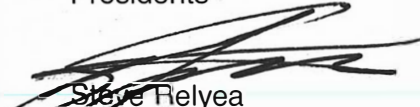


DATE: February 26, 2020
TO: Presidents
FROM: 
Steve Relyea
Executive Vice Chancellor and
Chief Financial Officer

| Action Required: | |
|-------------------------|----------------------------------|
| April 10, 2020 | Preliminary Proposals Due |
| April 10, 2020 | Self-Support Financial Plans Due |
| June 30, 2020 | Revised Proposals Due |
| October 2, 2020 | Final Document Review |

SUBJECT: 2021-2022 to 2025-2026 Five-Year Plan

This memorandum is to request that campuses provide projects to be included in their Five-Year Plan in preparation for the 2021-2022 state budget request. The memorandum also provides submittal deadlines (Attachment 1) and a list of required documents (Attachment 2) to ensure that campus input can be timely incorporated into the final Five-Year Plan.

The Five-Year Plan is updated annually to document the priority projects needed for the academic and self-support programs. The proposed 2021-2022 to 2025-2026 Five-Year Plan will be presented to the Board of Trustees in September 2020 as a preliminary plan and in November 2020 for final approval.

Although the systemwide need to address critical infrastructure and modernization continues to grow, funding levels for the 2021-2022 capital program is uncertain. This call for campus projects aims to ensure we adequately document our need and best position the CSU for available funds. Possible fund sources for the facilities program include:

- 1) CSU requested \$75 million from the state as a component of the 2020-2021 Operating Budget request to support debt service payments for additional Systemwide Revenue Bonds. Although this increase was not included in the Governor's proposed budget in January, we remain hopeful that it may be included during the legislative process.
- 2) On March 3, 2020, Proposition 13 will be on the ballot during the statewide primary election. If the bond measure passes, CSU will receive \$2 billion in proceeds to implement various projects, primarily addressing deferred renewal, seismic safety and critical infrastructure needs. If Proposition 13 passes, the \$2 Billion in proceeds will be primarily used to fund the Trustees 2020-2021 capital program. Of the \$2 billion we are planning for roughly \$500 million to be available for infrastructure improvement projects to address critical needs, renovation and modernization.

Project Priority Setting

The Board of Trustees has established Categories and Criteria for priority setting of the Five-Year Plan that should be considered while developing your individual campus plan. The categories remain as follows:

- I. Existing Facilities/Infrastructure**
 - A. Critical Infrastructure Deficiencies
 - B. Modernization/Renovation
- II. Growth/New Facilities**

2020-2021 through 2024-2025 Five-Year Plan Development

Feasibility Studies

Campuses are encouraged to spend their own funds to complete feasibility studies. Any 2021-2022 action year capital requests should include comprehensive feasibility study documentation. Comprehensive feasibility studies help ensure that campus programming is complete so action year budget requests reflect the proposed scope of the work. Renovation projects should address the programmatic needs, seismic retrofits, facility renewal, accessibility, hazardous materials, fire sprinklers, etc., and how the renovation will be accomplished.

Guidelines for feasibility studies used in the development of action year budget requests are available at: http://www.calstate.edu/cpdc/Facilities_Planning/documents/Feasibility-Study-Long-Form-2018-19.pdf.

Enrollment Projections and Campus Physical Capacity

Enrollment and space capacity companion reports to the 2020-2021 Five-Year Plan are key tools used for project planning and prioritization that will be updated as part of the 2021-2022 Five-Year Plan process. Although the 2020-2021 reports reflect an overall two percent growth for capital planning purposes, Governor Newsom released his preliminary budget for fiscal year 2020-2021 on January 10, 2020 and the proposed budget increase of \$199 million for the California State University will not be sufficient to increase enrollment in the 2020-21 academic year. Campuses have been directed to assume flat enrollment targets from 2019-20 through 2020-21. Any campus proposing projects to increase seat capacity for lecture, labs and/or faculty offices need to demonstrate the specific deficiency that the request is aiming to overcome and are to submit projected enrollment increases by discipline which will be used to update the below reports for the 2021-2022 program.

- 1) *2020-2021 Summary of Campus Capacity Report* with enrollment projections at: http://calstate.edu/cpdc/Facilities_Planning/Space_Mgmt/Reports/campus_SumCap.shtml
- 2) *2020-2021 Laboratory Enrollment FTES versus Laboratory Capacity FTES Report* at: http://calstate.edu/cpdc/Facilities_Planning/Space_Mgmt/Reports/LabFTES.shtml

Five-Year Plan Development and Review

As outlined in the Schedule of Submissions (Attachment 1), campus Preliminary Five-Year Plans are due on April 10, 2020. This is a critical milestone date, in that it provides ample time

for CPDC to review and discuss the Five-Year Plans with campus planners, more fully develop the programs for each project, and provide meaningful feedback to presidents in late May.

Once feedback is provided via the letter to presidents, we will continue to work with campus planners to edit and complete their Five-Year Plans for submission to the Board of Trustees for consideration in their September meeting. The deadline for this submission is June 30, 2020. Upon their approval of the plan we will begin work on the final plan. The final Five-Year Plan is submitted for review and approval to the Board of Trustees at their November meeting. Upon approval, the plan is submitted to the Department of Finance for inclusion in the 2021-2022 State Budget.

Questions

The submittal forms required to respond to this call for projects are available online. Several support documentation forms have been modified to facilitate streamlined project development.

All 2021-2022 program submittals, including projects previously submitted, should be updated using current forms. Access the information via our website: <http://calstate.edu/cpdc/>. Select Facilities Planning, then either Call Letters, Forms, or Reference Documents, as needed.

For specific program area questions, contact:

Facilities Renewal and Capital Improvement submissions or questions

Paul Gannoe, Chief of Planning and Design, Capital Planning, Design and Construction
(562) 951-4146, or your assigned CPDC Planner

Financial documentation required for self-support funded submissions

Robert Eaton, Assistant Vice Chancellor, Financing & Treasury/Risk Management
(562) 951-4572

Please submit all documents to Elvyra F. San Juan, Assistant Vice Chancellor,
Capital Planning, Design and Construction.

We thank you and your staff for your efforts to help prepare the 2021-2022 plan to address facility renewal and capital outlay improvements. Staff will continue to identify process and policy changes to streamline the program production and facilitate project delivery.

- Attachment 1: Schedule of Submissions
- Attachment 2: Major Capital Outlay Program List of Submittals

Distribution:

Chief Financial Officers
Executive Facilities Officers
Directors of Facilities Operations
Building Coordinators
Energy Managers
Sustainability Officers
Facility Planners
Robert Eaton, Assistant Vice Chancellor, Financing & Treasury/Risk Management,
CSU Office of the Chancellor
Elvyra F. San Juan, Assistant Vice Chancellor, Capital Planning, Design and Construction,
CSU Office of the Chancellor
Paul Gannoe, Chief of Planning and Design, CSU Office of the Chancellor
Financing & Treasury Managers
CPDC Planners

SCHEDULE OF SUBMISSIONS and PROCESS CALENDAR

This schedule identifies the development milestones and reflects the iterative process used to develop the facilities budget requests and Five-Year Plan.

| | |
|-------------------|---|
| January 10, 2020 | Governor's Budget proposed for 2020-21. |
| March 3, 2020 | General Obligation Bond ballot measure to voters |
| March-June 2020 | Legislative Committee hearings on the 2020-21 budget. |
| April 10, 2020 | Campuses submit their draft Preliminary Five-Year Plan, including 2021-22 Form 1-1 and project proposals. Submit self-support program financial plans to Financing & Treasury as appropriate. |
| May 29, 2020 | CPDC* submits to Presidents proposed project revisions and plan comments. |
| May 29, 2020 | Financing & Treasury reviews campus financial plans for projects submitted by April 10. |
| June 30, 2020 | Campuses re-submit the project proposals and Five-Year Plan. |
| July 1, 2020 | Final 2020-21 Budget Act confirms the support budget funding. |
| Summer/Fall 2020 | Campus site visits by Department of Finance (DOF) and other state entities. |
| August 17, 2020 | CPDC submits Preliminary Five-Year Plan Agenda item to Executive Vice Chancellor. |
| August 24, 2020 | Financing & Treasury approves campus final financial plan for projects to be funded by bonds, including auxiliary projects, for the 2020-21 action year. |
| September 1, 2020 | CPDC submits Preliminary Five-Year Plan to Legislature/DOF. |
| September 4, 2020 | Housing projects that require approval of the Housing Proposal Review Committee and/or Public-Private Partnership projects that require Land Development Review Committee review (for the Board of Trustees to consider initial concept) should be completing the review process. |
| Sept. 22-23, 2020 | Board of Trustees considers Preliminary Five-Year Plan. |
| October 2, 2020 | Campuses identify edits to Preliminary Five-Year Plan and related project documents. |
| October 7, 2020 | CPDC completes final edits to project proposals and Five-Year Plan considering campus comments. |
| October 8, 2020 | CPDC submits Final Five-Year Plan Agenda item to Executive Vice Chancellor. |
| Nov. 17-18, 2020 | Board of Trustees approves the 2021-22 Five-Year Plan and capital financing. |
| December 1, 2020 | CPDC submits the final budget request and project proposals to Legislature/DOF. |
| January 10, 2021 | Governor's Budget proposal for 2021-22. |
| February 1, 2021 | DOF provides preliminary list of 2021-22 approved CSU projects to the Legislature. |
| March-June 2021 | Legislative Committee hearings on the 2021-22 budget. |
| April 1, 2021 | DOF submits final list of 2021-22 approved CSU projects to the Legislature. |
| June 2021 | Campuses complete design architect selections/agreements for action year projects. |

MAJOR CAPITAL OUTLAY PROGRAM LIST OF SUBMITTALS

Contents of the Capital Outlay Budget Change Proposals (COBCPs) for projects proposed in the Five-Year Plan should be supported by the following information.

ALL SUBMITTALS MUST USE THE FORMS CURRENTLY AVAILABLE ON THE CPDC WEBSITE.

Several forms have been modified from previous versions; all CPDC forms specify a revision date.

I. MASTER PLAN MAP and LEGEND

All campus Five-Year Plan Submittals shall include a current Board of Trustees approved Master Plan Map and Legend. CPDC will coordinate with campuses that have approved master plan revisions since November 2019. For campuses with no approved changes since the prior year's submission, a new map/legend does not need to be submitted.

II. CPDC Form 1-1

A CPDC Form 1-1, the summary of all projects in the Five-Year Plan.

III. STATE FUNDED PROJECTS

Projects in Action Year

- **CPDC 1-4:** COBCP Project Description
- **CPDC 1-4.5:** Calculation of Project Greenhouse Gas (GHG)
- **CPDC 2-1:** Full-Time Equivalent Enrollment Distribution for Selected Years
- **CPDC 2-2:** Enrollment Distribution by Level and Category of Instruction
- **CPDC 2-3:** Calculation of Space Requirements for Instructional Projects
- **CPDC 2-4:** Summary of Space Requirements for a Building
- **CPDC 2-7:** Capital Outlay Estimate
- **CPDC 2-7.5:** Summary of Component Costs
- **CPDC 2-9:** Space Calculation for Library
- **Feasibility Studies (Per Guidelines for Action Year)**
- **An approved campus master plan map identifying project location**

Projects in Years 2 through 5

- **CPDC 1-4:** COBCP Project Description
- **CPDC 1-4.5:** Calculation of project GHG
- **CPDC 2-7:** Capital Outlay Estimate
- **An approved campus master plan map identifying project location**

IV. SELF-SUPPORT FUNDED PROJECTS

Projects being proposed should include the following information:

Required For All Projects

- **CPDC 1-4:** COBCP Project Description and Justification
- **CPDC 2-7:** Capital Outlay Estimate
- **An approved campus master plan map identifying project location**
- **Project Financial Plan (submitted to Financing & Treasury)**
- **Funding source/Pro Forma**

A preliminary 10-year financial plan projection (with two years of actuals) indicating proposed rate increases for housing projects. Draft plans due to Financing and Treasury with COBCPs for projects in the action year.