A Challenging Economic Environment

- Loss of manufacturing jobs
- Lagging income levels / per capita income
- Critical knowledge-based jobs not materializing as hoped
- Poverty levels
- Call for more spending efficiencies in higher education
Spokane, Washington example
Spokane, Washington example

$1 billion annual economic impact for state
Greensboro’s knowledge community is an economic driver:

- 7 colleges and universities
- 47,000 college students
- 6376 people employed by colleges and universities
- Center for Creative Leadership serves 20,000 people annually
In Response

University of North Carolina at Greensboro
North Carolina A&T State University
Guilford College
Bennett College
Greensboro College
Elon University School of Law
Guilford Technical Community College
VF Corporation
Syngenta
Volvo Financial Services
Cone Health
City Of Greensboro
Guilford County Schools
Center for Creative Leadership
Several small businesses
Initial Work

Marketing Efforts

• “Opportunity Thrives Here. So Can You.”
• Airport and Interstate signage
• Tagline easily adapted by others
Initial Work

Marketing Efforts

• “Opportunity Thrives Here. So Can You.”
• Airport and Interstate signage
• Tagline easily adapted by others

STEM Early College at NC A&T
• Opened August 2012
Initial Work

Marketing Efforts

• “Opportunity Thrives Here. So Can You.”
• Airport and Interstate signage
• Tagline easily adapted by others

STEM Early College at NC A&T

• Opened August 2012

Common Programs / Collaboration

• Combining expertise
• Efficient space usage
• Economies of scale
• Job growth sectors
Sept 2011 to Jan 2012
31 potential programs identified.

February 2012
Narrowed to three program areas: health and wellness, global entrepreneurship, pre-K-8 education.

Mar – Sept 2012
Planning Committee further refined program areas and needs. Proposed feasibility study.

- Economic impact analysis
- Site analysis
- Initial planning for the selected site
- Facility design concepts
- Financial model
- Governance documents
- Potential scope and timing of project

Funded by City of Greensboro, Action Greensboro, Opportunity Greensboro
Three Best Collaborative Program Areas: First Phase

Healthcare Professions
- Nursing
- Radiography
- Simulation Laboratory

Global Opportunities Center
- Academic Programs
- Business Support

Continual and Distance Learning
- Degrees Matter program
- Shared Technology for Online Courses
## Healthcare Professions Programs

<table>
<thead>
<tr>
<th>Program</th>
<th>GTCC</th>
<th>NC A&amp;T</th>
<th>UNCG</th>
<th>Cone</th>
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<tr>
<td>AD/Nursing</td>
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<tr>
<td>Accelerated BSN</td>
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<td>Radiography Technology</td>
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<td>Staff Training</td>
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<tr>
<td>Shared Simulation Center</td>
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</table>
Co-Location Opportunities

- Simulation Labs
- Classroom space
- Laboratories
- Clinics
The “Big Idea”

State-of-the Art Medical Education and Training

For example, Center for Advance Medical Learning and Simulation (CAMLs) in Tampa, Fl.

- Simulation technology
- Team training
- Aviation science
- Best practices
- Research
Why Downtown?

A Central Location:

- Facilitates collaboration
- Stimulates economic development
- Markets and brands the initiative in a unified way
- Ideal for graduate and specialized programs
- Drives housing
Where: Site Evaluation Criteria

- Economic development potential
- Expandability
- Access to and from site
- Access to and from amenities
- Ease of acquisition
- Cost
- Infrastructure
- Visibility/potential for iconic design
- Size
- Time
Phase One Scope

- Approximately 105,000SF
- Four floors
- 300 + Space Parking Deck
- Classrooms, auditorium, seminar and meeting rooms
- Simulation Laboratory
- Faculty offices
- Student support facilities
Projected Capital Costs

- $2.5M: Land Acquisition
- $5.4M: Parking Structure
- $26.4M: Design and Construction
- $34.3M: Subtotal
- $5.7M: Equipment (To Be Confirmed)

Total Project: +/- $40M
## Financial Model: No Gap Funding

<table>
<thead>
<tr>
<th>Section</th>
<th>Univ. Ctr.</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
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<td>4.00%</td>
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</table>

### Rent Revenue
- Year 1: $2,681,375
- Year 2: $2,681,375
- Year 3: $2,681,375
- Year 4: $2,681,375
- Year 5: $2,681,375

### General and Administrative: (1.5% escalation)
- Salaries and Benefits: $110,000, $111,650, $113,325, $115,025, $116,750
- Office Expenses: $5,000, $5,075, $5,151, $5,229, $5,307
- Telephone/Network: $5,000, $5,075, $5,151, $5,229, $5,307
- Professional Fees: $5,000, $5,075, $5,151, $5,229, $5,307
- Other Admin: $25,000, $25,375, $25,756, $26,142, $26,534
- Overhead & Profit: $150,000, $150,000, $150,000, $150,000, $150,000

### Operating Expenses: (1.5% escalation)
- Property Taxes: $ - , $ - , $ - , $ - , $ -
- Grounds Maintenance: $14,590, $14,803, $15,031, $15,256, $15,485
- Refuse Removal: $5,211, $5,289, $5,356, $5,449, $5,530
- Janitorial: $44,811, $45,435, $46,066, $46,685, $47,301
- Water/Sewer: $19,800, $20,097, $20,399, $20,705, $21,015
- Insurance: $14,590, $14,803, $15,031, $15,256, $15,485
- Repairs & Maintenance: $64,611, $65,581, $66,564, $67,543, $68,526
- Capital Reserves: $50,022, $50,022, $50,022, $50,022, $50,022
- Miscellaneous: $5,211, $5,289, $5,366, $5,449, $5,530

### Debt Service
- Year 1: $1,867,967
- Year 2: $1,867,967
- Year 3: $1,867,967
- Year 4: $1,867,967
- Year 5: $1,867,967
## Financial Model: With Gap Funding

<table>
<thead>
<tr>
<th>Univ. Ctr.</th>
<th>Building Square Footage</th>
<th>Land Cost</th>
<th>Average Cost ($/s.f.)</th>
<th>Outside Funds</th>
<th>Project Cost</th>
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<th>Annual Debt Service</th>
<th>Debt Service/$.s.f.</th>
<th>Breakeven Rent/s.f.</th>
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<td>104,212</td>
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<td>$14,000,000</td>
<td>$15,490,908</td>
<td>1.5%</td>
<td>25</td>
<td>4.00%</td>
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<td>$9,42</td>
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<table>
<thead>
<tr>
<th>Year</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
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<td>General and Administrative: (<em>1.5% escalation</em>)</td>
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<tr>
<td>Salaries and Benefits</td>
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<td>$111,650</td>
<td>$113,325</td>
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<td>Office Expenses</td>
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<td>$5,075</td>
<td>$5,151</td>
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<tr>
<td>Telephone / Network</td>
<td>$5,000</td>
<td>$5,075</td>
<td>$5,151</td>
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<tr>
<td>Professional Fees</td>
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<td>$5,075</td>
<td>$5,151</td>
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<tr>
<td>Other Admin</td>
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<td>$25,756</td>
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<td>Overhead &amp; Profit</td>
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<td>Operating Expenses: (<em>1.5% escalation</em>)</td>
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<td>Utilities</td>
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<td>Grounds Maintenance</td>
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<td>$14,803</td>
<td>$15,031</td>
<td>$15,256</td>
<td>$15,485</td>
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<td>Refuse Removal</td>
<td>$5,211</td>
<td>$5,289</td>
<td>$5,368</td>
<td>$5,449</td>
<td>$5,530</td>
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<td>Janitorial</td>
<td>$44,811</td>
<td>$45,483</td>
<td>$46,166</td>
<td>$46,858</td>
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<td>Water/Sewer</td>
<td>$19,300</td>
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<td>$20,705</td>
<td>$21,015</td>
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<td>Insurance</td>
<td>$14,590</td>
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<td>$15,031</td>
<td>$15,256</td>
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<td>Repairs &amp; Maintenance</td>
<td>$64,611</td>
<td>$65,581</td>
<td>$66,564</td>
<td>$67,568</td>
<td>$68,576</td>
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<td>Security</td>
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<td>$119,844</td>
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<td>Capital Reserves</td>
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<td>$50,022</td>
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<tr>
<td>Miscellaneous</td>
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<td>$5,289</td>
<td>$5,368</td>
<td>$5,449</td>
<td>$5,530</td>
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<tr>
<td>Debt Service</td>
<td>$981,201</td>
<td>$981,201</td>
<td>$981,201</td>
<td>$981,201</td>
<td>$981,201</td>
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</tbody>
</table>
Likely Funding Sources

- **Leases** by institutions
- Targeted **State funds** for unique components, equipment and operating/administrative costs
- **Grants** (national and state)
- **City support** (infrastructure/parking/land acquisition)
- Foundation / Corporate “gap” financing
• Board of Directors is being established

• Task groups are working: Program, Finance, Public Relations

• Under draft:
  o Bylaws
  o Letters of Intent
  o Non-profit LLC (Downtown University Campus, Inc.)
1. Secure approval from stakeholder Boards of Trustees (UNCG, GTCC, NCA&T, Cone Health).

2. The governing board will:
   - Finalize the programs and space requirements for Phase I
   - Visit to CAMLS learning and simulation facility on August 23rd.
   - Secure the necessary “seed” money to cover costs until full funding is secured.
   - Select the preferred site and move forward with due diligence activities and acquisition.
   - Execute letters of intent and move forward on project financing process.
   - Develop project schedule: design, construction and other related activities.
   - Begin design of Phase I on the selected site.
Target: Fall 2015

### Stakeholder Board Approvals
- **Activities**
  1. Tom Ross, UNC System
  2. GTCC BOT
  3. UNCG BOT
  4. A&T BOT
  5. Cone Health BOT
  6. Guilford County Commissioners
  7. Opportunity Greensboro

### Program Confirmation
- **Decisions**
  - Create empowered program committee
  - Cone Health program expansion/EMS
  - GOCOM status
  - SIM Lab Scope
  - Auditorium/additional meeting space
  - GTCC programs: all or partial ADN?
  - Confirm UNCG/A&T program scope

### Public Relations
- **Decisions**
  - TBJ Article
  - Develop announcement and overall PR Strategy

### B&G: Site Selection
- **Decisions**
  1. Site 1: Discussions with COG and SEDG
  2. Site 2: Availability, discussions with County
  3. Site 3: Viability? Place selected site under contract
  4. Due Diligence Phase

### Capital Financing Plan
- **Decisions**
  1. "Seed money" for initial operations/activities
  2. Finalize model: final program and site
  3. Execute LOI’s
  4. Gap Fundraising
  5. COG Commitments
  6. State requests

### Organization
- **Decisions**
  - Create LLC
  - Execute Governing Documents
  - Non-profit status application and approval
  - Complete Board membership

<table>
<thead>
<tr>
<th>Phase / Task</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>Aug</th>
<th>Sep</th>
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Note: Non-profit application will take up to twelve months for approval.
Downtown University Campus

Greensboro, NC

A project of Opportunity Greensboro: Business and Collegiate Partnership