

South Carolina Commission on Higher Education

Finance and Facilities Committee Meeting

March 7, 2024

MEETING MINUTES

COMMITTEE ON FINANCE & FACILITIES

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A meeting of the South Carolina Commission on Higher Education's Finance and Facilities Committee was held on March 7, 2024.

1. Call to Order

Commissioner Paul Batson, Chair, called the meeting to order at 10:35 a.m. and noted the establishment of a quorum of Committee Members. Upon Commissioner Batson's request, Scheri Eichelberger acknowledged Committee members and introduced guest attendees.

Committee members present for this meeting in person were Commissioner Paul Batson and Commissioner Edgar Dyer.

Committee members present for this meeting via Zoom were Commissioner Patrick White (Vice Chair); Commissioner Jenni Bryson; and Commissioner Dino Teppara.

Commissioner Mick Zais had an excused absence from this meeting.

Commission on Higher Education staff that attended this meeting were Acting President and Executive Director Gregory Little; Georges Tippens; Bryce Wilson; Jessica Berry; Scheri Eichelberger; Leslie P. Williams; Monica Goodwin; and Christopher Glenn.

In-person guest attendees from the University of South Carolina were Derek Gruner and Craig Parks.

A host of guests attended the meeting via Zoom.

Adoption of Agenda

Chairman Batson asked for a motion and approval of the meeting agenda. A motion to approve was made by Commissioner Dyer, and Commissioner White seconded the motion. The motion passed unanimously.

2. Approval of Minutes

Chairman Batson called for approval of the minutes. Commissioner Dyer motioned for the approval of the minutes from the February 1, 2024, meeting. Commissioner Bryson seconded, and the motion passed unanimously.

3. Chair's Report

Chair Batson thanked everyone for attending the meeting. He acknowledged the in-person Commissioners as well as the members who joined by Zoom. Chair Batson welcomed the new Acting President and Executive Director, Gregory Little.

4. Permanent Improvement Project Approvals

The following projects were presented for recommendation and approval:

A. University of South Carolina

i. Project H27-NEW – 1429 Senate Street Building Acquisition: *Establish Project*

The University of South Carolina-Columbia (USC-C) sought a recommendation from the Committee on Finance and Facilities to acquire 1429 Senate Street, also known as the Rutledge Building, from the State of South Carolina. The 145,000-square foot, 14-story building currently houses the State Department of Education. The proposed purchase price is \$2.21 million. Because the property is currently owned by the state and USC is proposing to use state funds to acquire the facility, USC received approval to bypass the typical Phase One due diligence stage and seek full approval to acquire the property.

Commissioners asked USC-C to speak to the utilization of the building and financing for the acquisition. The university staff stated it had not yet determined how it would exactly use this building, but possible uses could be for graduate student housing and perhaps opening the residential space to non-students. USC staff stated that state appropriations would be the funding source for the project.

Commissioner Dyer motioned for approval, and Commissioner Bryson seconded. The motion passed unanimously.

ii. Project H27-NEW – 1430 Senate Street Acquisition: *Establish Project*

USC-C sought a recommendation from the Committee on Finance and Facilities to acquire 1430 Senate Street and its underlying land from the State of South Carolina for the purchase price of \$2.21 million using state funds. 1430 Senate Street is an office building that is currently used by different state and USC-C divisions. The university is only seeking to purchase a portion of the parcel; the surface parking lot on the site is not included in the sale but USC-C will receive easement rights for delivery access. Similar to the last project, USC-C received approval to bypass the typical Phase One due diligence stage and seek full approval to acquire 1430 Senate Street.

Commissioners asked whether 1430 Senate Street would receive priority for any maintenance or renovations since the university already occupies space in the building. University staff stated this building will get immediate attention with very minimal upfitting needing to be done.

Commissioner White motioned for approval, and Commissioner Bryson seconded. The motion passed unanimously.

iii. Project H27-NEW – Booker T. Washington Renovation: *Establish Project*

USC-C sought a recommendation from the Committee on Finance and Facilities for a Phase One request to renovate Booker T. Washington, which was a former high school in Columbia. The university received grants totaling \$6.0 million from the National Parks Service that can be used for this project. Included in the scope is repurposing square footage to include space for a Civil Rights Center and capital renewal, including replacing the roof.

Commissioners asked if the \$6.0 million dollars the university received from the federal grant would be adequate to renovate the building. The university stated that for the renovations it currently has planned for the building, the funding received would be adequate.

Commissioner Bryson motioned for approval, and Commissioner Dyer seconded. The motion

passed unanimously.

iv. Project – H27-6139 – New Health Sciences Campus – Medical Education and Research Facilities: *Increase Budget*

USC-C sought a recommendation from the Committee on Finance and Facilities for a Phase Two request to establish the University of South Carolina's construction budget for its new health sciences campus located on a 16-acre site the university owns near Prisma Health. Currently, USC-C leases space at the Dorn VA Medical Center near Interstate 77. As originally presented in June 2021, the university envisioned constructing two separate facilities for the project, one for its medical education and the other for research. As presented now, the university is proposing one facility that will house both of these functions. The overall budget request is \$300.0 million, which will be funded by institutional funds, legislative appropriations, and proposed debt. University staff state the maximum debt for the project will be \$100.0 million, and that amount may be reduced depending on future support from the State of South Carolina for this project.

Commissioners asked if class sizes would increase as a result of the new facility. University staff stated over time, classes would increase from 100 students per class to approximately 130 students per class.

Commissioner Dyer motioned for approval, and Commissioner Bryson seconded. The motion passed unanimously.

5. Other Business

A. Permanent Improvement Project Staff Approvals

Scheri Eichelberger gave an update on staff approvals for the month of February, noting that staff approved 19 projects.

When there were no more comments or remarks, Commissioner Bryson motioned for adjournment, and Commissioner Dyer seconded.

The meeting adjourned at 11:37 a.m.