

Capital Project Status Report

BACKGROUND

This report is intended to provide transparency and accountability for the major capital projects at Oregon State University that have been approved by the OSU Board of Trustees. There are over 120 active major and minor capital projects in progress. The Finance & Administration Committee reviews and recommends to the board the approval of major capital projects with budgets of more than \$10M.

MAJOR CAPITAL PROJECTS UPDATE

Attachment 1 provides a status report of all active major capital projects approved by the OSU Board of Trustees. This includes projects on the Ten-Year Capital Forecast that have entered project development.

Attachment 2 offers definitions of the university's different funding sources for capital projects.

NEXT STEPS

The Finance & Administration Committee will discuss the annual capital project status report at its October 2025 meeting.

Status of major capital projects (≥ 10.0 million). Project budget reflects amounts approved by the board at appropriate stage gates.

Project Name	Stage of Development¹ (Board Approval Date)	Estimated/Actual Completion Date	Project Budget (million)	Estimated Final Cost (million)	Funding sources	Comments
Washington Way Improvements	Substantial Completion Stage Gate II (October 2019)	Summer 2025	\$29.00	\$32.69	OSU paid revenue bonds, CIR funds	Public railroad crossing contract agreement pending for a separate project
OSU-Cascades Student Success Center	Substantial Completion Stage Gate II (April 2023)	Winter 2025	\$21.75	\$21.75	State-paid bonds, OSU paid bonds.	
OSU-Cascades Campus Phase 2 Land Development - Innovation District	Substantial Completion Stage Gate II (August 2023)	Summer 2025	\$36.00	\$37.00	State general funds, OSU paid bonds, EPA loans & grants, Business Oregon loans and grants.	
Withycombe Hall Renovation with Oregon Quality Food and Beverage (dairy portion)	Substantial Completion Stage Gate II (October 2022)	Spring 2025	\$71.00	\$72.17	OSU paid revenue bonds, gifts, state paid bonds, CIR funds	
Newport Student Housing	Substantial Completion Stage Gate II (June 2023)	Summer 2025	\$16.50	\$18.80	OSU paid revenue bonds and State general funds	

Project Name	Stage of Development ¹ (Board Approval Date)	Estimated/Actual Completion Date	Project Budget (million)	Estimated Final Cost (million)	Funding sources	Comments
PacWave Grid Connected Wave Energy Test Facility	Substantial Completion Stage Gate II (April 2020)	Summer 2025	\$110.63	\$110.90	Department of Energy grant, gifts	
Kelley Engineering District Utility Plant	Construction Stage Gate II (August 2023)	Fall 2025	\$23.10	\$23.10	CIR funds, OSU paid revenue bonds	
Gilkey Hall Renovation	Construction Stage Gate II (May 2022)	Current assessment ongoing	\$13.75	Current assessment ongoing	State paid bonds, OSU paid revenue bonds, CIR funds	Project delayed due to discovered existing building conditions
Jen-Hsun and Lori Huang Collaborative Innovation Complex	Construction Stage Gate II (June 2023)	Fall 2026	\$213.00	\$213.00	State paid bonds, gifts, CIR funds	
Richardson Hall Mid- Life Renewal	Construction Stage Gate II (January 2025)	Winter 2026	\$14.75	\$13.40	CIR Funds, OSU paid revenue bonds	
Sinnhuber Aquatic Research Laboratory CO6 Modernization	Design Development Stage Gate I (March 2025)	Spring 2027	\$13.60	\$13.60	Grants, Operating funds	

Project Name	Stage of Development ¹ (Board Approval Date)	Estimated/Actual Completion Date	Project Budget (million)	Estimated Final Cost (million)	Funding sources	Comments
Field Sports Building	Schematic Design Stage Gate I (October 2025)	Summer 2027	\$25.00	\$25.00	Gifts	
OSU-Cascades Student Health and Recreation Center	Pre-Planning	Fall 2029	\$84.00	\$84.00	State paid bonds, OSU paid bonds, Gifts	
OSU-Cascades Residence Hall 2	Pre-Planning	Fall 2029	\$42.50	\$42.50	OSU paid bonds	
Memorial Union West Wing & Mezzanine Renewal	Pre-Planning	Fall 2028	\$11.50	\$11.50	Student building fee, MU reserves	
Heat Plant Repurpose (Physics Building) & Community Place Infrastructure	On Hold	TBD	\$101.00	\$101.00	State-paid bonds, CIR funds, gifts	On Hold due to lack of State funding
Residence Hall and Dining Center Added Capacity & Renewal	On Hold Stage Gate II (July 2025)	TBD	\$190.00	\$190.00	OSU paid revenue bonds	On Hold
Plageman Repurpose	On Hold	TBD	\$21.00	\$21.00	CIR funds	On Hold

October 22 – 23, 2025, Board of Trustees Meeting

¹ Stages of development:

- Date represents approval of Stage Gate by the Board.
- Pre-planning and project development: Initial determination of occupants, funding strategy, building size and functions, and risk/opportunity analysis.
- Programming phase: The scope (building and user requirements) is determined, building area is established, and project cost estimating begins during this phase.
- Schematic design phase: During schematic design, the project scope is translated into physical drawings of space that include floor plans, site plans and building elevations. Major projects require BOT approval at Stage Gate I to move to the Design Development phase.
- Design development phase: Schematic plans are expanded to include details and specifications required for construction. This includes size, function, configuration, equipment and materials for the building structure and systems. Construction documents are completed at the end of this phase to ensure compliance with codes, statutes, and university standards, and include quality controls and estimates of all project costs. Major projects require BOT approval at Stage Gate II to move to the Construction phase.
- Construction phase: Consists of two primary phases: pre-construction and bidding; and construction. The first phase procures labor, materials, and finalizes the budget, while the second completes the building and scope of the project.
- Substantial completion (assume occupancy): When work is complete to allow satisfactory operation of the building and construction, and other documents are completed to occupy and maintain the facility.

CAPITAL PROJECT FUNDING SOURCES

State Capital Improvements and Renewal (State CIR)

- About \$35M per legislative biennium

Guidelines

- OSU must own the asset
- Must be capitalized (\$100K for buildings, \$50K for Infrastructure)
- Must renew/prolong the life of an existing asset
- Can be used to bring asset to code compliance (emphasis on ADA and Safety)
- Cannot pay for Project Management Fee, Bureau of Labor and Industries (BOLI) labor
- Shop Labor, pure studies, or interest

E&G (“General Funds”) Capital Improvements and Renewal (E&G CIR)

- Significant component of funding for major renovations/renewals
- Supplements State CIR funding to pay expenses ineligible for State CIR
- Enables private use (taxable) of building assets

Guidelines

- OSU applies similar guidelines as State CIR, though exceptions can be made if there are no other options (i.e., too small to capitalize)

State-paid Bonds

- Usually approved by state legislature through Higher Education Coordinating Commission (HECC)-prioritized submittal (during even years of a biennium)
- Awarded in last quarter of biennium
- XI-G Bonds – matched and spent down with OSU match (i.e., gift, revenue bonds etc.)
- XI-Q Bonds – not matched

Guidelines

- Use must meet proposed use from HECC Submittal/Bond Application

OSU-paid Bonds

- Must be assigned in Capital Forecast/Stage Gate with Board
- Major Component of large projects (Major renovations and renewals)
- Debt is retired in various ways
 - Carbon Reduction debt retired by energy savings
 - Auxiliaries retire debt using revenue from specified assets
 - Education and General funded projects retire debt using general revenues, tuition and state funds
- Project budget pays interest until bond is spent or project is closed
 - Interest is on spent amount

Guidelines

- Must match the use proposed to the Board of Trustees (Capital Forecast or Stage Gate)

OSU-paid State Bonds (“X1-M Bonds”)

- Rare (Usually OSU Internal Bank Loan is more attractive)
- Applied for with HECC submittal

Guidelines

- Must match Bond Application Use

OSU Internal Bank Loan

- Used as bridge loans (project budget pays interest)
- Used by departments (usually department pays interest)

Foundation Gifts Loan

- Repayment terms are included in Gift Agreements (from Foundation)
- Foundation Fee must be determined (project cost or owner cost)
 - Lower of 5% or \$200K per gift

Other Funds

- Building Use Credits (BUC) – Distributed per BUC agreements with Division of Research and Innovation
- Department/College funds – Per project agreement
- Carry Over Funds (OSU department reserved funds)
- Grants – per grant proposal and grant rules
- State Operating Funds (very rare – OSU Cascades Land Remediation, Hatfield Marine Science Center Housing) – per allocation language