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SUNY plans require huge state investment
By Cara Matthews

ALBANY — The State University of New York has unveiled its largest and most ambitious capital-spending plan in recent history, but it requires \$9.03 billion over five years from a cash-strapped state treasury.

SUNY wants \$7.75 billion of the total for its buildings and other educational facilities.

Of that, \$3.75 billion would pay for what the school system is calling “critical maintenance” projects, \$2.5 billion would be for initiatives the campuses see as priorities (chosen out of \$4.8 billion in requests), and \$1 billion for new initiatives that develop over the five years.

The remaining \$1.28 billion of the \$9 billion would be the state’s 50 percent share of initiatives at SUNY’s 30 community colleges.

When capital requests for SUNY hospitals and residence halls are added in, plus a new green building initiative, the five-year total is \$11.17 billion. SUNY trustees approved the plan this week, along with a \$2.38 billion budget request for 1008-09.

Hospitals are funded by revenues, and residence halls by room rents, so they do not require state contributions.

SUNY Board of Trustees Chairman Carl Hayden of Elmira acknowledged Wednesday that the sums of money being requested are “extraordinarily large,” but the problem of aging facilities is a serious one, he said.

The average age of SUNY’s 1,811 buildings (which does not include community colleges) is 43.5 years. Many of the projects are funded through the sale of bonds, he said.

“We have a tsunami coming if we don’t deal with this problem now,” he said.

The majority of the buildings were constructed in the late 1960s and early ‘70s, said Phil Wood, vice chancellor for capital facilities. SUNY’s master plans in the 1950s and 1960s focused on building new campuses and expanding missions for existing ones, and enrollment in courses quadrupled in the 1960s, an October 1992 report said.

“In this great burst of energy, all of these campuses were created and all of these buildings were built,” Hayden said. “They were brought along on thread-bare maintenance for way too long.”

SUNY and the Rockefeller Institute of Government commissioned a study by Pacific Partners Consulting Group that found the current backlog of urgent projects would cost \$3.2 billion to complete and would increase to \$5.2 billion absent further state investment.

The capital projects request is significantly larger than the \$4.62 billion one for 2003-04 through 2007-08. State-funded projects for educational facilities made up \$3.13 billion of that. The rest was for community colleges (\$379 million), hospitals (\$419 million) and residence halls (\$685 million).

A spokesman for Gov. Eliot Spitzer said the administration would not comment on the SUNY capital budget until the state Commission on Higher Education releases its preliminary report. The panel, which Spitzer formed this spring, has to submit a draft report to the governor by Saturday.

Elizabeth Lynam of the Citizens Budget Commission, a Manhattan-based watchdog group, said state leaders should give the capital plan a thorough review to make sure SUNY is managing the program effectively.

“They are requesting a 142 percent increase in capital appropriations from the state. That is an extremely large jump in funding considering that the state is facing financial plan gaps that grow to more than \$7 billion in the coming years,” she said.

Another component of the capital plan is a new program called the “Greening of SUNY.” SUNY would use the \$541.9 million to increase use of biofuels and renewable energy, such as fuel cells and wind turbines, reduce energy consumption and use other measures. Ultimately, the green projects would pay for themselves through reduced energy and maintenance costs, officials said.

The bulk of \$1.28 billion for community colleges would be divided according to priority level. The first tier would be for projects that already had local funding and those that fell into the categories of critical maintenance, health and safety, emergencies and green initiatives. The other funding would be

handed out based on the probability of funding from the local sponsor, usually the county. SUNY did not release details of how the money would be meted out.

“The big hurdle for our community colleges is securing sponsors for the 50 percent match,” Wood said.

The breakdown of hospital-funded projects is \$258 million for Downstate Medical Center in Brooklyn, \$142 million for Stony Brook University Hospital in Suffolk County and \$326.5 million for Upstate Medical University in Syracuse. Another \$50 million would go toward needs that develop over the five years.

The \$818 million for dorms, which 26 campuses have, would be paid for with room rents and other revenues. Most projects are managed by the state Dormitory Authority.