

**AUTHORIZATION TO EXECUTE PHASE I OF THE CAMPUS HOUSING FACILITIES' MASTER PLAN, INCLUDING CONSTRUCTION OF TWO NEW APARTMENT BUILDINGS AND DEMOLITION OF DEROY APARTMENTS**

**Recommendation**

It is recommended that the Board of Governors authorize the President, or his designee, to approve completion of phase I of the campus housing facilities' master plan to include the construction of two new apartment buildings on Anthony Wayne Drive and the demolition of the Helen L. DeRoy Apartments also on Anthony Wayne Drive for a project cost not to exceed \$113,930,000. These housing facilities' master plan phase I activities will be funded and completed by the WSU-Corvias Campus Living Partnership from bond proceeds available from a April 2017 new debt issuance by the partnership.

**Background and Project Description**

Wayne State completed a ten-year housing facilities master plan in January 2016 which calls for the addition of approximately 800 beds to bring the on-campus housing population to 3800 by 2021. Phase I of the master plan is the construction of 838 new beds of apartment-style housing on Anthony Wayne Drive on the current surface parking lot 41, located immediately east of WSU's Parking Structure 2. After these two new housing buildings are constructed, the master plan calls for the demolition of the Helen L. DeRoy Apartments also on Anthony Wayne Drive in the summer of 2019.

**I. Construction of Two New Apartment Buildings on Anthony Wayne Drive**

The project scope for the new construction includes a new, six-story apartment building built at the south end of the site to open for fall 2018 occupancy. To open for fall 2019, the second building will be an eleven-story apartment building constructed parallel to Anthony Wayne Drive and will include a eight-story apartment wing at the north end of the site. The first floors of both buildings will include secure entrances, public study and assembly spaces for residents as well as 18,000 square feet of retail space and 10,000 square feet dedicated to the Student Health and Wellness Center, which is the new location for the student health center displaced from its current location in DeRoy Apartments and related student advocacy functions. The two buildings will be connected on the upper floors and contain five hundred sixty two (562) apartment units with a total of 838 residents in a mix of studio (250), one-bedroom (220), two-bedroom (40) and four-bedroom (72) apartment types. All apartments will be market-grade with full kitchens including dishwashers and microwaves and will also be furnished including private bedrooms with full-size beds.

The buildings' structure will be structural steel framing on a structural steel podium with concrete shear walls. The facades will be a combination of masonry, cementitious wall panels, insulated metal wall panels, and curtain wall windows along with punched window openings.

The two buildings will contain pass-through openings at ground level to permit walking access to Parking Structure 2 from Anthony Wayne Drive through two multi-use courtyards. Both new buildings will be built to meet the LEED Silver accreditation standard from the U.S. Green Building Council.

## II. Demolition of Helen L. DeRoy Apartments at 5200 Anthony Wayne Drive

The Helen L. DeRoy Apartments is a sixteen story, 216,500 square foot apartment building constructed in 1972 with two hundred fifty two (252) apartment units housing approximately 415 residents. The facility is named in honor of Helen L. DeRoy who gave \$500,000 to assist with the cost of construction in support of students and student life on campus.

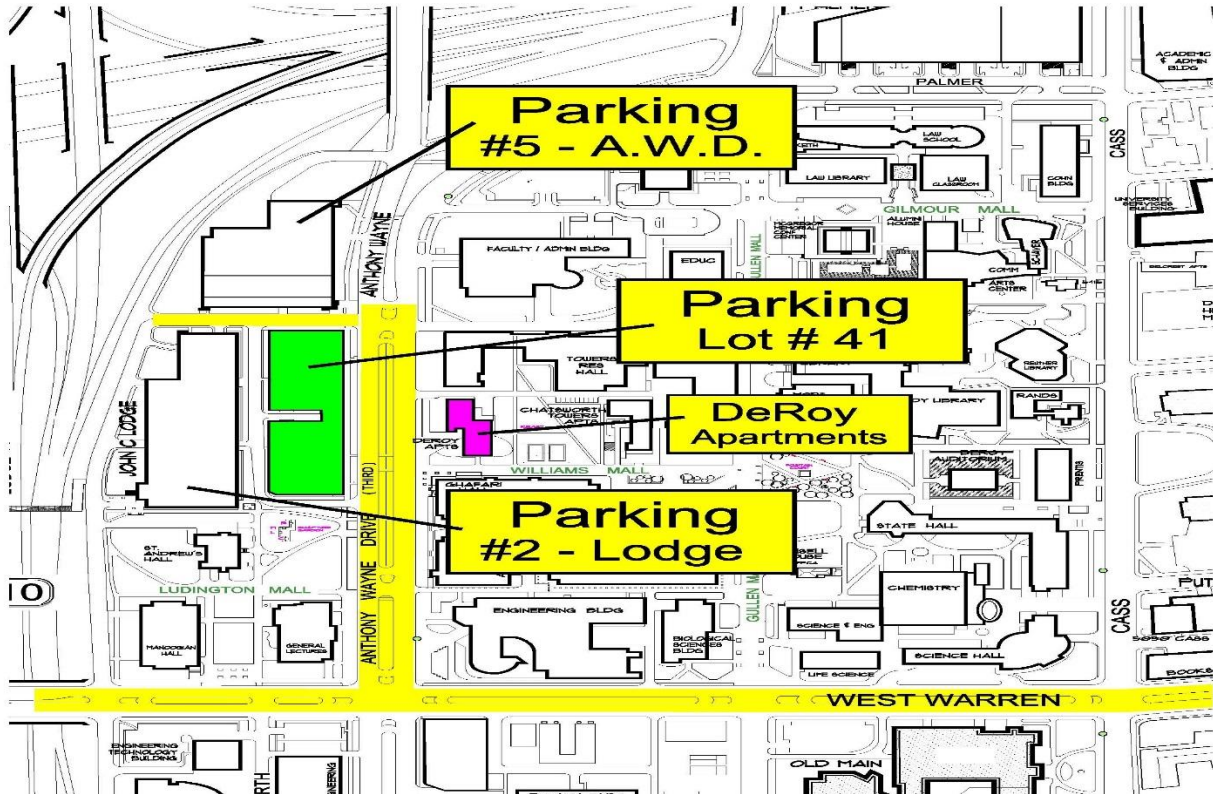
Within a few years after completion of construction, the façade of DeRoy Apartments began to leak at numerous locations into student living spaces. It was eventually determined that a defective chemical additive used during construction was deteriorating the modular brick panels which cover the building exterior. A settlement was reached with the manufacturer and repairs were made, but the problem of leaks has re-occurred as the building has aged. In 2014 a project initiated to create a new building envelope at a cost of \$12 Million was delayed while an overall facility condition assessment of DeRoy was performed by a third-party architecture and engineering firm. That study indicated that the building would require more than \$35 Million in total renovations to meet modern standards. The renovation cost approached the cost of a new building and Wayne State elected to revisit the most appropriate next steps for DeRoy and the housing system.

The January 2016 housing facilities master plan recommended the demolition of DeRoy Apartments as part of improving and increasing campus housing by building two new apartment buildings on Anthony Wayne Drive. DeRoy will be removed in the summer of 2019 enabling an expansion of Keast Commons, the grassy recreation space used by residents of the surrounding five housing buildings which is immediately behind DeRoy. When completed, Keast Commons will stretch from the front of Chatsworth Apartments to Anthony Wayne Drive, with the western edge being the new apartment buildings on Anthony Wayne Drive that are across the street.

## III. Project Budget

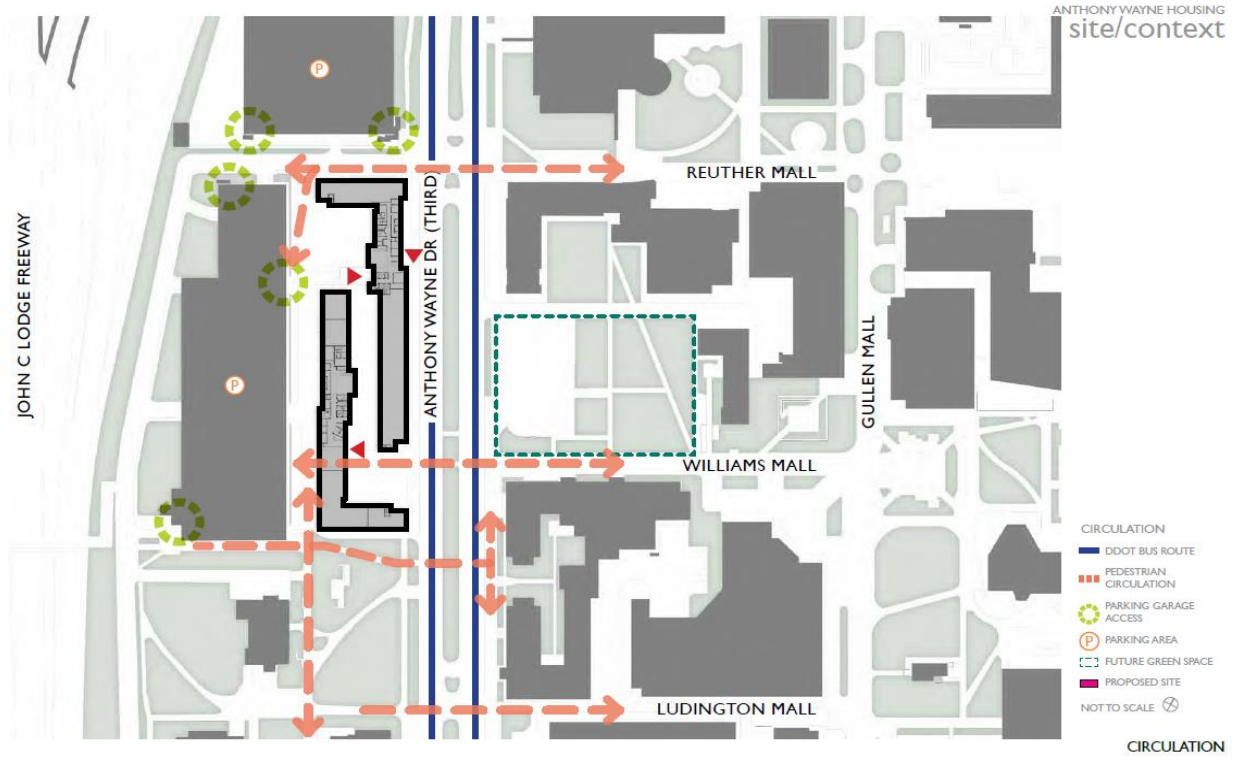
Project Budget (as of August 31, 2016)

|                                              | Project               | Balance of Bond Issue |
|----------------------------------------------|-----------------------|-----------------------|
| <b>1 Funding Source</b>                      |                       |                       |
| 2 April 2017 Bond Issue: WSU-CCL Partnership | \$ 113,930,000        | \$ 182,370,000        |
| <b>3 TOTAL SOURCES:</b>                      | <b>\$ 113,930,000</b> |                       |
| <b>4 Expenditures Plan</b>                   |                       |                       |
| 5 Design Fees                                | \$ 4,400,000          |                       |
| 6 Construction - Anthony Wayne Drive I & II  | \$ 100,860,000        |                       |
| 7 Demolition - Helen DeRoy Apartments        | \$ 2,825,000          |                       |
| 8 Project Management / Contingency           | \$ 5,845,000          |                       |
| <b>9 TOTAL EXPENDITURES:</b>                 | <b>\$ 113,930,000</b> |                       |



Conceptual rendering of New Apartments on Anthony Wayne Drive to be built on the current site of parking lot 41 across from DeRoy Apartments which will be removed.

Submitted by: William Decatur, Vice President, Finance and Business Operations



The green dotted rectangle indicates the new, enlarged Keast Commons that will be created when DeRoy Apartments (the white area inside the dotted rectangle) is removed.



The Helen L. DeRoy Apartments to be removed in summer 2019.