

**CAPITAL PLANNING ADVISORY BOARD
2024-2030
Agency Capital Plan**

Staff Analysis and Comments

INSTITUTION:

Northern Kentucky University

AGENCY MISSION AND PROGRAMS

Northern Kentucky University (NKU), newest of the Commonwealth’s senior institutions, was founded in 1968 and is located 7 miles from downtown Cincinnati in Highland Heights. NKU has a singular mission within the Commonwealth as a metropolitan and regional institution. Overall enrollment has remained relatively consistent, while degrees conferred have increased by 27% from 2016-2017 to 2021-2022. Degree-seeking undergraduate enrollment has fallen steadily since 2010 while non-degree seeking enrollment rose to almost 2,000 students in 2019. Fall 2018 marked the beginning of accelerated growth in graduate and online students. In fall 2022, NKU enrolled 15,827 students, 10,940 undergraduate and 4,887 graduate. NKU projects this shift toward graduate and accelerated online students will continue in 2022-24.

NKU acts as a regional partner, focusing its programs on industry sectors with greatest need for college graduates. NKU is focused on producing a return on investment for the region and state. Success By Design strategic framework, first implemented from 2019-2022 and renewed to 2025, clarifies NKU's vision: “NKU will be nationally recognized for being a student-ready, regionally engaged university that empowers diverse learners for economic and social mobility.” NKU is focused on student success, offering bachelor, graduate and Juris Doctorate degrees, doctorates of education and nursing practice, and one associate degree. These degrees are offered through colleges of Law, Arts & Sciences, Business, Education, Health & Human Services, Informatics, and enhanced learning opportunities through the Honors College. Creative instructional methods, use of technology and small class sizes characterize NKU’s learning environment. All classrooms are “smart” and support effective teaching and learning.

Online enrollment has continued its trajectory of growth. From fall 2017 to fall 2022, accelerated online degrees drove a 316% increase in online majors and 216% increase in graduate enrollment. These degrees are now available online: 18 bachelor’s, 13 master’s, 1 doctorate, and 5 post-graduate certificates, many offering multiple tracks. NKU delivers cohort programs at local healthcare providers and coordinates dual enrollment courses at 40 high schools. In 2020, NKU began Young Scholars Academy, a partnership with Kenton County Schools, allowing 100 motivated high school upperclassmen to earn 60 hours of college credit at NKU during their final 2 years of high school.

PROPOSED PROJECTS – Financial Summary

Funding by Source	<u>2024-2026</u>	<u>2026-2028</u>	<u>2028-2030</u>	<u>Total</u>
General Fund	232,950,000	90,000,000	72,000,000	394,950,000
Restricted Funds	6,000,000			6,000,000
Agency Bonds	35,500,000		84,150,000	119,650,000
Other Cash	12,500,000	38,500,000	36,500,000	87,500,000
Other LTF	<u>9,500,000</u>			<u>9,500,000</u>
Total	296,450,000	128,500,000	192,650,000	617,600,000

Number of Projects by Type	<u>2024-2026</u>	<u>2026-2028</u>	<u>2028-2030</u>	<u>Total</u>
Construction - Other	1	3	3	7
Construction - PIP	10	3	2	15
IT	<u>2</u>	<u>0</u>	<u>0</u>	<u>2</u>
Total	13	6	5	24

**2024-2030 CAPITAL PLAN
PLAN OVERVIEW
FORM SYP-P1**

Branch:
Cabinet/Function:
Agency Institution:

Executive Branch
Cabinet for Postsecondary Education
Northern Kentucky University

Northern Kentucky University's (NKU's) strategic framework plan, Success by Design, places a singular focus on advancing student success aligned with the needs of the Northern Kentucky region. The university's 2020 Campus Master Plan, emanating from Success by Design strategies, is a bold plan linking the past to the future. In keeping with these plans, the foundational priorities of the Master Plan and this Capital Plan are capital investments that simultaneously blend and balance condition, adequacy and capacity in a sustainable approach to re-purposing NKU's original buildings for a 21st century active learning environment. This Capital Plan reflects a commitment to stewardship of the physical campus while focusing on projects that add value through improving student engagement, advancing NKU's competitive advantage, supporting digital initiatives, and growing strategic partnerships. Thus, the primary focus of the recommendations is on renovation of existing space.

NKU's \$53.8M in total Asset Preservation funding for 2022-2024 is spread across about 40 important projects, addressing many critical issues across campus. Despite this significant investment, needs related to condition, adequacy and capacity still exist. For this reason, this Plan's top priority is modernization of Steely Library to address critical capital renewal needs while creating a student-focused, "Academic Commons" environment to enhance learning and engagement. Additional state funding is needed for critical asset preservation priorities across campus, and in particular in major classroom and academic support buildings.

Renewal of the Business Academic Center will position Haile College of Business students to learn in a modern facility designed to facilitate engagement and student success. The Capital Plan also includes Master Plan recommended capital renewal renovations in Landrum and the Mathematics-Education-Psychology buildings. These projects are spread across the 2024-2030 timeframe.

Planning for the Science Expansion project, funded by the 2022 Legislature, is proceeding well. This project will address NKU's significant need for additional teaching and research lab space serving all STEM majors, leveraging the university's impressive track record in graduating students prepared for STEM careers.

Regions that thrive in today's economy are anchored by high-performing universities that nurture talent in their classrooms and laboratories, preparing students to apply that knowledge to advance regional economic and social progress. NKU is focused on access, completion and career and community engagement for all students. Priorities in the Capital Plan illustrate the university's multi-faceted commitment to the Commonwealth: to our students, who demand academic excellence, and to our community, which expects well-educated graduates prepared to contribute to regional economic and social progress. We imagine a better world, and work to make it a reality.

NORTHERN KENTUCKY UNIVERSITY
Proposed Projects Involving the General Fund (cash or bonds)
(amounts in **bold** are the total budget)

2024-2026

(Projects listed by agency priority; descriptions are from the agency submission)

- | | | |
|----------|--|---------------------|
| 1 | Renew/Renovate Steely Library | \$72,000,000 |
| | <p>This project will transform Steely Library to create an Academic Commons, as well as renew HVAC systems and infrastructure in the 141,000 square foot Steely Library. This project also includes funds to address the heaving of the slab-on-grade on the first floor. (C-PI)</p> <p><u>CPAB Staff Notes</u></p> <ul style="list-style-type: none">- <i>This project has been included in past capital plans, and \$10,000,000 in RF and private funds were authorized in the HB 1 2022-2024 biennial budget. However, the funding has not been available to undertake the project.</i>- <i>The project was listed as the #3 priority in the last capital plan at \$35,000,000. The project has an expanded vision and scope, and as a result, the budgetary scope has increased.</i>- <i>Funding source includes \$69,000,000 in GF and \$3,000,000 in private funds (cash).</i> | |
| 2 | Asset Preservation Project | \$50,000,000 |
| | <p>The Asset Preservation Fund will provide funding to replace building systems and the infrastructure that supports the university's E&G buildings. Systems at the end of their expected life cycles will be priority. (C-PI)</p> <p><u>CPAB Staff Notes</u></p> <ul style="list-style-type: none">- <i>Asset Preservation funds of \$53,814,000 was authorized in the HB 1 2022-24 biennial budget.</i> | |
| 3 | Renew E&G Building Sys Projects Pool | \$30,000,000 |
| | <p>This project includes various improvements, upgrades and capital renewal investments to building systems and associated infrastructure in the university's educational and general buildings. (C-PI)</p> <p><u>CPAB Staff Notes</u></p> <ul style="list-style-type: none">- <i>This project has been included in several previous capital plans. \$20,000,000 in RF was authorized in the HB 1 2022-24 biennial budget.</i> | |
| 4 | Renovate Business Academic Building | \$64,000,000 |
| | <p>This project involves renovation and capital renewal of the 110,693 square foot Business Academic Center, including repair of structural floor heaving. (C-PI)</p> <p><u>CPAB Staff Notes</u></p> <ul style="list-style-type: none">- <i>This project was authorized in the 2020-2022 biennial budget; however, the project has not been undertaken due to lack of funding.</i>- <i>This project involves renovation and capital renewal of the 110,693 square foot Business Academic Center, including repair of structural floor heavy.</i>- <i>NKU indicates that they had envisioned renovating and expanding the building. The idea of expanding the building has been dropped.</i>- <i>Fund sources include GF \$59,000,000 and private funds (cash) \$5,000,000.</i> | |
| 5 | Replace Enterprise Resource Planning System | \$15,000,000 |
| | <p>The project provides for upgrades to the university's administrative system, to utilize the newest core hardware and database technology. (IT)</p> | |
| 6 | Upgrade IT Infrastructure Pool | \$9,950,000 |
| | <p>This pool of funds provides authority for various upgrades to administrative information technology infrastructure. (IT)</p> | |

2026-2028

Renew/Renovate Landrum Hall	\$45,000,000
Renovate Nunn Hall Phase II	\$40,000,000
Renovate University Center	\$10,000,000

2028-2030

Renew Multi-Purpose Event Center	\$20,000,000
Renew/Renovate MEP Center	\$52,000,000

NORTHERN KENTUCKY UNIVERSITY
Proposed Projects Involving Agency Bonds
(amounts in **bold** are the total budget)

2024-2026

(Projects listed by agency priority; descriptions are from the agency submission)

- | | | |
|----------|---|---------------------|
| 1 | Renew/Repair Parking Garage Pool | \$3,000,000 |
| | This project will address significant repair issues in three parking garages which total 578,000 GSF and hold 1,800 cars. (C-PI) | |
| 2 | Renovate Residence Halls Add'l Reauthor | \$15,000,000 |
| | This project envisions various capital renewal projects in university-owned residence halls. (C-PI) | |
| 3 | Acquire Land/Master Plan 2010-2012 Reauth | \$25,500,000 |
| | This project will allow the university to take advantage of real property acquisition opportunities during the 2024-2026 biennium to support educational programs and campus development. Land acquisition is critical to future development of the university; the 2020 Master Plan recommends the purchase of 35 acres. This project includes acquisition of a campus ministry building located in the center of campus. Project financing pursuant to KRS 45.763 is requested. (C-O) | |

2026-2028

Construct New Residence Hall	\$78,500,000
Reconstruct West Side Parking	\$5,650,000

NORTHERN KENTUCKY UNIVERSITY
Proposed Projects NOT Involving the General Fund

The projects listed below are funded with a source other than state general funds. Funding sources include private funds-cash (OT-P) or long-term financing (OT-LTF).

2024-2026

Acquire Land/Master Plan 2010-2012 Reauth	25,500,000 RF/AB/OT-LTF
Guaranteed Energy Savings Performance Contracts	1,000,000 OT-LTF
Renew/Repair Parking Garage Pool	3,000,000 AB
Renovate Nunn Hall Phase I	4,500,000 OT-P
Renovate Residence Halls Add'l Reauthor	15,000,000 AB
Replace Event Center Technology	4,500,000 OT-LTF
Replace Recreation Field Turf Reauthorization	2,000,000 RF

2026-2028

Construct Basketball Practice Facility	21,000,000 OT-P
Construct Hitting Facility	4,000,000 OT-P
Upgrade Baseball/Softball Fields	8,500,000 OT-P

2028-2030

Construct Indoor Multi-Purpose Facility	36,500,000 OT-P
Construct New Residence Hall	78,500,000 AB
Reconstruct West Side Parking	5,650,000 AB

NORTHERN KENTUCKY UNIVERSITY
Quarterly Status Report - Current Capital Projects
Reported as of June 30, 2023

Project Title	Authorization	Project Status	% Complete
Acquire Land/Master Plan 2010-2012	2010-2012	Planning	
Asset Preservation Pool - 2022-2024* Renew E&G Building Systems - Admin Center RR Rpl Renew E&G Building Systems - Landrum Floor/RR Rpl Renew E&G Building Systems - Student Union Roof Renew/Renovate Fine Arts Center Phase II Renew/Renovate Nunn Hall Renew/Renovate Steely Library	2022-2024	Multiple Subprojects: Planning Planning Awaiting Initiation by Agency Awarding Contract Awarding Contract Planning	
Construct Indoor Tennis Facility	2020-2022	Planning	
Construct Mixed-Use Facility with Student Housing Phase I - North Side Phase II - South Side	2016-2018	Multiple Subprojects: Complete/Closed Out Planning	100%
Construct Research/Innovation Building	2022-2024	Awaiting Initiation by Agency	
Construct/Acquire New Residence Hall 2016-2018 Callahan Hall Renovation Phase I Callahan Hall Renovation Phase II Commonwealth Hall Renovation Construct New Residence Hall Install Univ Suites LED Lights KY/CW/Univ. Suites Roof Replacements Norse Hall Exterior Repairs Norse Hall Renovations Replace Callahan Boilers #2 & #3 Univ. Suites Cooling Tower Replacement Univ. Suites Exterior Façade Repairs Woodcrest Apartments Stair Replacement	2016-2018	Multiple Subprojects: Complete/Closed Out Complete/In Warranty Complete/Closed Out Complete/Not Closed Out Complete/In Warranty Complete/In Warranty Complete/Closed Out Complete/In Warranty Complete/In Warranty Complete/Closed Out Awarding Contract Cancelled	100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100%
Expand Herrmann Science Center*	2022-2024	Design/Phase A	
Expand/Renovate Regents Hall	2022-2024	Awaiting Initiation by Agency	
Reconstruct West Side Parking	2018-2020	Awaiting Initiation by Agency	
Renew E&G Building Systems Projects Pool*	2020-2022	Awaiting Initiation by Agency	
Renew/Renovate Fine Arts Center Phase II*	2022-2024	Awaiting Initiation by Agency	
Renew/Renovate Nunn Hall**	2022-2024	Awaiting Initiation by Agency	
Renew/Renovate Steely Library**	2022-2024	Awaiting Initiation by Agency	
Renovate Brown Building	2020-2022	Complete/In Warranty	100%
Renovate Residence Halls	2020-2022	Awaiting Initiation by Agency	
Renovate/Construct Campbell Hall	2020-2022	Awaiting Initiation by Agency	
Renovate/Construct Civic Center Building	2022-2024	A/E Selection	
Renovate/Expand Baseball Field	2022-2024	Awaiting Initiation by Agency	
Replace Event Center Technology	2020-2022	Awaiting Initiation by Agency	
Replace Recreation Field Turf	2022-2024	Awaiting Initiation by Agency	
Replace Underground Utility Infrastructure	2022-2024	Awaiting Initiation by Agency	
Upgrade Admin/IT Infrastructure Pool	2020-2022	Awaiting Initiation by Agency	

All projects are located in Campbell County, unless otherwise noted.

* Indicates projects involving General Fund supported bonds or "state" cash (General Fund, Investment Income, Capital Construction Surplus, Contingency Fund, Emergency Fund, or Statewide deferred Maintenance Fund).

**Utilizing 2022-2024 Asset Preservation Pool authorization.

Project Status is identified as one of the following:

- Awaiting Initiation by Agency - this project has not yet been started either because the agency for which the project was authorized has not yet contacted the Finance and Administration Cabinet or the HB 622 institution has not yet initiated the project through its internal procedures.
- Planning - in house activity prior to A/E selection. For projects financed from restricted, federal, or "other" funds, this category is not to be used until those funds have been awarded or received.
- Design/Phase A - schematic design.
- Design/Phase B - design development.
- Design/Phase C - construction document development.
- Construction/Multiple Bid Packs - this category is only for projects that have multiple bid packages. It is to be used only after at least one of the bids has been awarded and construction is underway. After all bid packs have been awarded, the Status should change to "In Construction."
- In Construction - between construction contract award and substantial completion.
- Complete/In Warranty - certification of substantial completion has been received from the A/E and the contractor warranty period has not yet expired.
- Complete/Closed Out - project is complete, the warranty period has expired, and the project account has been closed.
- Complete/Not Closed Out - the scheduled closeout date for the project account has been exceeded (13 months after substantial completion) but the project account has not yet been closed.
- Cancelled - a decision has been made that the project will not or cannot be undertaken and if a project account was established, that account has been closed or reallocated to another project (if indicated).