

Agenda Item No. 3.5

AGENDA ITEM BRIEFING

Submitted by: Thomas D. Williams, Interim President
Texas A&M University

Subject: Approval to Amend the FY 2026 – FY 2030 Texas A&M University System Capital Plan to Change the Fiscal Year Designation for Project Initiation and Appropriate Funding for Pre-Construction Services for the West Campus Learning Commons Project for Texas A&M University (Project No. 02-3462)

Background and Prior Actions:

The project was included as a proposed project on the FY 2026 – FY 2030 Texas A&M University System Capital Plan approved by the Board at the August 2025 meeting with an FY 2028 start date and a total planning amount of \$130,000,000.

Proposed Board Action:

- (1) Amend the approved FY 2026 – FY 2030 Texas A&M University System Capital Plan to change the fiscal year designation for project initiation for the West Campus Learning Commons Project from FY 2028 to FY 2026.
- (2) Appropriate \$13,000,000 for pre-construction services and related project costs.

Funding/Planning Amount:

<u>Funding Source</u>	<u>Planning Amount</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Revenue Financing System Debt Proceeds	\$50,000,000	\$3,285,208	Designated Tuition
Permanent University Fund Debt Proceeds	\$75,000,000	\$5,822,530	Available University Fund
Cash (Texas A&M AUF)	<u>\$5,000,000</u>	N/A	N/A
Total Project Cost	<u>\$130,000,000</u>		

Change Justification:

This project was previously included on the approved FY 2026 – FY 2030 capital plan with an FY 2028 project initiation designation. As fifteen years of constant growth has resulted in persistent scheduling difficulty, increasing pressure for classroom space, and an imbalance of instructional capacity between East and West Campuses, the request is to change the project initiation

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designation to FY 2026. The program of requirements (POR) has been developed; funding has been identified; and Texas A&M University (Texas A&M) desires to proceed with the project as soon as possible. With a fiscal year change to FY 2026, this will allow classes to commence in the new facility in fall 2029.

Project Justification:

Over the last decade, Texas A&M has experienced over 30% growth in enrollment that has affected nearly all aspects of academic and community life on campus. As a result of this sustained growth, the university completed two efforts concurrently, a Capacity Study and a Student Experience Study, to provide comprehensive and holistic recommendations to address immediate and future needs of the main campus. Two major findings emerged from these studies: 30% of students' academic homes now reside on West Campus; and West Campus currently lacks parity with East Campus in terms of resources including classrooms, dining, transit, and parking. In response to the Capacity Study and supporting the university's pursuit of innovative and engaging teaching methods, Texas A&M proposes to build a West Campus Learning Commons. The new facility will address classroom demand, a lack of student study space, and a centralized academic support center.

In 2020 Texas A&M opened a new instructional facility, the Innovative Learning Classroom Building, in response to strain on classroom space and a desire to explore new and emerging teaching methodologies. Despite adding over 2,100 classroom seats, the university's instructional capacity remains strained.

Additional analysis completed as part of the Capacity Study found that 70% of instructional capacity is located on East Campus, resulting in limited access to classroom resources on West Campus. Recent department relocations to West Campus and the Bush Library regions further strain the already limited instructional capacity in these areas of campus. Additionally, increased growth at Texas A&M over the last five-plus years has created significant strain on campus classroom availability for spaces with 75 seats or more. Providing additional classroom space for a range of cohorts between 75 and 250 students directly addresses needs identified in the Capacity Study to relieve pressure on existing spaces, enhance classroom-use flexibility, and meet space use efficiency thresholds. The Capacity Study also identified that students housed on West Campus often encountered scheduling difficulties and travel time issues when completing core curriculum coursework on East Campus.

The proposed facility will offer approximately 1,400 classroom seats primarily in spaces with 48 to 96 seats. Space for student study, collaboration, and academic support directly responds to the need for additional student support infrastructure as identified in the Capacity Study. By combining student-centric spaces for study, collaboration, and academic support with direct instruction, the new West Campus Learning Commons will become a model academic union for student success that facilitates learning across the entire campus.

Scope:

The proposed West Campus Learning Commons totals 112,193 gross square feet (GSF), which translates to 67,316 assignable square feet (ASF) at 60% efficiency. The new facility will be

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constructed on the main campus in College Station on parking lot 74. Prominently situated within the West Campus Character Zone, the site is adjacent to new campus facilities currently in planning, design, and construction, which will contribute to the transformational re-development of this area of campus, including the Aplin Center and the Center for Learning and Arts Innovation (CLAI).

Creating much-needed additional registrar-controlled instruction capacity, the new facility will feature 19 classroom spaces to provide a variety of learning environments that support traditional lecture delivery, active learning, and a hybrid of lecture with active learning. Large instructional spaces, including a medium teaching arena, an egg classroom, five active learning studios, a tiered collaboration classroom, and a group dynamics space, build on the success of teaching spaces in the Innovative Learning Classroom Building (ILCB) located on East Campus. A series of smaller classroom spaces is also included to support teaching core curriculum on West Campus and to allow the registrar to decommission low-quality and under-performing existing classrooms of a similar scale. These seminar classrooms will provide flexible teaching spaces for a maximum of 32 students and can be configured to support lecture-based or active-learning based curricula.

The new facility will not provide any permanent office space for dedicated faculty use. To provide a home away from home while teaching in the facility, a faculty resource center will provide space to meet with students before or after class through small meeting rooms, touchdown workspace for faculty to remain in the building as needed for their teaching schedule, and a locker area to store personal items and instruction materials. An office suite for University Audiovisual Services will provide space for building staff to manage building operations, including a support director for West Campus, a programmer, and a technician.

Additional student support infrastructure includes student spaces dedicated to collaboration and study dispersed throughout the entire building and an Academic Support Center. The Academic Support Center will create a West Campus hub for Academic Success, the Writing Center, and the Math Learning Center. Co-locating each group will provide a home for tutoring, coaching, workshops, and supplemental instruction across all academic disciplines offered at Texas A&M.

Other Major Fiscal Impacts:

None.

Strategic Plan Imperative(s) this Item Advances:

Construction of the new West Campus Learning Commons Project will support The Texas A&M University System strategic imperatives 1 and 3. Specifically, the new West Campus Learning Commons Project will directly support educational excellence at Texas A&M. As registrar-controlled instructional space, the new facility will support all academic disciplines on campus and provide a much-needed increase in classroom inventory based on recent growth in enrollment at Texas A&M. The new West Campus Learning Commons Project will ensure that students can complete their degree plans in a timely manner and that Texas A&M supports many pathways for students to contribute as future citizens.

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TEXAS A&M UNIVERSITY
Office of the Interim President
October 22, 2025

Members, Board of Regents
The Texas A&M University System

Subject: Approval to Amend the FY 2026 – FY 2030 Texas A&M University System Capital Plan to Change the Fiscal Year Designation for Project Initiation and Appropriate Funding for Pre-Construction Services for the West Campus Learning Commons Project for Texas A&M University (Project No. 02-3462)

I recommend adoption of the following minute order:

“The request to amend the FY 2026 – FY 2030 Texas A&M University System Capital Plan to change the fiscal year designation for project initiation for the West Campus Learning Commons Project for Texas A&M University from FY 2028 to FY 2026 is approved.

The amount of \$13,000,000 is appropriated from Account No. 01-084900, Permanent University Funds Debt Proceeds (AUF), for pre-construction services and related project costs.

The Board of Regents of The Texas A&M University System (Board) reasonably expects to incur debt in one or more obligations for this project, and all or a portion of the proceeds received from the sale of such obligations is reasonably expected to be used to reimburse the account(s) for amounts previously appropriated and/or expended from such account(s).

As required by Section 5(a) of the Master Resolution of the Revenue Financing System, the Board hereby determines that it will have sufficient funds to meet the financial obligations of The Texas A&M University System, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Revenue Financing System and to meet all financial obligations of the Board relating to the Revenue Financing System and that

the Participants, on whose behalf the debt is issued, possess the financial capacity to satisfy their Direct Obligations.”

Respectfully submitted,

[SIGNED BY]

Thomas D. Williams
Interim President

Approval Recommended:

[SIGNED BY]

Glenn Hegar
Chancellor

[SIGNED BY]

Susan Ballabina, Ph.D.
Executive Vice Chancellor

[SIGNED BY]

Ryan C. Griffin
Vice Chancellor and
Chief Financial Officer

[SIGNED BY]

Phillip Ray
Vice Chancellor for Business Affairs

Approved for Legal Sufficiency:

[SIGNED BY]

R. Brooks Moore
General Counsel

**TEXAS A&M UNIVERSITY
REVENUE FINANCING SYSTEM
West Campus Learning Commons
Designated Tuition**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
BONDS	50,495,000.00				
YEAR 1	49,735,000.00	760,000.00	2,524,750.00	3,284,750.00	3,777,462.50
YEAR 2	48,940,000.00	795,000.00	2,486,750.00	3,281,750.00	3,774,012.50
YEAR 3	48,105,000.00	835,000.00	2,447,000.00	3,282,000.00	3,774,300.00
YEAR 4	47,225,000.00	880,000.00	2,405,250.00	3,285,250.00	3,778,037.50
YEAR 5	46,305,000.00	920,000.00	2,361,250.00	3,281,250.00	3,773,437.50
YEAR 6	45,335,000.00	970,000.00	2,315,250.00	3,285,250.00	3,778,037.50
YEAR 7	44,320,000.00	1,015,000.00	2,266,750.00	3,281,750.00	3,774,012.50
YEAR 8	43,250,000.00	1,070,000.00	2,216,000.00	3,286,000.00	3,778,900.00
YEAR 9	42,130,000.00	1,120,000.00	2,162,500.00	3,282,500.00	3,774,875.00
YEAR 10	40,950,000.00	1,180,000.00	2,106,500.00	3,286,500.00	3,779,475.00
YEAR 11	39,710,000.00	1,240,000.00	2,047,500.00	3,287,500.00	3,780,625.00
YEAR 12	38,410,000.00	1,300,000.00	1,985,500.00	3,285,500.00	3,778,325.00
YEAR 13	37,045,000.00	1,365,000.00	1,920,500.00	3,285,500.00	3,778,325.00
YEAR 14	35,610,000.00	1,435,000.00	1,852,250.00	3,287,250.00	3,780,337.50
YEAR 15	34,105,000.00	1,505,000.00	1,780,500.00	3,285,500.00	3,778,325.00
YEAR 16	32,525,000.00	1,580,000.00	1,705,250.00	3,285,250.00	3,778,037.50
YEAR 17	30,865,000.00	1,660,000.00	1,626,250.00	3,286,250.00	3,779,187.50
YEAR 18	29,125,000.00	1,740,000.00	1,543,250.00	3,283,250.00	3,775,737.50
YEAR 19	27,295,000.00	1,830,000.00	1,456,250.00	3,286,250.00	3,779,187.50
YEAR 20	25,375,000.00	1,920,000.00	1,364,750.00	3,284,750.00	3,777,462.50
YEAR 21	23,360,000.00	2,015,000.00	1,268,750.00	3,283,750.00	3,776,312.50
YEAR 22	21,240,000.00	2,120,000.00	1,168,000.00	3,288,000.00	3,781,200.00
YEAR 23	19,015,000.00	2,225,000.00	1,062,000.00	3,287,000.00	3,780,050.00
YEAR 24	16,680,000.00	2,335,000.00	950,750.00	3,285,750.00	3,778,612.50
YEAR 25	14,230,000.00	2,450,000.00	834,000.00	3,284,000.00	3,776,600.00
YEAR 26	11,655,000.00	2,575,000.00	711,500.00	3,286,500.00	3,779,475.00
YEAR 27	8,950,000.00	2,705,000.00	582,750.00	3,287,750.00	3,780,912.50
YEAR 28	6,110,000.00	2,840,000.00	447,500.00	3,287,500.00	3,780,625.00
YEAR 29	3,130,000.00	2,980,000.00	305,500.00	3,285,500.00	3,778,325.00
YEAR 30	-	3,130,000.00	156,500.00	3,286,500.00	3,779,475.00
		<u>\$ 50,495,000.00</u>	<u>\$ 48,061,250.00</u>	<u>\$ 98,556,250.00</u>	<u>\$ 113,339,687.50</u>

Estimated issuance costs and rounding of \$495,000 are included in this schedule.
Long-term rates are assumed to be 5.00%. Rates are subject to market change.
Prepared by the Office of the Treasurer - Treasury Services 10/20/2025

Rates are subject to market change. Amounts are preliminary estimates that will be revised at the time bonds are issued.

**TEXAS A&M UNIVERSITY
PERMANENT UNIVERSITY FUND
West Campus Learning Commons
Available University Fund**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total
BONDS	75,740,000.00			
YEAR 1	73,325,000.00	2,415,000.00	3,408,300.00	5,823,300.00
YEAR 2	70,805,000.00	2,520,000.00	3,299,625.00	5,819,625.00
YEAR 3	68,170,000.00	2,635,000.00	3,186,225.00	5,821,225.00
YEAR 4	65,415,000.00	2,755,000.00	3,067,650.00	5,822,650.00
YEAR 5	62,535,000.00	2,880,000.00	2,943,675.00	5,823,675.00
YEAR 6	59,525,000.00	3,010,000.00	2,814,075.00	5,824,075.00
YEAR 7	56,380,000.00	3,145,000.00	2,678,625.00	5,823,625.00
YEAR 8	53,095,000.00	3,285,000.00	2,537,100.00	5,822,100.00
YEAR 9	49,660,000.00	3,435,000.00	2,389,275.00	5,824,275.00
YEAR 10	46,070,000.00	3,590,000.00	2,234,700.00	5,824,700.00
YEAR 11	42,320,000.00	3,750,000.00	2,073,150.00	5,823,150.00
YEAR 12	38,400,000.00	3,920,000.00	1,904,400.00	5,824,400.00
YEAR 13	34,305,000.00	4,095,000.00	1,728,000.00	5,823,000.00
YEAR 14	30,025,000.00	4,280,000.00	1,543,725.00	5,823,725.00
YEAR 15	25,555,000.00	4,470,000.00	1,351,125.00	5,821,125.00
YEAR 16	20,885,000.00	4,670,000.00	1,149,975.00	5,819,975.00
YEAR 17	16,000,000.00	4,885,000.00	939,825.00	5,824,825.00
YEAR 18	10,900,000.00	5,100,000.00	720,000.00	5,820,000.00
YEAR 19	5,570,000.00	5,330,000.00	490,500.00	5,820,500.00
YEAR 20	-	5,570,000.00	250,650.00	5,820,650.00
		<u>\$ 75,740,000.00</u>	<u>\$ 40,710,600.00</u>	<u>\$ 116,450,600.00</u>

Estimated issuance costs and rounding of \$740,000 are included in this schedule.
Long-term rates are assumed to be 4.50%. Rates are subject to market change.
Prepared by the Office of the Treasurer - Treasury Services 10/20/2025

Rates are subject to market change. Amounts are preliminary estimates that will be revised at the time bonds are issued.