

# CAPITAL PLANNING ADVISORY BOARD

2022-28 Capital Plan • July 21, 2021

## OUR CAPITAL PLAN

The University of Kentucky's 2022-28 Capital Project Priorities reflect our commitment to partner with – and be of service to – the Commonwealth of Kentucky.

Each day, we are asking what is possible – in service, learning, research and care.

Our capital priorities, funded in partnership with the Commonwealth, allow us to not simply ask what is possible.

They allow us to build what is possible.

To that end, our infrastructure priorities are focused on three areas:

- Providing state-of-the-art facilities for students, faculty, researchers, scholars and clinicians to tackle bold challenges and the questions of our day – whether it's defeating disease or unlocking doors of discovery;
- Protecting historically significant buildings to extend their service and ensure they are appropriately equipped spaces for learning, research and care; and
- Addressing accessibility within buildings.

## 2022-24 CAPITAL PROJECT PRIORITIES

### STUDENTS AND RESEARCH

We are requesting a Facilities Renewal and Modernization pool with a \$250 million total project scope (\$125 million in state bonds and \$125 million in agency bonds). Additionally, we are requesting the following projects:

- **Construction of Health Education Building:** Total scope of \$350 million to include \$175 million in state bonds.
- **Improve Funkhouser Building:** Total scope of \$120 million to include \$60 million in state bonds.

### HEALTH CARE

- **Improve HealthCare Facilities – Chandler:** \$310 million of restricted funds and bonds.

## WHY ARE THESE INFRASTRUCTURE IMPROVEMENTS VITAL?

- More than 31,000 students attended UK in fall 2020, marking an increase of more than 3,000 students (10.7 percent) over the past 10 years.
- To address affordability, tuition and mandatory fees for resident students only increased by 1 percent for the second consecutive year (fall 2020 and fall 2021). This is the lowest percentage increase in more than 30 years.
- Over the last 10 years, UK has reduced the four-year average annual increase for resident undergraduate students from 7.3 percent to 1.7 percent.

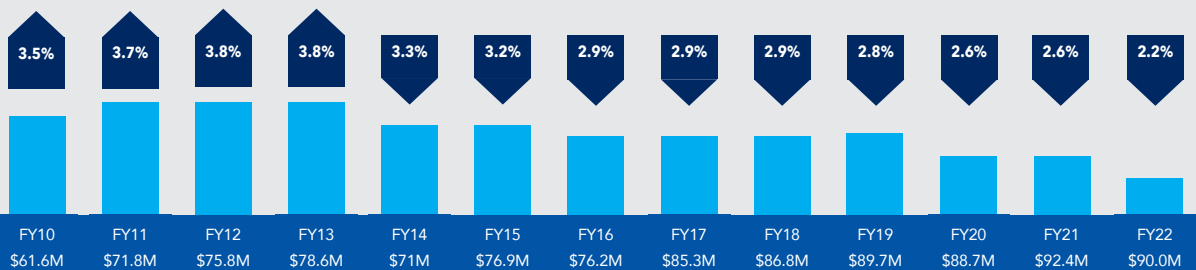
## MORE HEALING FOR KENTUCKY

- Annual inpatient discharges have increased by 16.5 percent since 2003, exceeding 42,500 in 2021-22.
- Outpatient visits have increased by 123.8 percent to more than 2 million over the past decade.

### A COMMITMENT TO STEWARDSHIP OF FUNDS

Debt service as a percent of adjusted operating budget\*

\*operating budget less restricted funds and fund balances



A SOLID FOUNDATION: UK LOWERS THE PERCENT OF ITS OPERATING BUDGET DEDICATED TO DEBT SERVICE.

# PROJECT DETAILS

## OUR PRINCIPLES FOR RENEWAL AND MODERNIZATION

**1** Preserve and extend the useful life of existing facilities.

**2** Modernize the campus to help create a unified sense of place and enhance student success as measured by the state's performance funding model.

**3** Improve the utilization of space by providing a more flexible array of classrooms to serve our growing student population, creating spaces that are responding to Kentucky's workforce needs, especially in the STEM+H (science, technology, engineering, math and health) disciplines.

**4** Create better space to increase research collaboration among faculty, staff and students across and among disciplines where ingenuity can unfold.

**5** Preserve historic structures to extend their contribution to UK's more than 150-year history while addressing today's learning and research needs.

**6** Efficiently manage repair and maintenance costs.

**7** Upgrade existing infrastructure to improve energy efficient systems that reduce operating costs and lower future maintenance expenses.

### Project: Frazee Hall Modernization

**Description:** The complete modernization of the existing building will provide offices and other student support space.

**Cost:** \$15 million



### Project: Chemistry/Physics Modernization

**Description:** The project will provide new research and computational space, student collaboration space, a revitalized exterior façade and opportunity for future floor renovations.

**Cost:** \$61 million



### Project: Healthy Kentucky Research Building

**Description:** The project includes the fit-up of the sixth floor into a wet lab, office space, first floor conference space and a basement imaging center.

**Cost:** \$22 million



### Project: Gatton Student Center Addition

**Description:** The 31,000 square foot addition to the recently completed student center will facilitate increased dining needs and provide space for Student Services.

**Cost:** \$25 million

