustee Counsel
Borrowers Counsel
Bond Counsel
Issuers Counsel
Disclosure Counsel
Foundation Counsel

Time Frame ???!!!

For Everything To Work Perfectly



Delivery Methods

Financing and Management

- Suites: Private Developer. Some University Involvement BUT No Control
- Apartments: Foundation as a Developer
Much University Involvement But No Control
- Campus Center: Real Estate Foundation as a Developer
Total University Involvement And Control

Delivery Methods

Design and Construction

- Suites: Developer Led and Managed
Contracts (A/E, Contractor) held by Developer
- Apartments: Foundation Led. Managed by Program Manager. Separate contracts (A/E, Contractor, Program Manager) held by Development Foundation
- Campus Center: Real Estate Foundation.
Managed by Program Manager and University. Separate contracts (A/E, Contractor, Program Management) held by Real Estate Foundation.

Motivations and Goals

- Developer: \$\$\$ Profit
 - Foundation: \$\$\$ Income
 - University: Service
-
- Developer: First Cost- Little Quality
 - Foundation: First Cost- Some Quality
 - University: Life Cycle Cost- High Quality
For the Money

UWG Public/Private Partnerships

Project Issues	UWG Suites	UWG Apartments	Campus Center
<i>Ownership Control</i>	Developer	Dev. Foundation	RE Foundation
<i>Delivery Method</i>	Hard bid - Lowest price	RFP/GMP	RFP/GMP
<i>Delivery Time</i> (From Selection)	26 months	16 months	27 months
<i>Quality Level</i>	6 (1 to 10)	8 (1 to 10)	10
<i>Quality Control</i>	Developer	Foundation - University	University
<i>Project Cost – Bond Sale</i>	13,500,000 \$97.1/sf	\$19,175,000 \$101.1/sf	\$29,000,000 \$220.5/sf
<i>Construction Cost</i> Includes FF&E	\$9,300,000 \$66.9/sf	\$16,500,000 \$87/sf	\$21,000,000 \$159.6/sf

University Suites

Issues and Results

- **Delivery Time** 26 months from inception to occupancy
- **Team Lack Of Experience** Design, Management, Financing Construction
- **Financing and Cost** Impact of delivery time on bottom line
- **First Cost Mentality** Impact on Quality and Unit Size
- **Close Out Process** Very Long. Impact on Maintenance
- **Warranty Period** Quality Issues. Equipment breakdown/ Replacement
- *Project started the University on the road to modernization of its housing stock but it will be costly to operate and maintain.*

University Apartments

Issues and Results

- Delivery Time Five Months To GMP. Design Decisions And Solutions While Under Construction
- Financing and Cost Missed Financing Opportunities
- Shared Control Management Issues, First Cost Issues
- Close Out Process Short(10 weeks) Less Impact On Maintenance staff
- Warranty Period 90 call backs. Defective smoke detectors

Project would have benefited from a longer design time frame

Campus Center Successes

- **Successful Management** Program Manager and RE Foundation approach allows total University control
- **Conflict Resolution** Ability to articulate plans and strategies to resolve conflicts
- **Budget-Schedule Control** Ability to finish project on time and on budget
- **Quality Control** Ability to influence results and constructability
- **Successful Model** How to use this model for all campus projects

The jury is still out but so far...Perfect in every way

Common Threads

- Zero Monetary Outlay By Institution

“ . . . due to limited funding availability the University will fund all fees through bonds proceedings and will not disburse payments until bonds are approved and funded ...” (RFP Apartments and Campus Center)

- High Level of Involvement By Stake Holders/ Users

RFP's review, Team Selections, ,Maintenance Input, Construction Meetings Participation

Lessons Learned

1. Time/Schedule:

- Allow for Process Planning
- Realistic Schedules
- Correct Sequencing of Team
- Financial Partner Early

2. Team Experience

- Design
- Construction
- Financial
- Counsel

Lessons Learned

3. Institution's Involvement

- Specific Skills Sets And Experience

- Dedicated Time To Work Thru And With Process

- Baby Sitting/Hand Holding Time

- Educating Others on Roles and Responsibilities

4. Understanding Roles and Responsibilities

- Real Estate Foundation vs. Development Foundation

- Cash Flow Utilization/Management

- Project Close Out Process and Commissioning

Lessons Learned

- 5. Clarity and Specificity

- Clear and Informed RFP's

- Clarifying Meaning and Application of GMP

University of West Georgia

Carrollton, Georgia

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