Public Private Ventures

Update

August 2, 2005

“Creating a More Educated Georgia”
Privatization Program

Strategic Plan 2004
Goal # 7

Provide & maintain superior facilities,
_funded by innovative mechanisms_, that _shorten the time_ that elapses between approval and use.

- Gain support to initiate a comprehensive building program to accommodate the expected significant growth in the number of USG students.

- Address long-term maintenance, renovation, and/or replacement of facilities to ensure efficiency, effectiveness, and _return on investment_.

- Improve coordination of privatization efforts, and incorporate coordination processes in Board policies.

“Creating a More Educated Georgia”
Update

- 65 privatized projects

- A variety of facility types including:
  - Housing
  - Parking
  - Recreation
  - Research
  - Instructional
  - Office

- Total to date...well over $1.6 Billion

"Creating a More Educated Georgia"
“Creating a More Educated Georgia”
Business Plan - Uses of Funding

System Office Staff

- Year 1- Hired an Executive Director & Real Estate Research Analyst

- Engaged Special Assistant Attorney General (SAAG) & Specialty Reviews

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Outsourcing

- Comprehensive Housing Plans, Market, and Feasibility Studies

- Create Standards and/or Guidelines for various project types (Residential facilities, parking decks, others)
Revolving Fund
(Plan to start when enough funds are obtained)

- Environmental Assessments, Surveys and/or Appraisals
- Programming and/or Design

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Services and Expectations

Staff has improve timeliness, responsiveness and proactive approach

- Established a comprehensive (system wide) inventory of projects
- Refined standard template legal documents
- Involved in the projects at the planning stage to improve timeliness and responsiveness
- Participating in deal structure and negotiation of deal terms for individual projects

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Annual Services

*Staff will support a proactive approach and annual system-wide report*

- Review & report on ongoing financial viability of projects
- Operation Review
- Facility assessment...condition analysis
- Review revenue, expenditures and performance of the USG Privatization Program

“Creating a More Educated Georgia”
Explore System Wide Savings Opportunities

- Pool Insurance
- Financing Trust Structure
- Common Bond Reserve Fund
- Pool Capitalized Interest Fund

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Expand Financing Options

- State Sponsored Financing Vehicle to bundle projects
- Explore the Role of the Affiliated Foundations
- Examine potential policies for adoption by Board of Regents that can enhance financing options

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Build Relationships with the Finance Community

- Enhance relationships with rating agencies
- Encourage the participation of more Bond Insurers
- Expand participation of major Bond Buyers

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2005 Ventures Projects

Staff is actively involved in the planning, deal structure, due diligence review, and closing of privatized projects

Closed Projects: ($107 million)
- Albany State University – Student Housing
- Armstrong Atlantic State University – Armstrong Center & Recreation Center
- Augusta State University – Student Center
- Georgia Southern University – Recreation Center

Projected to Close By Year End: ($290 million)
- Armstrong Atlantic State University – Student Housing
- Columbus State University – Parking Deck
- Georgia Perimeter College – Newton Campus
- Georgia Southwestern State University – Student Housing
- Georgia State University – Piedmont Ellis Student Housing
- Georgia Tech – Electric Substation
- Middle Georgia College – Student Housing

Projects in Progress:
- Abraham Baldwin Agricultural College – Student Housing Phase II & Student Center
- Fort Valley State University – Student Housing
- Gwinnett University Center – Parking Deck
- University of Georgia – Tate Student Center & Parking Deck

“Creating a More Educated Georgia”
Albany State University
Student Housing
Albany State University
Student Housing
Columbus State University Main Campus Parking Deck Location

“Creating a More Educated Georgia”
Georgia Perimeter College
Newton Campus