



Office of the Chief Financial Officer and Treasurer

December 19, 2025

The Honorable Mike Braun
Governor of the State of Indiana
Statehouse
Indianapolis, IN 46204

Dear Governor Braun:

At its meeting on December 12, 2025, the Purdue University Board of Trustees approved the purchase of 0.50 acres of land at 303 and 401 Waldron Street, both in West Lafayette, from and the lease of 0.57 acres to Beta Iota of Delta Gamma House Association, Inc. d/b/a Delta Gamma Sorority.

The land purchase includes an approximately 18,000 GSF residential sorority structure and parking lot near the West Lafayette campus and will be leased back to Delta Gamma Sorority while they construct a new residence. The site of the sorority's current operations aligns with the university's long-term campus master plan. The purchase price of 303 and 401 Waldron Street is \$8,300,000 and will be fully funded by Operating Funds – Reserves.

The 40-year lease for two parcels, two blocks north of its existing property, will provide land for Delta Gamma Sorority to build a new facility, relocate its operations and maintain a long-term presence on campus.

Subject to review by the Commission for Higher Education and recommendation by the State Budget Committee and the Budget Agency, we request your approval to proceed with this project. Attached are the completed forms that the Commission has prescribed for its review of such projects. We will be happy to answer any questions you or your staff may have or to provide any additional information that is needed.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Ruhl', with a long, sweeping horizontal line extending to the right.

Christopher A. Ruhl
Chief Financial Officer and Treasurer

Attachments

c: Brooke Kile, Senior Associate Commissioner for Business Solutions, Indiana Commission for
Higher Education
Chad Ranney, State Budget Director, Indiana State Budget Agency
Jonathan Eccles, Division Director, Indiana State Budget Agency
Kay Parker, Comptroller, Purdue University
Anne Hazlett, Senior Director, Government Relations, Purdue University

PROJECT COST SUMMARY

Purchase Land from and Execute Ground Lease to Beta Iota of Delta Gamma House Association, Inc. d/b/a Delta Gamma Sorority

Institution:	<u>Purdue University</u>	Budget Agency Project No.:	<u>B-1-26-3-11</u>
Campus:	<u>West Lafayette</u>	Institutional Priority:	<u>N/A</u>
Previously approved by General Assembly:	<u>No</u>	Previously recommended by CHE:	<u>No</u>
Part of the Institution's Long-term Capital Plan:	<u>Yes</u>		

Project Size:	<u>18,000</u> GSF (1)	<u>12,500</u> ASF (2)	<u>0.69</u> ASF/GSF
Net change in overall campus space:	<u>18,000</u> GSF	<u>12,500</u> ASF	

Total cost of the project (3):	<u>\$ 8,300,000</u>	Cost per ASF/GSF:	<u>\$ 461.11</u> GSF
Total cost of the demolition:	<u>\$ -</u>		<u>\$ 664.00</u> ASF
Funding Source(s) for project (4):	Amount	Type	
	<u>\$ 8,300,000</u>	<u>Operating Funds - Reserves</u>	

Estimated annual debt payment (6):	<u>\$0</u>
Are all funds for the project secured:	<u>Yes</u>

Project Funding:

The purchase is being fully funded by Operating Funds - Reserves, and all funds are secured.

Project Cost Justification

The acquisition value is a combination of the land value, facility's appraised value, the cost value of recent improvements, and with consideration for the value of the building's remaining useful life.

Estimated annual change in cost of building operations based on the project:	<u>\$ 149,440</u>
Estimated annual repair and rehabilitation investment (5):	<u>\$ 124,500</u>

- (1) Gross Square Feet (GSF)- Sum of all area within the exterior envelope of the structure.
- (2) Assignable Square Feet (ASF)- Amount of space that can be used by people or programs within the interior walls of a structure. Assignable square feet is the sum of the 10 major assignable space use categories: classrooms, laboratories, offices, study facilities, special use facilities, general use facilities, support facilities, health care facilities, residential facilities and unclassified facilities. For information on assignable space use categories, see Space-Room Codes tab.
- (3) Projects should include all costs associated with the project (structure, A&E, infrastructure, consulting, FF&E, etc.)
- (4) Be consistent in the naming of funds to be used for projects. If bonding, note Bonding Authority Year (1965, 1929, 1927, etc.)
- (5) Estimate the amount of funding the institution would need to set aside annually to address R&R needs for the project. CHE suggests 1.5% of total construction cost
- (6) If issuing debt, determine annual payment based on 20 years at 4.75% interest rate
- If project is a lease-purchase or lease, adjust accordingly. Note the total cost of the lease in the project cost, and annual payments in project description

PROJECT DETAILED DESCRIPTION - ADDITIONAL INFORMATION

Purchase Land from and Execute Ground Lease to Beta Iota of Delta Gamma House Association, Inc. d/b/a Delta Gamma Sorority

Institution:	Purdue University	Budget Agency Project No.:	B-1-26-3-11
Campus:	West Lafayette	Institutional Priority:	N/A

Description of Project

The proposed acquisition is for a nearly 18,000 GSF residential property with two stories and a basement on 0.36 acres of land at 303 Waldron Street, West Lafayette and a parking lot on 0.14 acres of land at 401 Waldron Street, West Lafayette from Delta Gamma Sorority. The parking lot is located just north of the residence.

Following the university's purchase, these parcels will be ground leased back to Delta Gamma Sorority on an interim basis while the construction described below occurs. The sorority will maintain housing and parking operations until their new facility is built.

The sorority will build a new residence on nearby Purdue-owned property at 500 N. Russell Street, West Lafayette and gain access to a parking lot for members just east of that location at 503 Waldron Street, West Lafayette. These parcels will be ground leased to Delta Gamma Sorority at market rate for 40 years.

Need and Purpose of the Program

Delta Gamma Sorority was established at Purdue in 1940, and the organization has owned and operated at 303 Waldron Street, West Lafayette since it was built in 1951. The sorority has plans for future growth, and these transactions will facilitate those goals while keeping student housing in tact in the near term. The new sorority house will be located just two blocks away from the current house, maintaining close proximity to the West Lafayette academic campus and allowing ongoing positive student life impacts and vibrancy in the neighborhood.

Purdue University identified 303 and 401 Waldron Street as important, strategic locations that allow for future development or programmatic needs based on the near-campus location. Owning these parcels aligns with Purdue's 2018 Giant Leaps Campus Master Plan.

The current facility houses 75 women with total capacity for 78 occupants. The sorority has not determined the size and scope of their future house to be built on the ground leased site.

Space Utilization

The Delta Gamma facility will be leased back to Delta Gamma for use while their new facility is being constructed. The old facility being purchased by the university sits along the Third Street Student Success Corridor and is adjacent to the Lawson Computer Science Building, Bechtel Innovation Design Center, Hagle Hall - home of Purdue Bands, Black Cultural Center, Honors College, Krach Leadership Center and many other nearby facilities. Once Purdue assumes the facility, it will be used to support additional student success initiatives in the area, whether that means continued residential use or a transition to commercial/office use.

The university expects 100% utilization of the facility upon its receipt.

Comparable Projects

Purchase Land from and Execute Ground Lease to Chi Omega of Purdue University, Inc. d/b/a Chi Omega Sorority (B-1-24-3-12)

The comparable and proposed transactions are very similar in nature in that the university is purchasing land from a sorority near campus, ground leasing it back to the sorority on a short-term basis and long-term ground leasing other university property to the sorority to build a new house. The Chi Omega transaction included a larger sorority house at 25,000 GSF and at a cheaper purchase price of \$4,000,000. Unlike the Delta Gamma facility, the Chi Omega house had no recent improvements and the house was at the end of its useful life. In contrast, the Delta Gamma facility has had multiple millions of dollars of recent improvements, and the facility has 25+ years of useful life remaining, both factoring into the higher purchase cost.

Background Materials

CAPITAL PROJECT REQUEST FORM
INDIANA PUBLIC POSTSECONDARY EDUCATION
INSTITUTION CAMPUS SPACE DETAILS FOR Purchase Land from and Execute Ground Lease to Beta Iota of Delta Gamma House Association, Inc. d/b/a Delta Gamma Sorority

	Current Campus Totals				Capital Request		
(INSERT PROJECT TITLE AND SBA No.)	Current Space in Use	Space Under Construction (1)	Space Planned and Funded (1)	Subtotal Current and Future Space	Space to be Terminated (1)	New Space in Capital Request (2)	Net Future Space
A. OVERALL SPACE IN ASF							
Classroom (110 & 115)	333,108	53,413	53,413	439,934	-	-	439,934
Class Lab (210,215,220,225,230,235)	755,332	31,933	31,933	819,198	-	-	819,198
Non-class Lab (250 & 255)	1,770,063	35,326	35,326	1,840,714	-	-	1,840,714
Office Facilities (300)	2,300,166	47,021	47,021	2,394,207	-	-	2,394,207
Study Facilities (400)	462,668	26,133	26,133	514,934	-	-	514,934
Special Use Facilities (500)	1,249,099	(2,789)	(2,789)	1,243,521	-	-	1,243,521
General Use Facilities (600)	964,712	18,313	18,313	1,001,399	-	-	1,001,399
Support Facilities (700)	3,021,450	(46,261)	(46,261)	2,928,929	-	-	2,928,929
Health Care Facilities (800)	216,936	90	90	217,116	-	-	217,116
Resident Facilities (900)	2,424,637	111,146	111,146	2,646,929	-	12,500	2,659,429
Unclassified (000)	47,826	-	-	47,826	-	-	47,826
B. OTHER FACILITIES (Please list major categories)							
TOTAL SPACE	13,545,996	274,324	274,324	14,094,704		12,500	14,107,204

Notes:

- Space/Room codes based on Postsecondary Ed Facilities Inventory and Classification Manual (2006)

(1) Identify in a footnote the specific facilities that are included in the data in these columns. Do not include pending approval, non-submitted projects or non-funded projects

Space under construction includes:

- Zucrow High Speed Propulsion Lab
- Birck Nanotechnology Center Clean Room Modernization and Related Renovations
- Hillenbrand Residence Hall South
- Chilled Water Capacity Enhancement Projects
- Graduate House Parking Garage Demolition and Site Restoration
- Mitchell E. Daniels, Jr. School of Business Building
- Nursing and Pharmacy Education Building
- Biochemistry Building Office of the State Chemist Lab Renovation
- Stewart Center and Purdue Memorial Union Courtyard Plaza Concrete and Waterproofing Replacement - 2025
- Reed Animal Disease Diagnostic Laboratory Equipment Replacement
- Mathematical Sciences Building Data Center Renovation
- Burke Boilermaker Aquatic Center Mechanical Project
- Shreve Hall Electrical Enhancements and Replacement

Space planned and funded includes:

- Hicks Undergraduate Library Masonry Renovation
- Young Hall Roof Replacement
- Elliott Hall of Music Ceiling Tile Replacement
- Wade Utility Plant Condensate Polisher Installation
- Chiller Cleaning System
- Stanley Coulter Hall Southwest Wing Mechanical Project

Space to be terminated includes:

N/A

Current Space in Use includes:

CAPITAL PROJECT COST DETAILS

Purchase Land from and Execute Ground Lease to Beta Iota of Delta Gamma House Association, Inc. d/b/a Delta Gamma Sorority

<u>Institution:</u>	Purdue University	<u>Budget Agency Project No.:</u>	B-1-26-3-11
<u>Campus:</u>	West Lafayette	<u>Institutional Priority:</u>	N/A

ANTICIPATED CONSTRUCTION SCHEDULE

	<u>Month</u>	<u>Year</u>
Bid Date	N/A	N/A
Start Construction	N/A	N/A
Occupancy (End Date)	N/A	N/A

ESTIMATED CONSTRUCTION COST FOR PROJECT

	Cost Basis (1)	Estimated Escalation Factors (2)	Project Cost
<u>Planning Costs</u>			
a. Engineering			N/A
b. Architectural			N/A
c. Consulting			N/A
<u>Construction</u>			
a. Structure			N/A
b. Mechanical (HVAC, plumbing, etc.)			N/A
c. Electrical			N/A
<u>Movable Equipment</u>			N/A
<u>Fixed Equipment</u>			N/A
<u>Site Development/Land Acquisition</u>			N/A
<u>Other (Please list)</u>			N/A
TOTAL ESTIMATED PROJECT COST	\$ -	\$ -	N/A

(1) Cost Basis is based on current cost prevailing as of: (INSERT MONTH AND YEAR)

(2) Explain in the Description of Project Section of the "Cap Proj Details" schedule the reasoning for estimated escalation factors

CAPITAL PROJECT OPERATING COST DETAILS

Purchase Land from and Execute Ground Lease to Beta Iota of Delta Gamma House Association, Inc. d/b/a Delta Gamma Sorority

Institution:	<u>Purdue University</u>	Budget Agency Project No.:	<u>B-1-26-3-11</u>
Campus:	<u>West Lafayette</u>	Institutional Priority:	<u>N/A</u>

ANNUAL OPERATING COST/SAVINGS (1)	GSF OF AREA AFFECTED BY PROJECT	18,000
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	Cost per GSF	Total Operating Cost	Personal Services	Supplies and Expenses
1. Operations	\$ 3.78	\$ 68,040	\$ 36,540	\$ 31,500
2. Maintenance	\$ 2.22	\$ 40,000	\$ 10,000	\$ 30,000
3. Fuel	\$ -	\$ -	\$ -	\$ -
4. Utilities	\$ 2.30	\$ 41,400	\$ -	\$ 41,400
5. Other	\$ -	\$ -	\$ -	\$ -
TOTAL ESTIMATED OPERATIONAL COST/SAVINGS	\$ 8.30	\$ 149,440	\$ 46,540	\$ 102,900

Description of any unusual factors affecting operating and maintenance costs/savings.

The building will be short-term leased back to the sorority, and all annual operating costs associated with the building will be paid by the sorority during the lease-back period. The university will assume annual operating costs upon expiration of the lease. The university will not have operating costs associated with the sorority or its new (future) facility.

(1) Based on figures from "Individual Cap Proj Desc" schedule