





STATE OF ILLINOIS  
ILLINOIS BOARD OF HIGHER EDUCATION

**PUBLIC UNIVERSITY  
NON-INSTRUCTIONAL CAPITAL PROJECT APPROVAL**

Illinois State University is seeking Illinois Board of Higher Education approval of the project presented in this item in order to proceed. This item provides details regarding the project's scope, cost and funding source, campus input, and schedule.

<u>Institution/Project</u>	<u>Total Estimated Cost</u>
1.) Illinois State University: Redbird Arena seating replacement, including upgrades to meet current Americans with Disabilities Act (ADA) requirements	\$6,200,000

**Statutory Citation and Requirement:**

110 ILCS 205/8 of the Board of Higher Education Act outlines procedures for annual budget and capital development and approvals among IBHE, ICCB and the public universities. Guidelines for university non-instructional capital items are referenced as follows:

*“Each State university must submit its plan for capital improvements of non-instructional facilities to the Board for approval before final recommendations are made if the total cost of the project as approved by the institution’s board is in excess of \$2 million. Non-instructional uses shall include but not be limited to dormitories, union buildings, field houses, stadium, other recreational facilities and parking lots. The Board shall determine whether or not any project submitted for approval is consistent with the master plan for higher education and with instructional buildings that are provided for therein. If the project is found by a majority of the Board not to be consistent, such capital improvement shall not be constructed.”*

Project Background & Scope

The goal of the project is to replace the 30 year old telescopic seating platforms in Redbird Arena. Approximately 3,100 seats will be replaced. Along with the replacement of the retractable seating, 15 ADA platform seating locations (to meet current ADA requirements) and 9 ‘Loge Box’ premier seating locations will be constructed. The ADA platforms and Loge Boxes will be accessed from the concourse.

Project Rationale

The existing lower bowl seating was installed as part of the initial construction of Redbird Arena in 1989. It consists of 18 rows of retractable telescopic platforms with molded plastic chair units. There are a number of accessible seating platforms scattered along the top three rows for current ADA seat viewing. This 30 year old seating, due to age, condition, and

lack of replacement parts, will be removed and replaced as part of this project. All components of the new seating system will meet all current accessibility and safety codes.

Project Cost & Financing – (Institutional Funds and Debt Issuance)

Resources required for this project:

Construction	\$5,250,000
Design Fees	250,000
Contingency	500,000
Bond Financing Costs	<u>200,000</u>
Total Project Cost	\$6,200,000

The project will be funded through issuance of Auxiliary Facilities System Revenue Bonds, Series 2018C. The Illinois State University Board of Trustees approved a Qualified Bank Placement sale of the Bonds, using Hilltop Securities as the placement agent, pursuant to the Board’s existing contract. The Bonds are subject to the following conditions: (a) the Bonds to be issued shall not exceed an aggregate principal amount of \$ 6,200,000; (b) the Bonds will have a final maturity of no later than April 1 2029; (c) the price at which the Bonds will be sold will not be less than 97 percent of the par amount thereof (exclusive of any original issue discount or premium); and (d) the Bonds have a true interest cost of borrowing not to exceed six percent.

There will be no increase of student fees to secure the bonding.

Constituency Input/Decision-Making

The Board of Trustees of Illinois State University approved the plan to finance the replacement of seating at Redbird Arena in open session at its October 19, 2018, meeting.

**Recommendation**

Staff has reviewed the project presented in this item and found it to be in accordance with the Board’s *Non-Instructional Capital Project Guidelines*, approved by the Illinois Board of Higher Education in August 2002, and administrative rules. The project is consistent with the mission and scope of the institution; provide needed additional, replacement, or more efficiently utilized space; and are economically feasible, as required by administrative rules.

The staff recommends adoption of the following resolution:

*The Illinois Board of Higher Education hereby approves the non-instructional capital project for Illinois State University to replace seating at Redbird Arena, as included in the item.*