

*“A New House, An Old Tradition”
The Campaign for Creighton-Vail Hall in the 21st Century*

Renovation vs. New Construction

At the conclusion of the 2008 House Assessment, House Corporation was provided a short list of options to address the many issues with our current facility. Among them were different degrees of renovations which could address the findings, building a new house or doing nothing at all (status quo). It was agreed that doing nothing (status quo) was not in the best interest of the chapter and the long term residency at 841 Fowler Street. Therefore, the House Corporation formed an exploratory Building Committee to review the options and form a strategic plan to address the findings of the assessment.

The Building Committee started with a reviewing small, medium and large renovation/replacement options. These renovation options were thoroughly evaluated and weighed by their aspects of cost, design impact, return on investment and financial risk. This review included visits to and intense scrutiny of similar projects on and off the GT campus, covering both renovation and new construction of similar facilities. These include the Sigma Nu, Lambda Chi, and Theta Chi houses.

These options were reviewed:

- Small: General repair and replacement of systems to address reliability and uptime issues, refurbishment of bathrooms and kitchen appliances and drainage issues in the backyard. This would be a one-time effort that would be considered to extend the life of the house another 8 to 10 years.
 - Cost: Approx \$ 300K to \$500K.
 - Impact: Scope would include only system patchwork repairs, individual unit replacements, and no life safety enhancements. [These would be temporary fixes as complete systems would still have to be fully replaced in the next 10 years as they are quite old, unreliable and inefficient.]
 - Risk: Would have to make sure that any changes don't affect grandfathered building codes, else significant expense could occur. System reliability could be improved, but the efficiency of the systems may not be improved. Life safety is not addressed and remains at an unacceptable level of risk for undergraduates and guests.
 - ROI: The renovation costs would yield no ROI long term due to the short term life of the work performed.

- Medium: Invasive demolition and construction to repair or replace key systems, such as HVAC, Electrical, Plumbing, Kitchen, Bathroom, Attic structure repair and Life Safety to extend the life of the house another 30 to 40 years.
 - Cost: Approx \$ 1.5M to \$ 2.5M (or higher).
 - Impact: Complete system replacement, enhancement and renovation of most areas in the facility. Significant life safety improvements through a sprinkler and integrated alarm system. Transition to current building codes could reduce the number of beds by approximately 8 to 12 as a result of the required life safety improvements. [The reduced number of beds would affect the house revenue stream and ability to pay off debt.]
 - Risk: There is a huge unknown cost for work that may be required once the renovation begins. This can include structural and system related costs that are typically unknown during the estimation process. Costs to keep the current number of occupants could push the project cost higher through a third story or conversion of the space in the addition.
 - ROI: The renovation costs would yield some ROI long term, but could be hampered by a reduction in the number of beds, which could make the ROI negative.
- Large: Replacement of the existing structure with a new house.
 - Cost: Approx \$ 3.5M to \$ 4.5M
 - Impact: Significant improvement in house design, flow, systems, safety and occupancy. Reduced variation in project costs as opposed to a medium renovation.
 - Risk: Debt obligations could be significant unless there is adequate fundraising.
 - ROI: The replacement costs would yield ROI long term, as occupancy levels and lower operating costs per resident through efficient systems could help offset the higher project cost.

Occupancy Levels: The occupancy drives all the financials for both a renovation and replacement. The House must keep its current residential space for 43 brothers in order to secure the long term financial stability of the house. [In the new design we are looking to expand to 50 beds.] The medium renovation option will require that all the existing cubbies be removed and a normal dormitory style living arrangement be implemented. This will be required to meet the current building codes that will be implemented through a renovation. In order to regain (or add) to this occupancy capacity, a major renovation would require for a third story to be built where the current attic is today. The expense associated with this work could make the renovation project unfeasible and push the cost much higher than the \$ 1.5M to \$ 2.5M estimate.

In order to effectively answer the needs of the undergraduate chapter, as well as the most efficiently use alumni donations, House Corporation determined that a brand new house is the best long-term solution. A new house would allow for an adequate level of Occupancy (expanded from 43 to 50 brothers) to meet the demands of a growing undergraduate student body and providing for a safe and functional house design. Given the unpredictable nature of a major renovation, the costs could easily meet and exceed the cost of a new house. At this time, we are estimating our project cost at \$ 4M.