CAPITAL BUDGET TESTIMONY

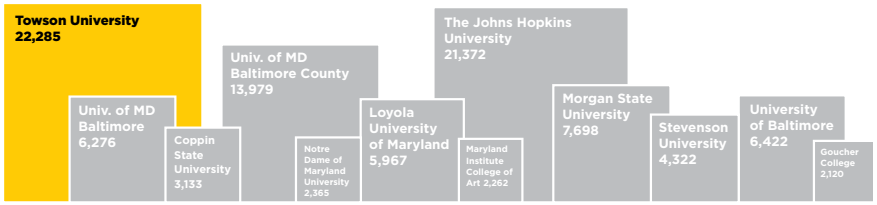
TO THE MARYLAND GENERAL ASSEMBLY

Presented by **Kim Schatzel, President**
March 2017

TOWSON UNIVERSITY

TOWSON UNIVERSITY IS...

GREATER BALTIMORE'S LARGEST UNIVERSITY.



Fall 2014 headcount

5,432 DEGREES conferred in 2015-2016 | Up **31%** since 2005-06

PRODUCING MARYLAND'S KNOWLEDGE-BASED WORKFORCE.

TU GRADUATES:

40% of Maryland's communications technology professionals

31% of Maryland's teachers

21% of Maryland's health care professionals

11% of Maryland's business graduates

Based on 2014-2015 bachelor's degrees awarded in communications technologies/technicians and support services; education; health professions and related programs; and business, management, marketing and related support services.

ADAPTIVELY REUSING AND REINVESTING IN CURRENT FACILITIES.

In the past **23 YEARS,** TU added **9,000+** graduate and undergraduate students but only **ONE NEW STATE-FUNDED ACADEMIC BUILDING.**

The new science facility costs **27% LESS** per square foot than the average USM science building.

The visual and communications technology renovation costs **30-40% LESS** than creating a new building.

FY 18 Capital Budget Priority:

Maintain the current funding schedule to keep the New Science Facility on schedule for a fall 2020 opening.

Thank you for the opportunity to discuss Towson University's capital improvement needs. I am pleased to share the reasons why our capital projects benefit Maryland.

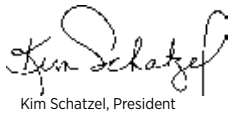
Maryland needs STEM professionals and STEM teachers. Over the past five years, TU has increased undergraduate STEM enrollment by nearly 1,000 students. TU is recognized as one of the top institutions in the nation graduating physics teachers,[1] and our Center for STEM Excellence supports science education in Maryland's K-12 schools. Our new science facility will support all stages of Maryland's STEM pipeline. We appreciate the state's support for this project and ask that you maintain the current funding schedule to ensure the project is complete for the fall 2020 term.

Maryland needs health professionals. The state's shortage of nurses, occupational therapists and other health care professionals cause the state to miss out on hundreds of millions in tax dollars.[2] TU has the largest health professions enrollment in the USM. A dedicated College of Health Professions building will enable TU to produce more qualified health professionals to meet state workforce demand.

Maryland needs talent. Towson University produces Maryland's knowledge-based workforce, but we need the space to do it. The visual and communications technology renovation will adaptively reuse Smith Hall to reduce the campus space deficit and add much-needed classroom space in the core of campus—at 30 percent to 40 percent less than the cost of a new building.

Towson University is efficient, growing and productive. Since 1994, we've added more than 9,000 undergraduate and graduate students but just one new state-funded building. TU is the fastest-growing university in Maryland and we have the second-highest graduation rate in the USM. We are a smart investment for the state.

Thank you for your support of Maryland's future workforce.



Kim Schatzel, President

1 Physics Teacher Education Coalition, 2016
2 RESI Economic Study

CAPITAL IMPROVEMENT PROGRAM PRIORITIES

NEW SCIENCE FACILITY

Undergraduate enrollment in the Fisher College of Science and Mathematics has grown by 132 percent over the past 20 years. A new facility will support science instruction for these growing STEM programs and for all TU students who will take a class in the building to fulfill core course requirements.

The project cash flow is almost identical to the allocated construction funding for upcoming fiscal years, providing little flexibility for any unforeseen circumstances. We ask the state to maintain the project funding allocation and construction preauthorization to keep the project on schedule. Any further reduction or reallocation of current or future funding will delay the project's completion.

SUPPORTING GROWTH

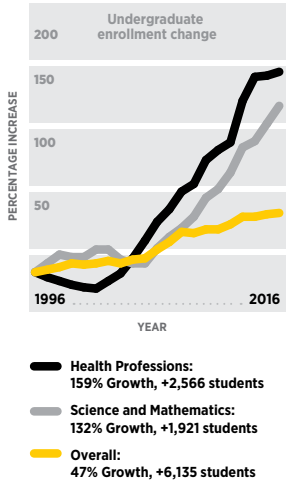
The current science building was constructed in 1964 when the university enrolled 3,537 students. Now **TU enrolls more than 4,000 students in STEM programs** alone. A shortage of classroom and lab space in the current building has created bottlenecks for students, affecting the time it takes to earn a degree. Without the new science facility, the university's space deficit of more than 200,000 net assignable square feet will nearly double.

MITIGATING RISK

The current building lacks infrastructure to support the exhaust hoods and ventilation systems necessary for modern lab instruction. Only a portion of the structure has a fire suppression sprinkler system, which is cause for significant concern. A new facility is necessary to address life safety issues.

UNDERGRADUATE ENROLLMENT GROWTH

(1996–2016)



BUILDING A KNOWLEDGE-BASED WORKFORCE

Success in STEM makes Maryland more competitive. The new science facility will help drive that success by educating Maryland's future dentists, doctors, environmental scientists and researchers in an environment that supports 21st century science instruction and equipment. And the impact won't stop there. The facility will support science education for all ages, from planetarium demonstrations for elementary school students to STEM entrepreneurship via the TU Incubator and Student Launch Pad.

GROWTH IN STEM DEGREES AWARDED

(2010-11 to 2015-16)

Forensic Chemistry	Earth Space Science	Environmental Science & Studies
138%	**100%**	**70%**
Physics	**Biology**	**Geology**
55%	**32%**	**25%**

FIRST-TIME TU STUDENTS ENROLLED IN STEM MAJORS

2008: 12% **2016: 22%**

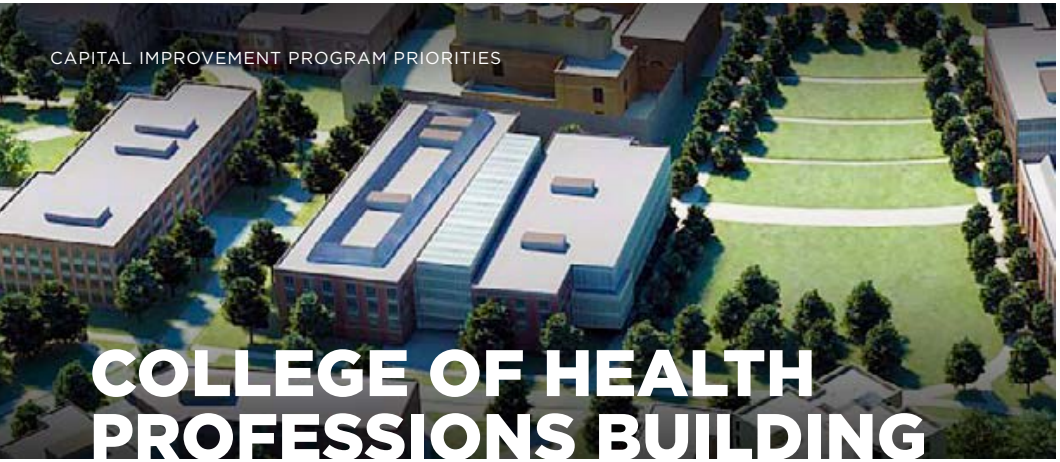
NOTABLE EMPLOYERS OF TOWSON UNIVERSITY SCIENCE AND MATHEMATICS GRADUATES

- U.S. Department of Defense
- Lockheed Martin Corporation
- Northrop Grumman Corporation
- Booz Allen Hamilton, Inc.
- T. Rowe Price Group
- National Security Agency
- General Dynamics
- Maryland Public Schools
- Johns Hopkins Hospital & University

TOWSON UNIVERSITY CAPITAL IMPROVEMENT PROGRAM REQUEST

NEW SCIENCE FACILITY

Prior appropriations:	$11,850,000 Planning
FY 2018	$36,000,000 Planning & Construction
FY 2019	$63,650,000 Construction & Equipment
FY 2020	$72,319,000 Construction & Equipment
TOTAL COST:	**$183,819,000**
STATE FUNDS:	$166,819,000 *Includes $4 million in revenue bonds*
UNIVERSITY FUNDS:	$17 million
GSF:	316,000
COMPLETE:	**Fall 2020**



COLLEGE OF HEALTH PROFESSIONS BUILDING

Towson University has the largest health professions enrollment and second-highest graduation rate in the USM. Maryland has a shortage of health care professionals that results in millions of unrealized tax dollars. A College of Health Professions building will enable TU to produce a greater number of qualified health professionals to meet state workforce demand.

FILLING THE WORKFORCE GAP

Maryland has nearly 23,000 unfilled health professions positions, including shortages of more than 7,000 registered nurses and nurse practitioners, more than 1,300 occupational therapists, and more than 900 speech-language pathologists.[1] TU produces 21 percent of Maryland's health care professionals.[2] We offer the state's first Associate-to-Bachelor's nursing program and the state's only occupational therapy degree. We are uniquely positioned to respond to Maryland's health professional workforce needs.

1 Maryland Workforce Exchange, January 2017
2 Based on 2014-15 bachelor's degrees awarded in health professions and related programs

ENABLING EXPANSION

Undergraduate enrollment in the College of Health Professions has increased by 86 percent in the past decade, and demand is strong. But a lack of space forces the university to restrict enrollment in high-demand programs, including nursing, occupational therapy and audiology. The college can enroll only 15 percent of applicants for screened programs. A new facility is necessary to expand enrollment.

Unfilled health professions positions in Maryland result in

$1.6 BILLION
IN MISSED WAGES
and cause a state
LOSS OF $176 MILLION
tax dollars.

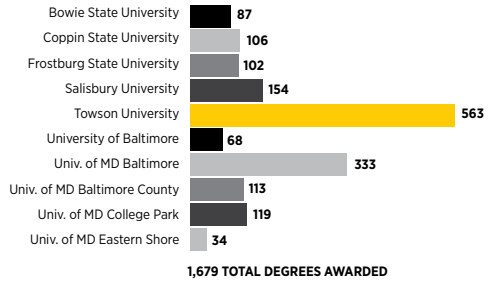
The College of Health Professions has
HALF THE LAB SPACE NEEDED
for its academic programs.

FOLLOWING INDUSTRY PROTOCOL

Classes and clinics within the College of Health Professions are currently spread across pockets of six buildings that are up to two miles apart. The new building will consolidate the college's programs under one roof to simulate clinical integration and give students the experience of working as a health care team.

HEALTH PROFESSIONS BACHELOR'S DEGREES AWARDED BY USM CAMPUSES

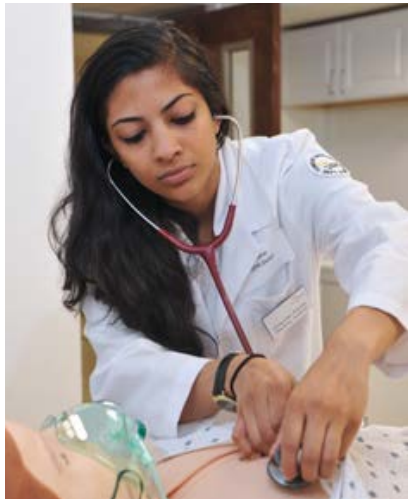
(2014-2015)



Data Source: U.S. Department of Education, IPEDS for CIP 51 (Health Professions and related programs)

NOTABLE EMPLOYERS OF TOWSON UNIVERSITY HEALTH PROFESSIONS GRADUATES

- Maryland Public Schools
- Johns Hopkins Hospital
- Greater Baltimore Medical Center
- UM St. Joseph Medical Center
- Franklin Square Hospital
- MedStar Health, Inc.
- Genesis HealthCare
- Kennedy Krieger Institute
- Sinai Hospital



TOWSON UNIVERSITY CAPITAL IMPROVEMENT PROGRAM REQUEST

COLLEGE OF HEALTH PROFESSIONS BUILDING

FY 2020	$5,266,000 Planning
FY 2021	$6,437,000 Planning
FY 2022	$73,700,000 Planning & Construction
FY 2023	$70,847,000 Construction & Equipment
TOTAL COST:	**$156,250,000**
GSF:	228,993
COMPLETE:	**Fall 2023**

VISUAL AND COMMUNICATIONS TECHNOLOGY RENOVATION

With 64 classrooms, Smith Hall is Towson University's equivalent of the Chesapeake Bay Bridge: a centrally located, load-bearing building that moves students toward their degrees. But our Bay Bridge is deteriorating. Smith Hall needs critical infrastructure and life safety improvements to stay open. Adaptively reusing the building is an efficient solution to avoid a more costly new construction project and preserve classroom space in the core of campus.

ADAPTIVE REUSE

Reinvesting in Smith Hall costs 30 percent to 40 percent less than a new building. The project will provide the space needed for visual and communications technology and 100,000 square feet of general classroom space to address the university's more than 260,000 NASF space deficit.

Visual and Communications Technology

ENROLLMENT IS AT ITS HIGHEST SINCE 2013,

with more than **14,000** credit hours taught per term.

REDUCING THE SPACE DEFICIT

Smith Hall was built more than 50 years ago and has reached the end of its useful life. The building's aging infrastructure presents life safety and accessibility issues for students and faculty. Without a renovation, Smith Hall's antiquated labs—which comprise 70,000 square feet or 60 percent of the building—cannot be repurposed for classroom space. The timing of this project is necessary to prevent Smith Hall from sitting empty after the new science facility opens.

Renovation will cost

30-40% LESS

than creating a new building.

Without a renovation, the building will be

60% UNUSABLE

due to antiquated lab spaces.

Closing Smith Hall would result in a

50% INCREASE

in the campus space deficit.

DRIVING INNOVATION

TU visual and communications technology majors are Maryland's future innovators. Yet the program's current facilities include a 25-year-old "temporary" trailer and a Media Center that hasn't been updated since the home computer was introduced. The new building will support creativity and innovation by giving students access to recording labs and a television studio where they can bring their ideas to life.

70,000 GROSS SQUARE FEET

will be **UNUSABLE** without renovation.

NOTABLE EMPLOYERS OF TU VISUAL AND COMMUNICATIONS TECHNOLOGY GRADUATES

WMAR-TV, WBAL-TV, WJZ-TV and WBFF Fox 45

Discovery Communications

T. Rowe Price Group

The Baltimore Sun

Verizon Communications

Bank of America

Comcast Corporation

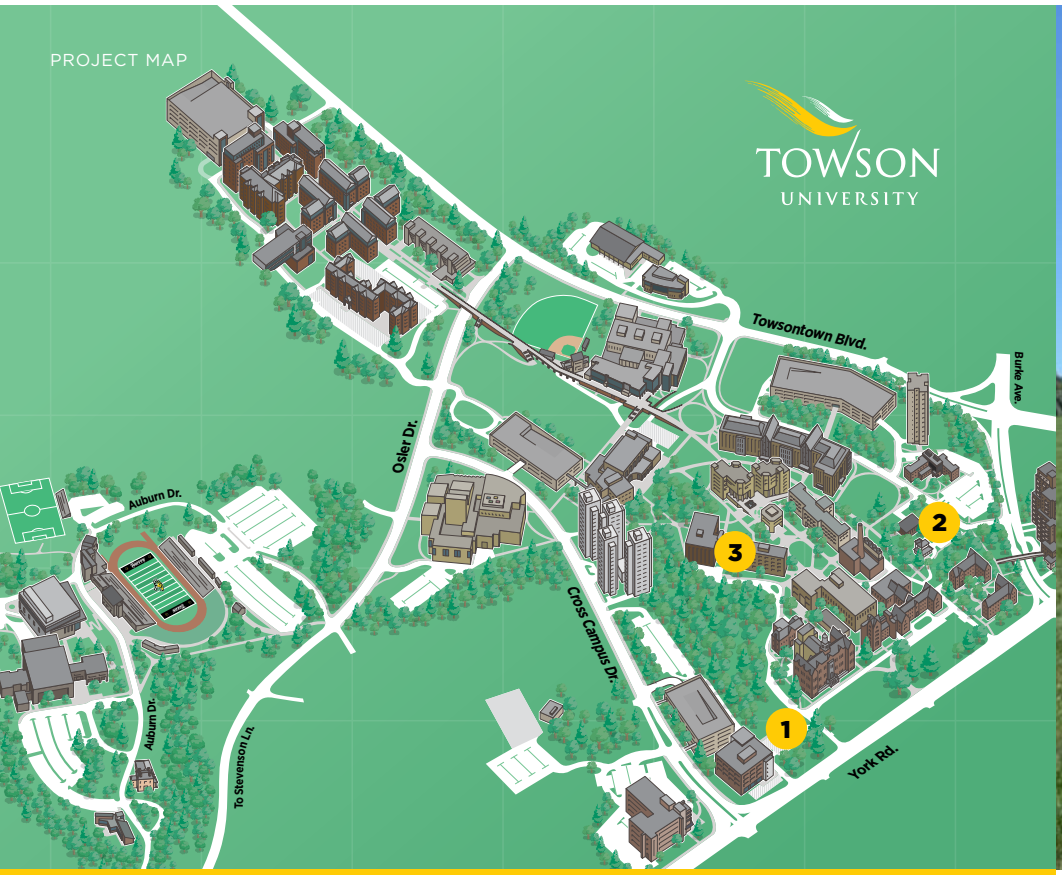
CareFirst BlueCross BlueShield

Baltimore Business Journal

TOWSON UNIVERSITY CAPITAL IMPROVEMENT PROGRAM REQUEST

VISUAL AND COMMUNICATIONS TECHNOLOGY RENOVATION

FY 2020	$9,934,000 Planning
FY 2021	$48,152,000 Construction
FY 2022	$47,120,000 Construction & Equipment
TOTAL COST:	**$105,206,000**
GSF:	VisComm: 120,000 General Classroom: 100,000 Total: 220,000
COMPLETE:	**Fall 2023**



CAPITAL IMPROVEMENT PROGRAM

1. New Science Facility
2. College of Health Professions Building
3. Visual and Communications Technology Renovation

In order to respond to Maryland's workforce needs, Towson University needs contemporary facilities that support our academic programs. We appreciate the state's support in providing an affordable, high-quality education for Maryland's students.

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