

FIVE-YEAR CAPITAL BUDGET

Fiscal Year 2023



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OVERVIEW

EXECUTIVE SUMMARY

UW Facilities is pleased to provide the Board of Regents and University Leadership with the Five-Year Capital Budget for Fiscal Year 2023 for review and approval.

The Five-Year Capital Budget is a comprehensive look at the entire capital program for the University of Washington and is reviewed and approved by the UW Board of Regents annually. The 2023-2027 Capital Budget represents a total project investment of **\$4 billion** with an annual cash flow of approximately **\$560 million** (\$2.8B) over the next five fiscal years. More than **\$360M** of this total requires annual debt service payments, and **\$796 million** of this total is expected to come from external partnerships (requiring UW to commit to leasing of space) as the University leverages land values, existing cash flows and partnerships with other agencies and private partners.

The University owns and operates a variety of physical assets, including classroom and lab facilities, student centers, residence halls, apartments, fitness facilities, museums, medical centers, roadways and bridges, office buildings, libraries, open space, underground utilities, and a power plant. It has an obligation to properly maintain these assets in order to ensure they are safe, durable and that they fulfill their intended purpose of supporting the University's mission. Pursuant to RCW 28B.20.130, all UW buildings, space, and land, regardless of fund source or location, belong to the University and by delegated authority are subject to assignment and reassignment to meet the overall needs of the institution. The intent of the Five-Year Capital Budget is to carefully plan our future investments in order to optimize these resources, reduce overall life cycle costs and enhance the productivity of institutional assets.

The anticipated investments listed in the Five-Year Capital Budget include costs for ongoing active capital projects as well as costs for future proposed projects that will be submitted to the Board of Regents for approval once they are fully formed. Individual projects are prioritized based on a multi-criteria scoring system developed with the deans for academic projects and a separate but similar prioritization system for clinical projects.

UW Facilities would like to acknowledge the continued contributions and support of University leadership, Advancement, UW Medicine, Office of Planning & Budgeting, Treasury, academic leadership, and all our institutional partners for their collaboration as we developed this document.

BACKGROUND

LONG-TERM CAPITAL PLAN

The Long-Term Capital Plan (LTCP) strategies were developed in late 2019 - early 2020 and guide the overall allocations of our primary fund sources (state, debt, gift, equity) to demand categories (clinical, growth, renewal, strategic).¹ This Long-Term Capital Plan emphasizes the following:

- increased capital investment in renovation or replacement of existing buildings (i.e. **facilities “renewal”**) to avoid further growth of the deferred maintenance backlog
 - which includes defaulting to renewal investment where possible to accommodate program growth and limit the total square footage **facilities growth rate** of our campuses
- providing consistent access to **debt for the clinical enterprise**
- leveraging **partnerships** with external entities where industry capabilities can serve to further the UW mission.

These strategies are mapped to the projected capital fund sources to ensure that year by year funding decisions are in alignment with these guidelines. Based on this exercise the following goals have been established:

1. Building account funds should be 100% appropriated for renewal projects.
2. We will seek to leverage almost all of state capital funding to be appropriated for renovation/replacement projects.
3. We will seek to direct approximately half of all gift funding for capital projects to be directed toward renovation/replacement projects.
4. Debt funding for clinical projects should be based on the enterprise’s overall financial strength and strategy rather than a project-by-project return.

Our main institutional risk remains the continued growth of our deferred maintenance backlog. One of the key LTCP strategies is mitigating this growth and ensuring investment in renewal projects remains a priority. Renewal projects can be the replacement of dated facilities with new, modern facilities, or strategic renovations of existing buildings that have the potential for continued service long into the future.

Associated with this risk is the need for recapitalization of our natural gas-powered steam utility plant, which will undoubtedly require a complicated phasing plan to convert the distribution of heating and cooling to buildings across the Seattle campus with myriad technology solutions over years. The intent of this recapitalization effort is to not only enable long term reliability and resilience of our utility infrastructure, but also to shift from carbon-based fuels to clean energy sources to help realize our institutional sustainability goals and comply with the increasing mandates from regulatory agencies. Without this investment, the UW will continue to be at increased risk of catastrophic system-wide failures and subject to State-imposed penalties for carbon emissions.

¹ Please see the Glossary at the end of the document for demand category definitions.

The LTCP continues to provide the framework for specific capital funding decisions within the Five-Year Capital Budget to ensure the above-mentioned issues can be addressed over the next decade(s). With capital demands over the next fifteen years exceeding the capacity of traditional capital fund sources, it will be critical that the UW's capital resources be directed to the highest long-term priorities.

RELATIONSHIP TO OPERATING BUDGET

Every proposed capital project has a reciprocal effect on the University's annual operating budget. Because of this inseparable link, starting in 2020, the Board's practice has been to concurrently review and approve both the operating and the Five-Year Capital budgets to make sure appropriate congruency between the budgets.

One of the keys in maximizing the life cycle of any proposed facility is ensuring funding will be available to support appropriate ongoing maintenance and operations (M&O), including anticipated systems renewal costs. However, since this process was not a cornerstone of our capital planning strategy until recently, one of the biggest challenges we continue to face is our deferred maintenance backlog.

When new buildings are added to our inventory, M&O costs increase, yet in many cases full funding for these increased costs is not provided by the State due to the funding mix used to construct the facility. This quickly results in increased deferred maintenance as resources are diverted from existing needs. Capital funding guidelines now require that full funding for annual M&O and renewal be committed before beginning any new building project.

Achieving alignment of our capital planning process with our operating budgets will enable increased focus and funding on preventive maintenance efforts for existing facilities. Over time, this will result in a reduction of needed reactive/breakdown maintenance activities, thus reducing the need for premature replacement of building systems. This will also serve to extend the useful life of building components and significantly reduce facilities life-cycle costs. And over time, increasing our preventative maintenance efforts (with a commensurate, appropriate level of investment in facilities renewal) will bring the deferred maintenance backlog to a manageable level, significantly reducing overall institutional risk.

CAPITAL BUDGETING PROCESS OVERVIEW

While the Long-Term Capital Plan focuses on broad demand drivers and fund sources, the Five-Year Capital Budget translates these broad principles into a set of specific individual capital investments that will build the future of the University. Here is how this is carried out:

STEP 1: IDENTIFICATION OF POTENTIAL INVESTMENTS

The capital budget process begins with the visions of the President and Provost, and an alignment of the needs assessment of our Chancellors in Bothell and Tacoma and the Deans of each school and college, the clinical enterprise leadership and leadership of our auxiliaries. UW Facilities account managers work closely with the leadership of these units to identify priorities and look for opportunities where facility conditions can be improved, and fund sources leveraged to achieve programmatic goals. With ongoing counsel from the Capital Planning Advisory Team (see Step 2 below), projects are created with specific objectives, budgets, and funding strategies and then feasibility tested with Advancement, Government Relations, Planning &

Budgeting and Treasury. Each project is scored based on a multi-criteria scoring process that allows projects to be ranked while adjusting as external conditions change.

The process for identifying clinical investments is similar and is based on UW Medicine's Long Range Financial Plan and Strategic Refresh, which are reviewed regularly by the UW Medicine Advisory Board. As specific investments are identified, they are scoped and scored using a similar multi-criteria prioritization system, with fine-tuning to match the needs of the clinical enterprise.

To be considered for the Five-Year Capital Budget, all projects must meet firm criteria to ensure they can realistically move forward within the next five years. They must have well-established project goals, a defined project scope, a target budget based on selected benchmarks, a feasible funding plan and an identified source for ongoing maintenance and operating costs.

STEP 2. CAPITAL PLANNING ADVISORY TEAM

In September 2021, President Cauce and Provost Richards reconceived the Space Advisory Council as the Capital Planning Advisory Team (CPAT) with new membership and a renewed charge to bring a strategic focus and better organization and alignment to our capital planning efforts. The CPAT committee is currently working towards refreshing our comprehensive capital planning strategy for the University, with the goal of providing clarity and transparency around policies and procedures for submitting, reviewing, prioritizing, and recommending projects that best balance competing needs while working to:

- Reduce our deferred maintenance backlog to a manageable level;
- Enable functional, beautiful space from renovation and replacement;
- Review growth projects, such as net new square feet and public private partnerships to ensure alignment with University mission; and
- Deliver a prioritized Five-Year Capital Budget with equity, inclusion, accessibility, sustainability, and financial sustainability at its center.

The work of the team will be to:

- Review major unit and interdisciplinary capital needs and prioritize projects, as advisory to the Provost and President;
- Ensure that policy guidelines have been met, funding plans are complete and sound, shared common good spaces and assets are prioritized, and maintenance and operations plans are complete and sound; and
- Advise the Provost and President as to what projects should be advanced as part of the University's Five-Year Capital Budget, presented to the Board of Regents for action every Spring.

STEP 3. TESTING & REFINEMENT

After individual projects are scored and ranked, the University's overall priorities and capacities are considered to construct a comprehensive and integrated capital budget. Funding assumptions are fine-tuned to align with total capacity available. This is an iterative process and includes reviews by CPAT, UW Executive Office (President and Provost), deans and faculty governing entities.

STEP 4. APPROVAL OF THE CAPITAL BUDGET

The UW Board of Regents reviews the Five-Year Capital Budget in conjunction with their annual review of the University's Annual Operating Budget. Their response along with continued feedback from the UW Executive Office and faculty governing entities, alongside a financial assessment of the University's capacity, shape the final Five-Year Capital Budget presented for approval to the Board of Regents in June.

STEP 5. APPROVAL OF INDIVIDUAL PROJECTS

After each project is fully formed and funding commitments confirmed, each project over \$15 million is separately approved by the Board of Regents. This approval includes commitments of debt from either the Internal Lending Program or the Bridge Program. Projects in the \$5 million to \$15 million range are executed under delegated authority to the Vice President of Facilities and reported to the Board as actions taken and as part of the monthly Capital Project Report. Small projects utilizing debt (primarily clinical) are batched into two-year windows that are reviewed and approved by the Regents every year in conjunction with their review of the UW Medicine Long Range Financial Plan. This process allows the Regents to respond to changing priorities and external constraints.

CAPITAL FUNDING GUIDELINES

Continuous investment is required to ensure the proper stewardship of the University's buildings, grounds, and infrastructure. Our three main campuses are constantly evolving, and the UW recognizes that additions and modifications to the fabric of these campuses can strain resources if they are not planned, prioritized, and funded appropriately. The following guidelines connect funding commitments to approval of capital projects:

APPROVAL OF CAPITAL PROJECTS

Capital projects are approved by the Board of Regents as part of a comprehensive Five-Year Capital Budget and again individually prior to beginning design for projects over \$15 million. Before projects are presented for approval, they must follow the process outlined in the Simplified Capital Project Process Diagram on page 9 and meet each milestone.

CAPITAL FUNDING COMMITMENTS

The full range of possible fund sources is explored and evaluated for each capital project. For projects with state funding, for example, the default intent is to broaden the reach of state dollars by supporting 33% of the project budget from local equity or donor funds. Similarly, projects should have no more than 80% of the total cost funded by debt. This requirement assures that limited debt capacity can be made available to the broadest range of projects. The proposed funding mix for each project is outlined in its business plan and approved by the Regents as part of the overall approval of the Five-Year Capital Budget.

Prior to final approval of any project, all funds must be committed, and a cash flow plan developed and validated, detailing that sufficient receipt of funds leads anticipated expenditures by at least three months through the life of the project. Failure to meet this cash flow standard may result in a work stoppage.

- For state appropriations, design funding must be in hand and the future construction funding must be included in the legislative appropriation language.
- For loans from the Internal Lending Program, financial due diligence must be completed by the Treasury Office.
- For donor funding, fully executed pledges must be in place and 10% of the gifts received.
- For local funds, a separately identifiable budget must be established with the fully committed amount deposited.

PROJECTS REQUIRING PRIVATE GIFTS

For donor-funded projects, the University follows a lead-gift-first strategy consistent with best practices. Namely, one-half of the private gift portion of the project should come from one to three donors via written pledges. Lead gift commitments (along with other sources of project revenue) should be secured before broad-based fundraising begins in order to ensure confidence and thereby success.

Advancement may require an independent analysis of the fundraising potential (i.e., the gift table) using standard industry benchmarks. If required, Advancement will split the cost of the analysis with the unit. For all other projects, Advancement will partner with the unit on an analysis of the fundraising potential before broad-based fundraising begins.

PLEDGE REQUIREMENTS

Written commitments must be in place for 100% of the donor pledges for a project to seek Regent approval to move on to the execution phase. In addition, a minimum of 10% of the donor funding must be in hand.

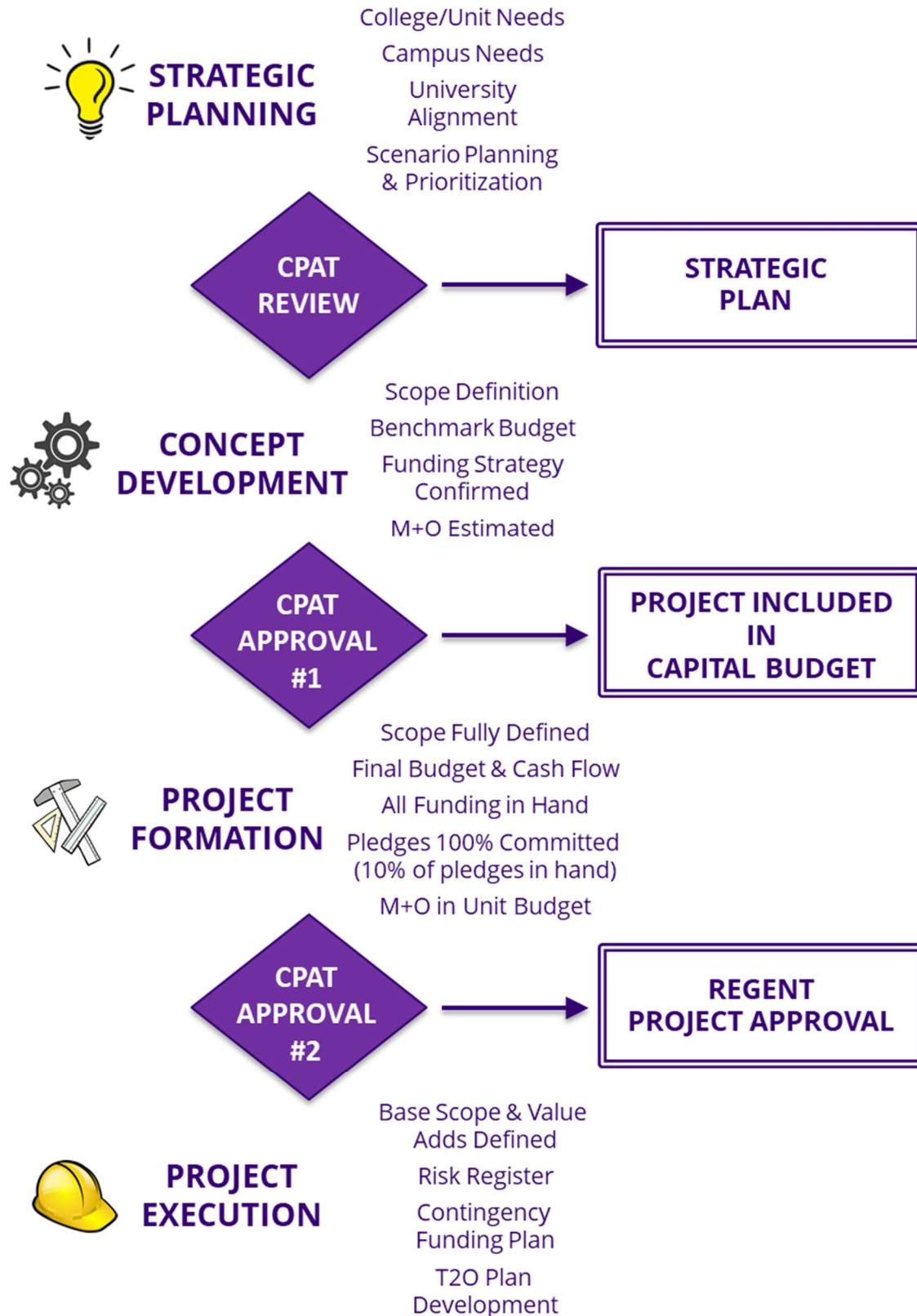
To manage the timing of gifts for capital projects, pledges should ideally convert to cash within four years of the pledge date. If necessary, pledges paid over a maximum of five years are acceptable. Exceptions require approval of both the Vice President of Advancement and the Vice President of UW Facilities.

To match project cash flow needs with gift flow during the construction project, a bridge loan established by the Treasury Office may be available to manage project funding/gift realization timing differences for up to 25% of the total pledges (gift realization must align with Bridge Policy guidelines to qualify). The use of any bridge funding must be evaluated by the Treasury Office and approved by the Board of Regents. All pledge agreements for capital projects shall additionally include the signature of the Vice President of UW Facilities.

FUNDING FOR MAINTENANCE & OPERATIONS + RENEWAL

As new incremental (net-new) space is added to our tri-campus facility inventory, overall maintenance, operating, and renewal costs increase accordingly. These costs are estimated during the planning process, and fund sources must be committed prior to the final project approval. Several fund sources may be utilized to provide this funding, e.g., state funds, unit funds, operating revenue, building excellence endowments, etc. Projects that anticipate utilizing state funding to satisfy these requirements must provide a secondary funding source, or “backstop,” commitment prior to approval of the project.

SIMPLIFIED CAPITAL PROJECT PROCESS DIAGRAM



FIVE-YEAR CAPITAL BUDGET

PROJECT TYPES

The following summary tables of the preliminary Five-Year Capital Budget shows individual projects along the left side and fund sources across the top. The projects are divided into the following groups:

ACTIVE CAPITAL

These projects have already been approved by the Board of Regents or are being executed under Delegated Authority (less than \$15M) and are underway. Each of these projects will continue to draw on the University's capital resources over the next five years, and they account for roughly 40% of the total Five-Year Capital Budget. The risks associated with each project and its fund sources are included in the individual Project Summaries section which begins on page 17.

PROPOSED NEW INVESTMENTS

CORE CAPITAL: This grouping of projects is funded by recurring capital sources, primarily the UW Building Account. Asset Preservation projects are smaller projects generally performed by internal staff. Program Renewal is funded centrally and focuses primarily on academic space and general assignment classrooms. Accessibility Improvements are part of our capital strategy to help ensure ADA compliant access to programs, services, and activities throughout the institution. The Seismic Improvements continue the phased approach to addressing unreinforced masonry on the Seattle Campus. The Power Plant project focuses on optimizing and repairing the steam infrastructure.

INSTITUTIONAL CAPITAL: These are new projects that scored well and have been identified as high priority projects with viable fund sources. However, they have not yet been specifically approved by the Board of Regents.

CLINICAL CAPITAL: Most of the line items in this section are groupings of small projects. UW Medicine has identified these projects by location and investment type: construction, strategic expansion, equipment and IT. Based on the Long-Term Capital Plan, debt funding is utilized for roughly 40% of these projects. The Regents will continue to be asked to separately approve projects over \$15 million and annual batches of small projects utilizing debt.

PROJECT COST ESCALATION

Over the past several years construction costs have continued to escalate at a significantly higher rate than ever witnessed before in the Puget Sound Region. Depending on the source, most projects in our area have seen costs escalate upwards of 10-15% per annum since late 2020. In contrast, construction escalation rates were typically forecast in a 3-5% range depending on project type before this significant upswing in escalation.

In addition, lingering supply chain delays and labor availability challenges have pressurized projects currently under construction and will provide a level of uncertainty moving forward.

We anticipate persistent cost fluctuations continuing this fiscal year but believe the cost increases experienced in 2021 will continue or worsen in 2022 before beginning to moderate sometime over the next two to three years. However, they will likely never return to past price points.

With these cost escalation issues at the forefront of our ongoing capital planning efforts, we continue to evaluate and refine projects that have yet to begin their construction phase to ensure the proposed budgets are both accurate and reasonable.

ACTIVE CAPITAL

All budget and funding numbers are in \$ millions. P3 projects shown do not include the cost of lease payments.

Project Name	Primary Demand Area	Budget	Prior Spend	FY2023 - FY2027 Projected Spend								UW Total	P3	Future Spend
				State Bond	UW Bldg. Account	Debt	Gift	Central Equity	Unit Equity	Other ¹				
Destination One (Clinical Transformation)	Clinical	171.5	157.1	-	-	10.8	-	-	-	3.6	14.4	-	-	
Finance Transformation	Strategic	339.9	203.6	-	-	100.5	-	26.2	9.7	-	136.3	-	-	
UW Medicine - Behavioral Health Teaching Facility	Clinical	244.0	82.2	161.8	-	-	-	-	-	-	161.8	-	-	
College of Engineering - Interdisciplinary Engineering Building - Phase I(a)	Growth	75.1	14.7	35.3	-	10.0	2.9	-	12.2	-	60.4	-	-	
W27 - Center for Advanced Materials and Clean Energy Technologies	Growth	292.1	17.3	11.7	-	-	47.8	-	0.8	6.0	66.3	208.5	-	
UW Bothell - Academic STEM Building	Growth	80.5	45.6	34.9	-	-	-	-	-	-	34.9	-	-	
UW Bothell Housing Replacement	Growth	166.5	62.1	-	-	-	-	-	1.5	-	1.5	102.9	-	
UW Tacoma Milgard Hall	Growth	53.8	47.9	-	-	-	2.6	-	3.3	-	5.8	-	-	
Renovation Art & Music Buildings (A&S)	Renewal	8.5	2.6	-	-	-	-	1.9	4.0	-	5.9	-	-	
Haring Center Renovation	Renewal	37.2	7.5	-	-	-	26.5	2.0	1.2	-	29.7	-	-	
University District Station Development	Strategic	225.6	10.1	-	-	-	-	20.0	-	-	20.0	195.5	-	
ICA Basketball Training / Ops Facility and Health & High Performance Ctr	Growth	53.8	2.8	-	-	-	51.0	-	-	-	51.0	-	-	
UW School of Medicine - Spokane Building Lease	Strategic	30.0	-	-	-	-	-	-	-	12.5	12.5	-	17.5	
UW Library Storage Renovation / iSchool Relocation	Renewal	9.6	5.2	-	-	1.2	-	3.2	-	-	4.4	-	-	
IMA Locker Rooms and Pool Replacement	Renewal	28.0	11.2	-	-	5.2	-	-	11.6	-	16.8	-	-	
UWMC NWH Behavioral Health Renovation	Clinical	15.0	0.1	14.9	-	-	-	-	-	-	14.9	-	-	
Renovation/Replacement Magnuson Health Sciences Bldg - Phase 2	Renewal	64.0	0.9	63.1	-	-	-	-	-	-	63.1	-	-	
TOTALS		1,895.1	671.0	321.8	-	127.8	130.7	53.2	44.2	22.1	699.7	506.9	17.5	

PROPOSED NEW INVESTMENTS

All budget and funding numbers are in \$ millions. P3 projects shown do not include the cost of lease payments.

CORE CAPITAL

Project Name	Primary Demand Area	Budget	Prior Spend	FY2023 - FY2027 Projected Spend							UW Total	P3	Future Spend
				State Bond	UW Bldg. Account	Debt	Gift	Central Equity	Unit Equity	Other ¹			
UWF - Asset Preservation (Minor Works and Major Preservation)	Renewal	228.3	64.5	-	128.2	-	-	-	-	-	128.2	-	35.6
Accessibility Improvements	Renewal	14.3	7.1	-	-	-	-	7.2	-	-	7.2	-	-
Program Renewal (Classroom Modernization Effort)	Renewal	52.8	14.1	-	-	-	-	32.6	-	-	32.6	-	6.2
Seismic Improvements (6-year plan)	Renewal	74.8	36.5	2.0	36.3	-	-	-	-	-	38.3	-	-
Power Plant Repairs	Renewal	27.5	6.7	-	3.3	-	-	17.0	0.5	-	20.8	-	-
TOTALS		397.8	128.9	2.0	167.9	-	-	56.8	0.5	-	227.1	-	41.8

Note: UWF Asset Preservation and Program Renewal calculations utilize two years for "Prior Spend" and one year for "Future Spend" even though these funding sources (UW Bldg. Account and Central Equity) are anticipated to provide a consistent level of funding for future projects.

INSTITUTIONAL CAPITAL

Project Name	Primary Demand Area	Budget	Prior Spend	FY2023 - FY2027 Projected Spend							UW Total	P3	Future Spend
				State Bond	UW Bldg. Account	Debt	Gift	Central Equity	Unit Equity	Other ¹			
Anderson Hall Renovation for College of Environment	Renewal	38.0	0.4	28.7	-	-	-	-	9.0	-	37.7	-	-
Energy Modernization	Renewal	10.0	-	10.0	-	-	-	-	-	-	10.0	-	-
Intellectual House - Phase 2	Growth	11.5	-	5.0	-	-	3.0	-	-	3.5	11.5	-	-
Chemical Sciences Building	Renewal	240.0	-	100.0	-	-	10.0	-	10.0	-	120.0	-	120.0
ASUW Shell House Restoration	Renewal	15.5	0.5	-	-	-	15.0	-	-	-	15.0	-	-
Early Childhood Learning Center	Growth	63.0	-	-	-	-	63.0	-	-	-	63.0	-	-
HFS - Adjacent Properties P3's	Strategic	360.5	-	-	-	-	-	-	-	-	-	270.4	90.1
HFS - Haggett Hall	Renewal	156.0	-	-	-	-	-	-	156.0	-	156.0	-	-
Laboratory Medicine	Clinical	50.9	-	-	-	-	-	-	50.9	-	50.9	-	-
Welcome Center	Strategic	71.0	-	-	-	-	45.3	-	7.0	-	52.3	18.7	-
TOTALS		1,016.4	0.9	143.7	-	-	136.3	-	232.9	3.5	516.3	289.1	210.1

CLINICAL CAPITAL

All budget and funding numbers are in \$ millions.

Project Name	Primary Demand Area	Budget	Prior Spend	FY2023 - FY2027 Projected Spend							UW Total	P3	Future Spend
				State Bond	UW Bldg. Account	Debt	Gift	Central Equity	Unit Equity	Other ¹			
INDIVIDUAL PROJECTS													
UW Medicine (Medical Ctrs) - Montlake campus membrane repair	Renewal	51.2	3.5	-	-	33.2	-	14.6	-	-	47.8	-	-
UW Medicine (Medical Ctrs) - Plaza Café Remodel	Clinical	0.5	0.2	-	-	-	-	-	0.3	-	0.3	-	-
UW Medicine (Medical Centers) - Primary and Specialty Care Expansion	Clinical	38.5	-	-	-	37.8	-	-	0.8	-	38.5	-	-
UW Medicine (Medical Ctrs) - NWH- Procedural Space	Clinical	13.7	0.1	-	-	13.6	-	-	-	-	13.6	-	-
GROUPED PROJECTS ²													
UW Medicine (Medical Ctrs) - Core Capital Construction	Clinical	201.7	30.2	-	-	112.4	-	-	59.0	-	171.4	-	-
UW Medicine (Medical Ctrs) - Core Capital Equipment	Clinical	189.2	62.3	-	-	-	-	-	126.9	-	126.9	-	-
UW Medicine (Medical Ctrs) - Strategic Service Line Expansion	Clinical	13.7	6.7	-	-	7.1	-	-	-	-	7.1	-	-
UW Medicine (Medical Ctrs) - Campus Reconfiguration/Backfill at Northwest	Clinical	84.1	3.0	-	-	33.6	-	-	39.5	8.0	81.1	-	-
UW Medicine (Medical Ctrs) - IT	Clinical	115.8	24.2	-	-	-	-	-	91.6	-	91.6	-	-
TOTALS		708.4	130.1	-	-	237.5	-	14.6	318.1	8.0	578.2	-	-

¹ "Other" funding represents funding sources that are still being determined or are not direct institutional obligations.

² May include some projects that will require future Regental approval/reporting.

SUMMARY

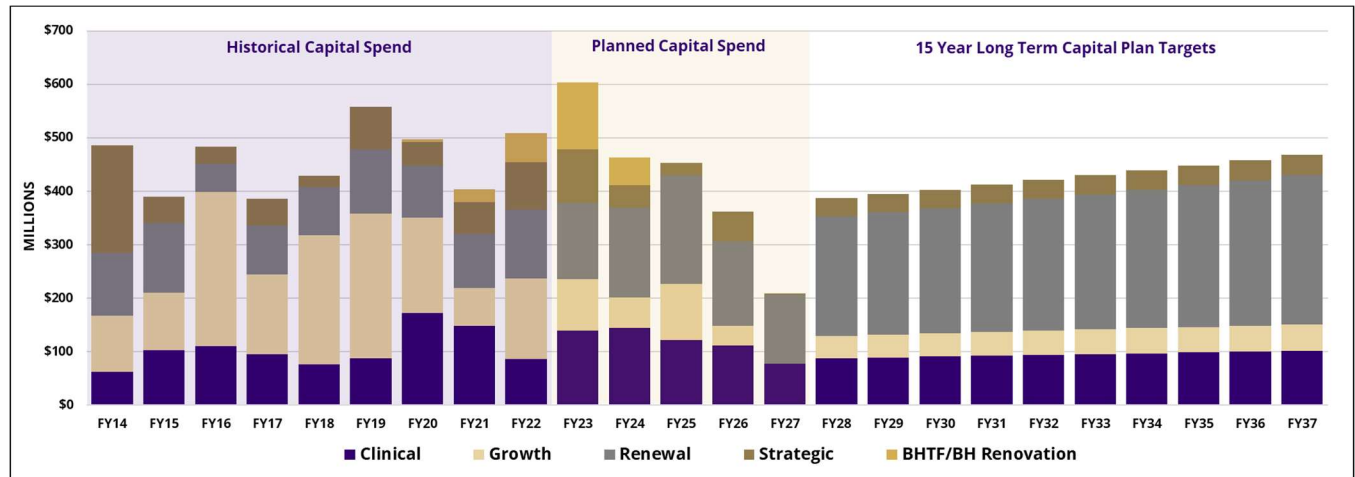
All budget and funding numbers are in \$ millions. P3 projects shown do not include the cost of lease payments.

Project Type	Budget	Prior Spend	FY2023 - FY2027 Projected Spend							UW Total	P3	Future Spend
			State Bond	UW Bldg. Account	Debt	Gift	Central Equity	Unit Equity	Other ¹			
Active Capital	1,895	671	322	-	128	131	53	44	22	678	507	18
Core Capital	398	129	2	168	-	-	57	-	-	227	-	42
Institutional Capital	1,016	1	144	-	-	136	-	233	4	513	289	210
Clinical Capital	708	130	-	-	238	-	15	318	8	571	-	-
PROJECTS TOTAL	4,017	931	468	168	366	267	125	595	34	1,989	796	270

ALIGNMENT TO LONG-TERM CAPITAL PLAN

The Five-Year Capital Budget is intended to put the Long-Term Capital Plan into operation by identifying specific investments that will lead to its long-term objectives. These next two charts illustrate that evolution.

FIVE-YEAR CAPITAL BUDGET TO LONG-TERM DEMAND



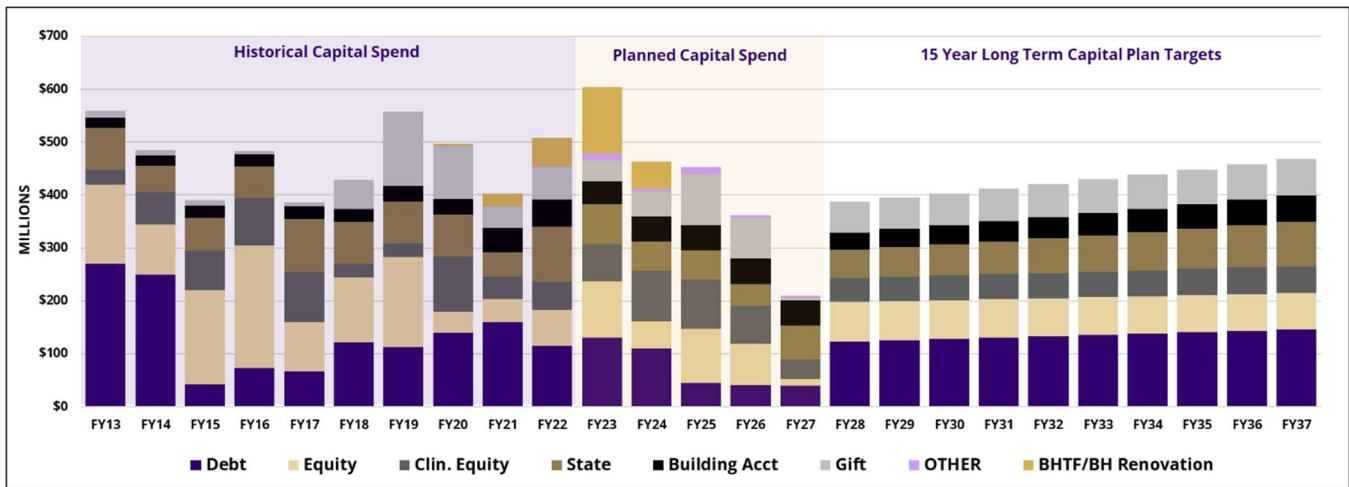
This chart shows both historical and proposed capital spending categorized by demand type. This look at annual capital spending illustrates a steady rate of future capital spending, but a shift in demand areas is evident. The years prior to FY21 are notable for a heavy period of growth, with new housing in West and North campus, new research space in South Lake Union, multiple new facilities on the Seattle Campus, and new buildings at the Bothell and Tacoma campuses. While of great benefit to the University, this focus on growth limited spending on renovation and clinical projects (Destination One is the notable exception in FY20).

This version of the Five-Year Capital Budget continues to rebalance the capital portfolio as active projects are completed and our LTCP strategies focus on investments in our clinical enterprise and facility renewal commensurate with the decline in overall spending.

The new Behavioral Health Teaching Facility and the Behavioral Health Renovation have been separated out because of their unique funding situations (funded by the State outside of University request process), in an attempt to normalize the historical and anticipated spending patterns.

Note: This chart does not include projects which utilize partnerships.

FIVE-YEAR CAPITAL BUDGET TO LONG-TERM USE OF FUND SOURCES



This chart shows both historical and proposed capital spending by fund source. A heavy reliance on debt in FY13 and FY14 is notable, along with a sharp drop in FY15 as the University began to constrain its overall debt capacity. This drop was accompanied by an increase in equity spending as reserves were utilized. Equity spending in the future is projected to remain lower, but steady. There is a substantial decrease in debt funded projects starting in FY25. This is not the result of an anticipated decrease in debt capacity, but rather the inability to fully utilize this source due to constraints in servicing any additional debt that would be leveraged. In addition, projects that could involve a viable philanthropy component have yet to be developed.

Considering that mitigating the risk of our growing deferred maintenance backlog is a high institutional priority, work remains to further plan capital projects and identify viable fund streams (including debt, philanthropy, state appropriations and unit/central equity). A planning team has been assembled to assess renewal priorities based on facility conditions and institutional program needs and develop options to leverage fund sources to mitigate deferred maintenance risks. A detailed report is planned for review by the Executive Office in September of this year.

Again, the Behavioral Health Teaching Facility and the Behavioral Health Renovation have been shown separately because they are seen as incremental funding from the state.

Note: This chart does not include projects which utilize partnerships.

PROJECT SUMMARY			Demand Area: Strategic Type: Active Capital		
<i>Finance Transformation</i>					
REGENTS ACTIONS:					
July 2019	• Stage 1 Approval to begin design				
December 2019	• Stage 2 Approval project budget of \$269.3 million, debt financing of up to \$180 million, the use of \$50 million from Internal Lending Program reserves, and delegated authority to execute contracts				
September 2021	• Approval of the expanded scope, moving the implementation date to July of 2023 and a budget increase to \$339.9 million total project budget				
OBJECTIVES:					
• Modernize financial and procurement systems by implementing Workday financial and supply chain modules.					
<p>DESCRIPTION: UW has been on a path to update its legacy financial and procurement systems for over a decade. With the Workday HCM rollout in 2017, the UW replaced its legacy mainframe payroll and benefits system with a software as a service solution. The UW Finance Transformation (UWFT) program was initiated in 2015 and in 2018 agreed to a big bang implementation of Workday financial and supply chain modules that included both the UW Academy and UW Medicine. UWFT will implement Workday financial and procurement/supply chain functionality, including accounting, banking and settlement, supplier accounts/contracts, customer accounts/contracts, business assets, endowment accounting, procurement, inventory, travel, expense management, revenue management, gifts, post-award grant management, effort reporting and budget and planning. The program will also remediate the necessary elements of Workday Human Capital Management in order to preserve all existing HRP functionality within the new configuration.</p> <p>The Program entered an Architect Validation Phase from September 2020-April 2021 to confirm and update the approved program scope, schedule, and budget. At the end of the phase, the program team made a recommendation to the program Sponsors regarding any changes to scope, schedule, or budget. The scenario recommended by staff to the Sponsors was for a year extension in the program “go live.” Accordingly, the costs included in the capital plan include the additional estimated costs for a year schedule delay. The extension and additional funding were approved by the program Sponsors and by the Regents.</p>					
FINANCIALS:					
Approved Project Budget			Approved Funding		
Readiness & Design	\$23,980,000	7.1%	External Debt	\$175,620,000	51.7%
Implementation Labor	\$243,250,000	71.6%	Unit Equity	\$83,400,000	24.5%
Workday Subscription	\$26,310,000	7.7%	Central Equity	\$80,900,000	23.8%
Other Costs	\$17,660,000	5.2%	Total Funding	\$339,920,000	100%
Contingency	\$28,720,000	8.4%			
Total Project Budget	\$339,920,000	100%			
SCHEDULE:					
Design:	July 2019 - December 2019				
Financial Management:	July 2023				
Adaptive Insights for Planning:	August 2022 (Release 1) and August 2023 (Release 2)				
Stabilization:	December 2023				

PROJECT SUMMARY
Demand Area: Clinical
Type: Active Capital

UW Medicine - Behavioral Health Teaching Facility
REGENTS ACTIONS:

- | | |
|----------|--|
| May 2020 | <ul style="list-style-type: none"> • Approve Site • Delegated Authority to execute Construction Contract Amendment |
|----------|--|

OBJECTIVES:

- Innovative and comprehensive care, offered in a healing environment, to help patients with behavioral health recovery.
- Alternative to existing long-term (90/180-day) civil commitment beds at Western State Hospital.
- Training site for the next generation of health and behavioral health care providers for Washington State.
- Support the first of its kind 24/7, 365 day a year telehealth program.
- Ensure safe environment for patients, providers, staff, trainees, and visitors.

DESCRIPTION: The behavioral health teaching facility must provide a minimum of seventy-five long-term civil commitment beds, twenty-five geriatric and adult psychiatric beds and fifty licensed medical/surgery beds, available to treat medical and surgical problems for patients who also have a psychiatric diagnosis and/or substance use disorder diagnosis. The University should maximize the use of these medical/surgery beds for patients with psychiatric diagnoses or substance use disorders to the extent practicable. The project construction must also include construction of a 24/7 telehealth consultation program within the facility.

FINANCIALS:

Approved Project Budget			Approved Funding		
Construction Cost	\$197,513,609	80.9%	State Bldg/Const. Account 19-21	\$33,250,000	13.6%
Consultant Services	\$27,503,971	11.3%	State Bldg/Const. Account 21-23	\$200,750,000	82.3%
Equipment and Furniture	\$8,211,257	3.4%	State Capital Assistance Account	\$10,000,000	4.1%
Other Costs	\$4,400,612	1.8%	Total Funding	\$244,000,000	100%
Project Management	\$6,370,551	2.6%			
Total Project Costs	\$244,000,000	100%			

BENCHMARKS:

Western State Hospital, Lakewood, WA - Predesign	\$893	Project Cost/GSF
Acute Care Bed Tower Swedish Hospital	\$1,286	Project Cost/GSF
Eastern State Hospital (Behavioral Health) - Lexington KY	\$835	Project Cost/GSF
Western Mental Health Institute - Bolivar TN	\$892	Project Cost/GSF
Massachusetts State Hospital (Behavioral Health) - Worcester MA	\$1,432	Project Cost/GSF

METRICS & INDICATORS:

	Current	Target		Current	Target
Net Assignable SF	115,000	-	Construction Cost/GSF	\$1,024	-
Gross Square Feet	191,000	-	Project Cost/GSF	\$1,175	-
Efficiency (NASF/GSF)	60%	-			

SCHEDULE:

2019			2020				2021				2022				2023				2024
Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
PLANNING																			
			DB TEAM																
			DEFINITION/PREDESIGN																
			ENABLING WORK/CONSTRUCTION																
																			MOVE IN

PROJECT SUMMARY
Demand Area: Growth
Type: Active Capital

Interdisciplinary Engineering Building
REGENTS ACTIONS:

- June 2020
- Approved Project Site
 - Delegated Authority to award Design-Build contract
 - Approved project budget

OBJECTIVES:

- Provide an educational experience that prepares undergraduate students to be leaders.
- Increase diversity and access to foster excellence.
- Accommodate the growing number of undergraduate students over the last 12 years.
- Build interdisciplinary collaborations that inspire innovation.

DESCRIPTION: The new Interdisciplinary Engineering Building (IEB) facility would provide the capacity to alleviate existing space deficits within the College of Engineering and provide student services and a “home base” for the freshmen and sophomore classes. The IEB would provide substantial project and curricular space, balanced with research and faculty office areas to support the growth in student enrollment. Engineering education requires space for collaborative, project-based learning — space for this kind of instruction is lacking at the UW.

FINANCIALS:

Approved Project Budget			Approved Funding		
Acquisition/Enabling Costs	\$13,000,000	17.3%	State Bldg/Const. Account 17-19	\$600,000	0.8%
Construction Contracts	\$52,799,778	70.3%	UW Building Account 19-21	\$4,000,000	5.3%
Consultant Services	\$5,061,036	6.7%	State Bldg/Const. Account 21-23	\$45,400,000	60.5%
Equipment and Furniture	\$1,249,635	1.7%	Donor Funding	\$2,877,564	3.8%
Other Costs	\$488,538	0.7%	ILP Debt Funds	\$10,000,000	13.3%
Project Management	\$2,471,013	3.3%	College of Engineering Equity	\$12,192,436	16.3%
Total Project Costs	\$75,070,000	100%	Total Funding	\$75,070,000	100%

BENCHMARKS:

Cal Poly Science & Ag Teaching/Research	\$1,250	Project Cost/GSF
UC Santa Barbara Classroom Building	\$1,022	Project Cost/GSF
UW Molecular Engineering	\$1,053	Project Cost/GSF

METRICS & INDICATORS:

	Current	Target		Current	Target
Net Assignable SF	43,473	-	Construction Cost/GSF	\$733	\$704
Gross Square Feet	72,000	-	Project Cost/GSF	\$1,043	\$1,001
Efficiency (NASF/GSF)	60%	-			

SCHEDULE:

2019	2020				2021				2022				2023				2024		
Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
PLANNING																			
			DB TEAM																
			DEFINITION/PRECONSTRUCTION																
			ENABLING/CONSTRUCTION																
																			MOVE

PROJECT SUMMARY
Demand Area: Growth
Type: Active Capital

W27 – Center for Advanced Materials and Clean Energy Technologies
REGENTS ACTIONS:

- December 2019 • Site Selection, Solicitation of Developer Proposals
- March 2022 • Approve agreement to lease, ground lease, and building lease; and
- Delegate authority to President or her designee to execute all transaction documents

OBJECTIVES:

- Foster collaborative research between the University and other public and private entities that accelerates solutions for a healthy planet
- Provide world-class innovation space for students and researchers.

DESCRIPTION: The University will ground lease Site W27 to developer, Wexford Science + Technology LLC, to construct an 11-story building of approximately 340,000 GSF which will include about 115 below-grade parking stalls. To clear the development area, several buildings will be vacated and demolished, along with 95 parking stalls in lots W12 and W13. The University will lease back space in the building for lab intensive research units focused on solutions for a healthy planet. University occupancy will provide the opportunity to closely collaborate with other public and private sector tenants in the building working on compatible research and technologies focused on solutions for a healthy planet. Other project elements include landscaping improvements to the 1.2-acre site, upgrades to the Burke Gilman Trail, and creation of a mid-block pathway between sites W27 and W26 to the north.

FINANCIALS: This project will utilize a funding model in which the developer assumes the financial and development risk. The developer will lease the land from the University for a specified period during which the University will pay rent to the developer for the space that the UW leases in the building. In turn, the developer commits to paying the UW an annual ground lease based on current land and building values. This ground lease represents a new revenue stream for the University and can be used to subsidize rent. Tenant improvements for UW spaces will be the responsibility of the UW entities in the building. The developer is responsible for the on-going maintenance of the building, limiting the University's exposure to deferred maintenance. There will be opportunities for philanthropic participation, such as a lobby that reflects the role and history of the Pacific Northwest in the global evolution of renewable and sustainable energy. Similarly, each lab space could be named for donors. The state has provided \$29 million to help catalyze the development. These funds will be used for enabling projects, tenant improvements and equipment for the Clean Energy Institute, one of the building's anchor tenants.

Approved Project Budget

Total Project Costs \$292,100,000 100%

Approved Funding

State Bldg/Const. Account 15-17	\$9,000,000	3.1%
State Bldg/Const. Account 17-19	\$19,988,000	6.8%
Wexford	\$208,500,000	71.4%
Other	\$54,612,000	18.7%
Total Funding	\$292,100,000	100%

BENCHMARKS:

Wentworth Institute (Boston) – 60/40 Lab/Office (648,974 GSF - 2026)	\$822	Project Cost/GSF
UC Davis Lab East (Sacramento) (326,700 GSF – 2025)	\$676	Project Cost/GSF
Biomedical Campus Building 2 (Phoenix) – 50/50 Lab/Office (265,255 GSF – 2024)	\$603	Project Cost/GSF
3838 Market St. (Philadelphia) – 50/50 Lab/Office (255,850 GSF – 2024)	\$598	Project Cost/GSF
City Square (Philadelphia) – 50/50 Lab/Office (427,684 GSF – 2022)	\$494	Project Cost/GSF
Wake Forest/Atrium Health (Charlotte) – 50/50 Lab/Office (250,000 GSF – 2025)	\$472	Project Cost/GSF

SCHEDULE:

2020		2021				2022				2023				2024				2025	
Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
DEV. SELECTION		SCHEMATIC DESIGN				DD & CONST. DOCS				PERMITTING				CONSTRUCTION				TI'S	

PROJECT SUMMARY
Demand Area: Growth
Type: Active Capital

UW Bothell - Academic STEM Building
REGENTS ACTIONS:

- | | |
|--------------|---|
| March 2019 | <ul style="list-style-type: none"> • Approved Project Site • Approved Pre-construction budget of \$6M |
| October 2020 | <ul style="list-style-type: none"> • Delegated Authority to Award Design Build Contract • Approved Full Project Budget and Funding Plan |

OBJECTIVES:

- Maximize space for instruction and research in a manner consistent with program goals and institutional standards and values.
- Create learning environments that support collaboration, active learning, and faculty innovation while building community across students and faculty.
- Design a physical environment that promotes interactions between UW and CC faculty, staff, and students.
- Display the campus' commitment to environmental and economic sustainability, including seeking to minimize building life-cycle cost and carbon footprint.
- Redistribute STEM facilities across the campus as appropriate to improve operational efficacy, student access and relationships.

DESCRIPTION: The project will build a new, 79,500 GSF, STEM academic facility providing classrooms, class labs, collaborative faculty offices and student collaboration space, in order to accommodate the fast-growing number of students in the UW Bothell School of Science, Technology, Engineering and Mathematics (STEM) and STEM students at Cascadia College.

FINANCIALS:

Approved Project Budget			Approved Funding*		
Construction Cost	\$66,232,338	82.2%	State Bldg/Const. Account 15-17	\$500,000	0.6%
Consultant Services	\$8,675,975	10.8%	State Bldg/Const. Account 17-19	\$3,000,000	3.7%
Equipment and Furniture	\$313,117	0.4%	State Bldg/Const. Account 19-21	\$75,938,000	94.3%
Other Costs	\$3,202,716	4.0%	UW Bothell	\$550,000	0.7%
Project Management	\$2,113,854	2.6%	Cascadia College	\$550,000	0.7%
Total Project Costs	\$80,538,000	100%	Total Funding	\$80,538,000	100%

**All project costs and funding totals represent the combined requests submitted by the University of Washington and Cascadia College.*

BENCHMARKS:

Grays Harbor College STEM Building	\$1,106	Project Cost/GSF
Shoreline Community College STEM Building	\$963	Project Cost/GSF
Olympic College Instruction Center	\$927	Project Cost/GSF
WSU Everett STEM Building	\$825	Project Cost/GSF

METRICS & INDICATORS:

	Current	Target		Current	Target
Net Assignable SF	50,085	64,500	Construction Cost/GSF	\$833	\$675
Gross Square Feet	79,500	100,000	Project Cost/GSF	\$1,013	\$796
Efficiency (NASF/GSF)	63%	65%			

SCHEDULE:

2019				2020				2021				2022				2023			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
PL																			
	DB TEAM																		
				DEFINITION/PRECONSTRUCTION								CONSTRUCTION							
																			MOVE

PROJECT SUMMARY
Demand Area: Growth
Type: Active Capital

UW Bothell - Student Housing
REGENTS ACTIONS:

- July 2019
 - Approved Project Site
 - Delegated Authority to engage with and select Developer
 - Approved pre-construction budget of \$300,000 to be funded by UW Bothell
- February 2021
 - Approve predevelopment agreement, ground lease including service agreements, and office lease for the Husky Village Redevelopment
 - Delegation of authority to the President or her designee to execute all transaction documents

OBJECTIVES:

- Provide vibrant, quality on-campus housing to meet the ongoing demand from UW Bothell (UWB) students, consistent with the UWB/Cascadia College 2017 Campus Master Plan.
- Create a new campus gateway with accessible pedestrian connections to the campus core.

DESCRIPTION: Husky Village Apartments (268 beds) will be demolished and replaced with developer built mixed-use project on land leased from UW. The project will provide 1,055 student beds plus 20,000 GSF of ground floor offices for UWB administration, a 15,000 GSF dining hall and a 1,500 GSF convenience store. The University maintains control of the land while providing near-term student housing. Redevelopment will increase students' access to housing, optimize property zoning density, pay off outstanding debt, and eliminate existing aging buildings.

FINANCIALS:

Capstone Development Costs			University Costs	
Construction Hard + Soft Costs plus Financing	\$149,500,000	90.6%	Office Fit-up over TI allowance to be paid by UWB Operating budget	\$1,500,000
TI Allowance for UWB Office	\$2,000,000	1.2%		
Debt Payoff to UW ILP	\$10,500,000	6.4%		
Project Management Fee to UWF	\$2,600,000	1.6%		
Predevelopment Reimbursements to UWB	\$350,000	0.2%		
Total Project Budget (Capstone Funded)	\$164,950,000	100%		

Ground Lease: Annual ground rent payments beginning in Year 11 include fixed and variable components.

Office Lease for UW Bothell Administration: Rent plus operating expenses start at \$720,000 per year in 2023 and increase by 2% annually for 20 years. This is offset by termination of 16,573 SF office at Beardslee Crossing in December 2022 (average \$564,000 per year.)

BENCHMARKS:

Bellevue College (370 Beds/135,000 GSF)	\$105,405	Cost/Bed	\$288	Cost/GSF
Seattle University - Vi Hilbert Hall (303 Beds/143,264 GSF)	\$165,953	Cost/Bed	\$351	Cost/GSF
UW North Campus Housing 4a (1,758 Beds/547,195 GSF)	\$134,503	Cost/Bed	\$432	Cost/GSF
UW North Campus Housing 4b (370 Beds/85,665 GSF)	\$113,597	Cost/Bed	\$491	Cost/GSF

METRICS & INDICATORS:

	Current	Target		Current	Target
Operating Cost/Bed	\$4,988	-	Construction Cost/GSF	\$498	-
Renewal Cost/Bed	\$225	-	Construction Cost/Bed	\$144,027	-
Efficiency (NASF/GSF)	60%	-			

Higher than average costs can be attributed to inclusion of large dining hall and the Beardslee Blvd. widening required by the City of Bothell.

SCHEDULE:

2020				2021				2022				2023				2024							
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
2019 > DEVELOPER				DESIGN				PHASE 1 - CONSTRUCTION				MOVE				PHASE 2 - CONSTRUCTION				MOVE			

PROJECT SUMMARY
Demand Area: Growth
Type: Active Capital

UW Tacoma - Milgard Hall
REGENTS ACTIONS:

- November 2019
 - Approved pre-construction budget of \$4 million
 - Delegated authority to award a design-build contract
 - Approved site adjacent to Court 17
- October 2020
 - Approved site adjacent to the Snoqualmie Building
- July 2021
 - Approve full project budget and funding plan

- OBJECTIVES:**
- Instructional and support spaces required for new Mechanical and Civil Engineering programs.
 - Large, flexible classrooms paired with group rooms — critically needed for the Business School.
 - A home and public face for the many Milgard School Centers and the growing number of School of Engineering and Technology Centers.

DESCRIPTION: Approximately 54,000 square feet of additional classroom space for the continued overall growth of UW Tacoma’s academic programs. This interdisciplinary building will be a unique innovation space and provide a front door for UWT’s business partners and incoming students. It will also increase STEM space in the South Sound. The primary space needs come from the emerging Mechanical and Civil Engineering programs, the growth of Milgard Business School, and the creation of a central collaboration space. This space will help bring together intellectual property from across the Tacoma Campus to create community-based solutions, furthering student education, fostering UWT’s urban-serving mission, and driving use-inspired research deeper into the South Sound region.

FINANCIALS:

Approved Project Budget			Approved Funding		
Construction Cost	\$43,781,109	81.5%	State Bldg/Const. Account 17-19	\$500,000	0.9%
Consultant Services	\$5,523,936	10.3%	UW Building Account 19-21	\$4,000,000	7.4%
Equipment and Furniture	\$1,600,351	2.9%	State Bldg/Const. Account 21-23	\$36,000,000	67.0%
Other Costs	\$970,902	1.8%	Donor Funds	\$10,000,000	18.6%
Project Management	\$1,873,702	3.5%	UW Tacoma Reserves	\$3,250,000	6.1%
Total Project Costs	\$53,750,000	100%	Total Funding	\$53,750,000	100%

BENCHMARKS:

UW Bothell Discovery Hall STEM Building 1, 2014, 78,000 GSF	\$1,303	Project Cost/GSF
UW CSE II Classroom Building 2, 2018, 135,000 GSF	\$936	Project Cost/GSF
OSU Learning Innovation Center STEM + Classroom Building 4, 2015, 119,129 GSF	\$1,048	Project Cost/GSF
OSU Peavy Hall Classroom Building, 2019, 82,000 GSF	\$1,007	Project Cost/GSF
WSU Everett STEM Building 5, 2017, 95,000 GSF	\$825	Project Cost/GSF

METRICS & INDICATORS:

	Current	Target		Current	Target
Net Assignable SF	33,500	33,600	Construction Cost/GSF	\$811	\$762
Gross Square Feet	54,000	55,000	Project Cost/GSF	\$995	\$918
Efficiency (NASF/GSF)	62%	66%			

*A request for M&O funding has been submitted to the State for consideration.
 UWT Reserves will be responsible for any required M&O funding not provided by the State.*

SCHEDULE:

2019				2020				2021				2022				2023			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
			DB TEAM																
				DEFINITION/PRECONSTRUCTION															
								CONSTRUCTION											
																MOVE IN			

PROJECT SUMMARY
Demand Area: Renewal
Type: Active Capital

College of Arts & Sciences (A&S) Building Renovations
REGENTS ACTIONS:

- June 2021
- Delegated authority to engage with and select developer
 - Approved project budget of \$15M to be funded by Provost, College of Arts & Science, and donors
 - Delegation of authority to the President or her designee to execute all transaction documents

- OBJECTIVES:**
- Invest in gathering space and learning environments to raise faculty, staff, and student morale.
 - Create a first-floor creative hub that functions as a Seattle Campus focal point for the Arts.
 - Broadcast the Arts on the Quad, on campus, and in the community at large.
 - Address safety and accessibility issues while improving flexibility in all areas.

DESCRIPTION: The project will be implemented in two phases as noted below.

Art Building Base Scope: Interior improvements to the Jacob Lawrence Gallery, ceramics studio, surrounding north wing spaces and courtyard, creating a safe, energy efficient environment that meets program needs. Upgrade interior finishes; improve MEP systems, safety, and workflow; provide relevant security, access, and equitable office space; and modernize FFE. Improve specialized waste management systems, including exterior storage for propane tanks. If costs are favorable, improvements to the woodshop, studio classroom and adjoining Advanced Concepts Lab will be provided.

Music Building Base Scope: A comprehensive renovation of the Brechemin Auditorium including fixed seating, finishes, reconfigured backstage and support spaces, AV, lighting, and recording equipment. Transformation of Lecture Hall 213 into a Recital Hall including lighting, equipment and finished. Upgrades to corridors and lobby areas outside these spaces will receive finish upgrades.

FINANCIALS:

Approved Project Budget			Approved Funding		
Construction Cost	\$6,005,206	70.7%	Central Equity (Provost)	\$2,000,000	23.5%
Consultant Services	\$1,370,679	16.1%	Unit Equity	\$4,000,000	47.1%
Equipment and Furniture	\$187,425	2.2%	Donor Funding	\$2,500,000	29.4%
Project Management	\$449,428	5.3%	Total Funding	\$8,500,000	100%
Estimated Escalation	\$487,262	5.7%			
Total Project Costs	\$8,500,000	100%			

BENCHMARKS:

Parrington Hall Renovation (2020)	\$410	Project Cost/GSF
Kincaid Hall Renovation (2021)	\$542	Project Cost/GSF

METRICS & INDICATORS:

	Current		Target	
Net Assignable SF	-	-	Construction Cost/GSF	\$546
Gross Square Feet	11,000	11,000	Project Cost/GSF	\$773
Efficiency (NASF/GSF)	-	-		-

SCHEDULE: Phase 1- Art Building Renovation

2021				2022				2023				2024				
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
PLANNING																
DESIGN																
						CONSTRUCTION										
									MOVE							

PROJECT SUMMARY
Demand Area: Strategic
Type: Active Capital

University District Station Building
REGENTS ACTIONS:

- September 2018 • Stage 1 Approval - issue RFP
- December 2019 • Stage 2 Approval - 75-year ground lease/15-year office lease

OBJECTIVES:

- Reduce the University's overall cost of leasing administrative office space.
- Initiate transit-oriented development in the University District.
- Create a gateway to the University's Seattle Campus for light rail users.
- Design a building that sets a precedent for efficient administrative space usage.

DESCRIPTION: The University District Station Building (UDSB) will be constructed above the Sound Transit University Station located at NE 43rd St. and Brooklyn Ave NE. The vision is for a 13-story, 260,000 SF administrative and office building. The proposed UDSB maintains University control while aligning near and long-term occupancy presence in what will become the hub of circulation to and from the Seattle Campus. UDSB aligns with the strategic growth plan allowing greater space efficiency, occupancy synergy and improved lease portfolio metrics. The University property exchange and development agreements for the UDSB were approved at the January 2013 Board of Regents meeting with the Transit Orientated Development (TOD) of Sound Transit. Ground lease, facility lease and financial approval decisions were brought to the Regents Spring 2019. Due diligence completed Fall 2021. Building lease commencing no sooner than January 1, 2025 at either 163,270 SF or 138,000 SF with the decision of square footage Summer 2022. Tenant improvement costs will exceed the negotiated \$175/SF, to be funded by Central funding.

FINANCIALS:

Approved Project Budget			Approved Funding		
Shell and Core	\$177,040,638	78.5%	Public/Private Partnership	\$205,612,888	91.1%
Tenant Improvements	\$48,572,250	21.5%	Central Equity	\$20,000,000	8.9%
Total Project Costs	\$225,612,888	100%	Total Funding	\$225,612,888	100%

BENCHMARKS:

Trammel Crow / NBBJ Development Study May, 2017	\$522	Project Cost/GSF
Commercial Office Benchmark - Seattle Market (Seattle DJC May 2018)	\$500-600	Project Cost/GSF

METRICS & INDICATORS:

	Current		Target			Current		Target	
Net Assignable SF	-			TBD	Construction Cost/GSF	-			TBD
Gross Square Feet	-		260,000/163,270		Project Cost/GSF	-			\$868/\$297
Efficiency (NASF/GSF)	-			-					

SCHEDULE:

2018		2019			2020				2021				2022				2023				2024				25
Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1			
PLANNING																									
DESIGN																									
														CONSTRUCTION											
																		T.I.							
																						MI			

PROJECT SUMMARY
Demand Area: Growth

Type: Active Capital

ICA Basketball Ops Facility and Health & High-Performance Center
REGENTS ACTIONS:

- February 2020
 - Approved use of site adjacent to Hec Ed (current site of Pavilion pool)
 - Approved project budget, use of bridge program and delegated authority
- May 2021
 - Revision to project scope and budget

OBJECTIVES:

- Provide a first-class home for men's and women's basketball with 24/7 practice courts.
- Renovate and expand the Health & Human Performance Center.
- Consolidate services to better serve student-athletes and the UW's commitment to Title IX.
- Be cost effective, with a look and feel in alignment with recent ICA capital projects.

DESCRIPTION: Two months after the project received Board approval in February 2020 it was put on hold given uncertainties surrounding COVID-19. The project restarted in May 2021 and has not changed significantly from the scope proposed in 2020. It will still build a new Basketball Training/Operations/High Performance Building where the Pavilion Pool is currently located but with a reduced project budget of approximately \$53.7 million which allows the project to be fully funded by existing donor pledges. The new building is intended to provide practice court(s), locker rooms, meeting rooms, coaches, and support staff offices, recruiting lounge, and other spaces associated with the two basketball programs. Along with a renovation of the weight room and Legends Center in Graves Annex, other desired program elements include added support facilities for basketball and the other Olympic sport programs. These programs include athletic training, strength and conditioning, sports medicine and rehabilitation, and nutrition. The new building will be structurally independent from, yet connected, to the Hec Edmundson complex to allow for game day synergies between the two buildings.

FINANCIALS:

Approved Project Budget			Approved Funding		
Construction Cost	\$41,200,000	76.7%	Donor Funds	\$53,750,000	100%
Consultant Services	\$5,900,000	11.0%	Total Funding	\$53,750,000	100%
Equipment and Furniture	\$1,900,000	3.5%			
Other Costs	\$2,850,000	5.3%			
Project Management	\$1,900,000	3.5%			
Total Project Costs	\$53,750,000	100%			

BENCHMARKS:

ASU Weatherup Center	\$806	Project Cost/GSF
Univ. of Arizona – Jefferson Gym & Davis Center	\$758	Project Cost/GSF
Univ. of Utah – Huntsman Basketball Center & Sorenson High Performance	\$733	Project Cost/GSF
OSU Basketball Center	\$756	Project Cost/GSF
Univ. of Houston Lewis Basketball Center	\$751	Project Cost/GSF

METRICS & INDICATORS:

	Current	Target		Current	Target
Net Assignable SF	51,500	62,000	Construction Cost/GSF	\$624	\$613
Gross Square Feet	66,000	80,000	Project Cost/GSF	\$814	\$757
Efficiency (NASF/GSF)	78%	78%			

SCHEDULE:

2020				2021				2022				2023				2024			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
			PLANNING																
				DB TEAM															
								PROJECT DEFINITION/DESIGN/PRECON											
											ENABLING	CONSTRUCTION							MOVE

PROJECT SUMMARY
Demand Area: Strategic
Type: Active Capital

UW School of Medicine - Spokane Building Lease
REGENTS ACTIONS:

 September 2019

- Approved negotiation of 12-year building lease and delegated authority to execute documents

OBJECTIVES:

- Facilitate vision and growth of the UW-Gonzaga Regional Health Partnership agreement by jointly leasing a soon-to-be constructed building to house UW and Gonzaga programs.

DESCRIPTION: The building site is located just south of Gonzaga’s Campus on the Spokane River. The site totals 67,000 SF (1.5 acres) and currently houses McKinstry’s warehouse. It is adjacent to the Spokane & Inland Empire Railroad (SIERR) Building at McKinstry Station. The adjacent parking lot is owned by Gonzaga. The building will total 105,000 SF and will be four stories over at-grade parking. The UW will lease 28,111 SF and Gonzaga will lease 31,392 SF. The remaining space will be available to lease by the McKinstry ownership.

FINANCIALS:
Approved Lease

Total Lease Commitment	\$61,107,000
Estimated Total OPEX	\$8,055,000
One-time Payment	\$1,861,000
Total 12-Year Commitment	\$29,873,823

Approved Funding

Current Annual Rent to Gonzaga	\$689,984
Current Annual Rent to WSU	\$85,000
UW Medicine Equity (one-time)	\$5,000,000
Requested State Funding Annual Increase (21-23 biennium)	\$1,028,000

Total Annual Funding \$1,803,000

SCHEDULE:

2019				2020				2021				2022				2023			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
			DESIGN/PERMITTING																
						LEASE													
								CONSTRUCTION											

PROJECT SUMMARY
Demand Area: Renewal
Type: Active Capital

UW Library Storage Renovation / iSchool Relocation
REGENTS ACTIONS:

- None anticipated

OBJECTIVES:

- Further UW Libraries' initiative to relocate collections to offsite space at Sand Point to better serve the collection stewardship mission and free up space on the Seattle Campus for student and faculty study and collaboration.
- Provide safe, climate-controlled collections space for UW Libraries' collections.
- Provide consolidated interim space for iSchool while search for permanent location continues.
- Serve iSchool's students, faculty, and staff by providing improved office, classroom, and dry lab space and support funded research.

DESCRIPTION: This project will create 30,000 ASF off-site collections space for use by UW Libraries in Sand Point Building 5D, Floor 4 and will reorganize and relocate Library collections to vacate Allen South 1st Floor and Kane Hall Basement. Allen South 1st Floor will be retrofitted for use by iSchool until a long-term, single-location solution is available. Project sequencing is expected to be as follows:

1. Construction of an enclosed and insulated 30,000 ASF off-site shelving space at Sand Point 5D, 4th Floor.
2. Installation of new and existing/relocated shelving (new shelving to be maximized as budget allows).
3. Movement of materials from various locations on the Seattle Campus per direction from UW Libraries.
4. Retrofit of Allen South 1st Floor for use by iSchool.

FINANCIALS:
Approved Project Budget

Construction Cost	\$7,618,731	79.2%
Consultant Services	\$1,124,385	2.9%
Equipment and Furniture	\$319,925	5.5%
Other Costs	\$158,082	7.0%
Project Management	\$432,726	5.4%
Total Project Costs	\$9,653,849	100%

Approved Funding

Central Equity (Provost)	\$3,827,974	39.7%
Provost Loan to iSchool	\$2,000,000	20.7%
iSchool Reserves	\$626,348	6.5%
Library Reserves	\$1,973,571	20.4%
Libraries FAST Loan	\$1,225,956	12.7%
Total Funding	\$9,653,849	100%

METRICS & INDICATORS:

	Current		Target			Current		Target	
Net Assignable SF	44,660	44,660	44,660	44,660	Construction Cost/GSF	\$158	\$158	\$158	\$158
Gross Square Feet	48,000	48,000	48,000	48,800	Project Cost/GSF	\$201	\$201	\$201	\$201
Efficiency (NASF/GSF)	93%	93%	93%	93%					

SCHEDULE:

2020				2021				2022				2023				2024			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
				PLANNING															
						DESIGN													
								CONSTRUCTION											
														CLOSEOUT					

PROJECT SUMMARY
Demand Area: Renewal
Type: Active Capital

Intramural Activities Building (IMA) Locker Rooms and Pool Replacement
REGENTS ACTIONS:

- October 2020 • Introduced to Board of Regents
- November 2020 • Delegation of authority to the President or her designee to execute all transaction documents

OBJECTIVES:

- Increase IMA capacity and better serve the University's current and future demographics.
- Modernize gendered and gender-inclusive locker rooms.
- Expand swimming pool.
- Maintain continuous operation of the IMA building during construction.

DESCRIPTION: The locker rooms and swimming pool in the University of Washington's Intramural Activities Building (IMA) have not been significantly updated since the building's initial construction in 1966. In this time, infrastructure that assures continued operations has not seen any substantive repair or replacement. Over the past several years, student surveys have consistently prioritized the project objectives, gender-inclusive accommodations and increased pool capacity.

The project scope will roughly double the swimming pool capacity and reduce barriers for access. Renovations to adjacent locker room facilities will focus on gender-inclusive and accessible accommodations.

FINANCIALS:

Approved Project Budget			Approved Funding		
Construction Cost	\$23,324,443	83.3%	Services and Activities Fees	\$28,000,000	100%
Consultant Services	\$2,996,000	10.7%	Total Funding	\$28,000,000	100%
Equipment and Furniture	\$66,060	0.2%			
Other Costs	\$459,282	1.7%			
Project Management	\$1,154,215	4.1%			
Total Project Costs	\$28,000,000	100%			

METRICS & INDICATORS:

	Current		Target			Current		Target	
Net Assignable SF	25,255	33,142			Construction Cost/GSF	\$708	\$586		
Gross Square Feet	32,950	43,500			Project Cost/GSF	\$850	\$644		
Efficiency (NASF/GSF)	76.6%	76.2%							

SCHEDULE:

2019				2020				2021				2022				2023			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
				PLANNING															
								DB TEAM											
								DESIGN											
												PERMITTING							
												CONSTRUCTION							
																			MOVE

PROJECT SUMMARY
Demand Area: Clinical
Type: Active Capital

UW Medical Center Northwest Hospital – Behavioral Health Renovation
REGENTS ACTIONS:

 TBD

- TBD

OBJECTIVES:

- An appropriation was provided during the 21-23 Legislative Session solely for the renovation of existing geriatric psychiatric beds within the Northwest Campus of the University of Washington Medical Center, including pre-design, design costs, enabling projects, and early work packages. The renovation design must include fourteen adult psychiatric beds.

DESCRIPTION:

Renovation of a portion of the east and west wings of the UWMC Northwest Campus E-Wing to create an adult voluntary behavioral health unit to serve a minimum of 14 patients in single rooms, with bathrooms within each room, and space for teaching and training health care providers. Renovation to meet the requirements of the Department of Health licensing. Infrastructure work includes the replacement of the heating ventilation and cooling system and the roof sections for these wings. Project scope is limited to avoid a substantial alteration that would require renovation of other areas in E-Wing. This new behavioral health unit will meet the needs of a broad range of patients in the community and support the behavioral health teaching mission.

FINANCIALS:

Approved Project Budget			Approved Funding		
Construction Cost	\$11,729,543	78.2%	State Bldg/Const. Account 21-23	\$2,000,000	13.3%
Consultant Services	\$251,158	1.7%	State Capital Request 23-25	\$13,000,000	86.7%
Equipment and Furniture	\$1,759,259	11.7%	Total Funding	\$15,000,000	100%
Other Costs	\$544,618	3.6%			
Project Management	\$715,422	4.8%			
Total Project Costs	\$15,000,000	100%			

METRICS & INDICATORS:

	Current	Target		Current	Target
Net Assignable SF	10,876	10,876	Construction Cost/NASF	\$1,078	-
			Project Cost/NASF	\$1,379	-

SCHEDULE:

2022				2023				2024				2025			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
DESIGN								CONSTRUCTION				CLOSEOUT			

PROJECT SUMMARY
Demand Area: Renewal
Type: Active Capital

Renovation/Replacement Magnuson Health Sciences Center – Phase 2
REGENTS ACTIONS:

- February 2022 • Informational Brief
- March 2022 • Approve Full Project Budget and Financing Plan

OBJECTIVES:

- Modernize primary teaching facility in support of pedagogies used by the nation’s top-ranked health sciences schools.
- Reduce the deferred maintenance backlog in the largest building on the Seattle Campus and upgrade critical systems in support of the entire Health Sciences complex.
- Advance the principles of the Seattle Campus Master Plan for the Health Sciences zone.

DESCRIPTION: The renovation of T-Wing is Phase 2 of a potential four-phase plan identified in the 2011-2013 State Capital Budget Request 10-Year Plan. The Phase I construction of the new Health Sciences Education Building (HSEB) was the start of the phased plan and began to meet the need for shared instructional space as well as provide an opportunity to decant existing T-Wing functions in anticipation of the Phase 2 renovation.

The Phase II project will supplement the HSEB and further accommodate the growing demands of educational space for the health sciences schools, including team-based interdisciplinary learning, the connection and collaboration of students and faculty across disciplines, and space for interdisciplinary innovation and collaboration to help transform the training of tomorrow’s health professionals.

FINANCIALS:

Approved Project Budget			Approved Funding		
Construction Cost	\$52,696,633	82.3%	State Bldg/Const. Account 19-21	\$1,000,000	1.6%
Consultant Services	\$5,331,546	8.3%	State Bldg/Const. Account 21-23	\$5,000,000	7.8%
Equipment and Furniture	\$1,949,220	3.1%	State Capital Request 23-25	\$58,000,000	90.6%
Other Costs	\$1,839,502	2.9%	Total Funding	\$64,000,000	100%
Project Management	\$2,183,099	3.4%			
Total Project Costs	\$64,000,000	100%			

METRICS & INDICATORS:

	Current	Target		Current	Target
Net Assignable SF	57,470	57,470	Construction Cost/GSF	\$626	\$626
Gross Square Feet	89,375	89,375	Project Cost/GSF	\$717	\$717
Efficiency (NASF/GSF)	64%	64%			

SCHEDULE:

2020				2021				2022				2023				2024				2025				2026			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
				PLANNING																							
						DB TEAM																					
						DEFINITION/PRECON																					
												CONSTRUCTION															

PROPOSED NEW INVESTMENTS

CORE CAPITAL

PROJECT SUMMARY		Demand Area: Renewal Type: Core Capital	
<i>Asset Preservation & Program Renewal</i>			
REGENTS ACTIONS:			
<ul style="list-style-type: none"> No specific Regents actions are associated with these projects 			
OBJECTIVES:			
<ul style="list-style-type: none"> Renew our existing facilities and infrastructure as life cycles end. Reduce ongoing maintenance and utility costs. Address facilities issues that hinder programmatic priorities. 			
DESCRIPTION:			
<p>Asset Preservation (Minor Works): Agencies are required by RCW 43.88.030(5)(d) to develop a strategic plan for reducing their maintenance backlogs and completing repair projects. This plan must be included in the capital budget submittal. One way to reduce maintenance backlogs is through minor works projects, which are a consolidation of small capital projects each valued at less than \$2M. Minor works projects should be completed within the biennium of the funding allocation. This category of projects also includes some accessibility improvements. Projects are identified and prioritized by Bothell and Tacoma for their respective campuses and by UWF Asset Management and Operations for the Seattle Campus. Projects are typically delivered by in-house trades staff and the Project Delivery Group.</p> <p>Programmatic Renewal (Classroom Modernization Effort): These projects are developed from information collected by UWF Account Managers, scored against the Board of Deans, and prioritized by the Campus Stewardship Committee and approved by the Space Advisory Committee. These projects are also filtered with the list of Asset Preservation projects to look for synergies between the funding sources. The list of recommended projects is provided for final approval by the Provost and the Vice Provost of Planning and Budgeting.</p>			
FINANCIALS (FY23-FY27):			
Asset Preservation (Minor Works)	\$128,200,000	UW Building Account	100%
Programmatic Renewal (Classroom Modernization)	\$32,576,058	Central Equity (Provost)	100%

PROJECT SUMMARY		Demand Area: Renewal Type: Core Capital	
<i>Accessibility Improvements</i>			
REGENTS ACTIONS:			
<ul style="list-style-type: none"> • No specific Regents actions are associated with these projects 			
OBJECTIVES:			
<ul style="list-style-type: none"> • Ensure access to institutional programs, services, and activities • Address both site related (external) and facility related (internal) access issues 			
<p>DESCRIPTION: These projects are part of our capital strategy to help ensure ADA compliant access to programs, services, and activities throughout the institution. This work aligns with the University's vision to educate a diverse student body and its values of integrity, diversity, inclusion, excellence, collaboration, innovation, and respect. To achieve accessibility for students, staff, faculty, and visitors with disabilities across all institutional facilities, the University of Washington expects the built environment to be designed and constructed to meet the 2010 ADA Standards for Accessible Design.</p> <p>In addition, the University has recently prepared ADA Transition Plans for all three campuses that will help guide this effort. These detailed documents summarize self-evaluations, which include an accessibility assessment of pedestrian facilities as well as practices and procedures which relate to them. They also contain specific transition plans, which identify a strategy for the removal of barriers and identifies how the University will address requests for accommodations.</p>			
FINANCIAL OVERVIEW:			
Funding sources for these projects vary depending on project type but typically include support from Central Equity (Provost Reinvestment Funds), Unit Equity (Facilities) and the UW 064 Building Account (typically captured in Asset Preservation (Minor Works) projects).			
FINANCIALS (FY23-FY27):			
Accessibility Improvements	\$7,200,000	Central Equity (Provost)	100%

PROJECT SUMMARY
Demand Area: Renewal
Type: Core Capital

Seismic Improvements (10-Year Plan)
REGENTS ACTIONS:

- September 2021
- Project approval of Phase 3 for \$8 million
 - Delegated authority to award Design Build contract

OBJECTIVES:

- Improve life safety by reducing the risk of injury from collapse of unreinforced masonry.
- Reduce adverse effects on University operations in the event of an earthquake.
- Connect UW with resources by which departments can increase their own seismic resilience.
- Preserve integrity of the historical structures.

DESCRIPTION: This ongoing project improves seismic preparedness in unreinforced masonry (URM) buildings on the Seattle Campus. Twenty-five buildings were identified to be repaired over an eight-year timeframe. Phase 1 has been completed and we are nearing completion of Phase 2. The work reinforces URM bearing and non-bearing walls and reinforces parapets to reduce the risk of collapse of buildings and masonry falling from buildings.

FINANCIALS:

Proposed Project Budget			Proposed Funding		
Construction Cost	\$66,946,000	89.5%	UW Building Account 17-19	\$17,500,000	23.4%
Consultant Services	\$2,019,600	2.7%	UW Building Account 19-21	\$15,000,000	20.0%
Equipment	\$523,600	0.7%	UW Building Account 21-23	\$8,000,000	10.7%
Other Costs	\$1,795,200	2.4%	State Construction Acct. 21-23	\$2,000,000	2.7%
Project Management	\$3,515,600	4.7%	UW Building Account 23-25	\$14,300,000	19.1%
Total Project Costs	\$74,800,000	100%	UW Building Account 25-27	\$18,000,000	24.1%
			Total Funding	\$74,800,000	100%

SCHEDULE:

2021		2022				2023				2024				2025				2026		
Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	
PLANNING/COORDINATION 23-25																				
CONSTRUCTION 21-23						PLANNING/COORDINATION 25-27														
						CONSTRUCTION 23-25														
																CONSTRUCTION 25-27				

PROJECT SUMMARY
Demand Area: Renewal
Type: Core Capital

Power Plant Repairs
REGENTS ACTIONS:

- September 2021
- Project approval of Phase 3 for \$8 million
 - Delegated authority to award Design Build contract

OBJECTIVES:
Emergency Power Resiliency

- Respond to power outage risk due to failure of aging infrastructure
- Address uninterrupted steam energy to the Seattle Campus community
- Provide redundancy and modernize uninterruptible power solution(s)

Optimize Boiler/Steam System (de-rate boilers)

- Utilize and optimize existing infrastructure
- Convert dual pressure steam system to single lower pressure technology
- Improved reliability, efficiency, and reduction of plant emissions

Uninterruptible Power Supply

- Upgrade unreliable emergency power supply
- Meet and maintain UWMC accreditation requirements
- Leverage existing infrastructure where appropriate
- Remove high pressure steam turbine
- Leave no stranded capital assets

DESCRIPTION: The improvement strategy focuses on optimizing and repairing the steam infrastructure within the \$27-\$30M budget. Several options were evaluated for viability based on criteria including reliability/resiliency, cost, sustainability, operations/maintenance, permitting and schedule.

The recommended option simplifies the existing plant's use of both high- and low-pressure steam production into a single lower steam pressure technology. Derating the former high-pressure boilers to supplement the existing low-pressure boilers utilize existing infrastructure and enhances plant reliability. Replacement of the 50+ year-old high-pressure steam turbine and the need to meet UWMC accreditation requirements are fundamental drivers of the improvement strategy.

The existing high-pressure steam turbine will be replaced with a modern stand-alone diesel rotary uninterruptible power supply (DRUPS). The DRUPS unit features a flywheel to store energy and meets the core objectives of the project for emergency power resilience and reliability.

In alignment with the University's sustainability objectives, an energy recovery turbine supplements the DRUPS unit to recover "free" energy that would be otherwise discarded and has a five-year ROI.

FINANCIALS:
Approved Project Budget

Construction Costs	\$22,250,000	80.9%
Consultant Services	\$3,115,000	11.3%
Project Management	\$1,160,000	4.2%
Other Costs	\$975,000	3.6%
Total Project Costs	\$27,500,000	100%

Approved Funding

Central Equity	\$17,000,000	61.8%
UW Building Account 21-23	\$10,000,000	36.4%
Facilities Reserves	\$500,000	1.8%
Total Funding	\$27,500,000	100%

METRICS & INDICATORS:

	Current	Target		Current	Target
Net Assignable SF	91,937	91,937	Construction Cost/GSF	\$127	\$127
Gross Square Feet	174,767	174,767	Project Cost/GSF	\$157	\$157
Efficiency (NASF/GSF)	52%	52%			

SCHEDULE:

2021				2022				2023			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	DB										
		DEFINITION									
			EARLY EQPT.		CONSTRUCTION						
								START-UP			

INSTITUTIONAL CAPITAL

PROJECT SUMMARY				Demand Area: Renewal Type: Institutional Capital													
Anderson Hall Renovation for College of Environment																	
REGENTS ACTIONS:																	
September 2022	<ul style="list-style-type: none"> Project approval for \$38 million Delegated authority to award Design Build contract 																
OBJECTIVES:																	
<ul style="list-style-type: none"> Maintain competitive excellence in instruction, research, and recruitment. Provide world-class internationally recognized knowledge and leadership for environmental and natural resources issues. Support modern teaching pedagogies and increase capacity for general use. Preserve historic facility, enhance accessibility, and bring structure and systems up to code compliance. 																	
DESCRIPTION: Substantial alteration addressing code deficiencies such as: structural, seismic, life safety, hazardous materials, and accessibility. Replacement of heating, ventilation, plumbing, electrical, fire protection, mechanical, and communication and alarm systems for functionality and reduced operating costs. Complete renewal of building envelope to prevent water infiltration and improve energy performance and occupant comfort. Classroom size flexibility and functionality to be increased with multimedia and furniture upgrades.																	
FINANCIALS:																	
Proposed Project Budget				Proposed Funding													
Construction Cost	\$29,070,000	76.5%		State Bldg/Const. Account 09-11	\$200,000	0.5%											
Consultant Services	\$4,560,000	12.0%		Central Equity (Provost)	\$150,000	0.4%											
Equipment and Furniture	\$950,000	2.5%		State Capital Request 23-25	\$28,650,000	75.4%											
Other Costs	\$760,000	2.0%		Unit Equity	\$9,000,000	23.7%											
Project Management	\$2,660,000	7.0%		Total Funding	\$38,000,000	100%											
Total Project Costs	\$38,000,000	100%															
BENCHMARKS:																	
UW Clark Hall Renovation (2010)				\$935	Project Cost/GSF												
UW Denny Hall Renovation (2016)				\$813	Project Cost/GSF												
Parrington Hall Renovation (2020)				\$514	Project Cost/GSF												
Kincaid Hall Renovation (2021)				\$542	Project Cost/GSF												
METRICS & INDICATORS:																	
		Current	Target		Current	Target											
Net Assignable SF		18,913	TBD	Construction Cost/GSF	\$809	TBD											
Gross Square Feet		35,923	TBD	Project Cost/GSF	\$1,057	TBD											
Efficiency (NASF/GSF)		64%	TBD														
SCHEDULE:																	
		2022				2023				2024				2025			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
		PL															
			DB														
				DEF/PRECONSTRUCTION													
								CONSTRUCTION									
															MOVE		

PROJECT SUMMARY
Demand Area: Renewal
Type: Institutional Capital

Energy Modernization
REGENTS ACTIONS:

 TBD

- Delegated Authority to execute one or more Design Build Contracts.

OBJECTIVES:

- Reduce energy waste and avoid future fossil fuel consumption.
- Comply with the 2019 State Clean Buildings Performance Standard (the Standard).
- Leverage state funding to capture Federal, State, and local utility incentives and grants.
- Modernize campus utility metering and HVAC control systems; expand advanced monitoring technologies using smart campus principles to reduce energy consumption.

DESCRIPTION: This initial request for FY23-25 will:

- Expand campus smart meter infrastructure in 65 campus building serving 4.1 million GSF where steam and gas metering deficiencies exist.
- Expand HVAC Direct Digital Controls infrastructure in 21 buildings serving 2.2 million GSF where analog system deficiencies currently preclude cost effective compliance with the Standard.
- Expand operational monitoring and data collection technology to these buildings to automate energy data flow to an existing state-of-the-industry energy management system (OSIsoft, PI Server).
- Augment existing efforts to scale-up this existing technology that enables actionable, centralized, near real time energy management decisions at UW Energy Operations.
- Scale-up existing operational technology tools to support state of the industry, data driven, energy management and M&O practices as required by the Standard.

The Clean Buildings Performance Standard schedule deadline for covered UW Seattle Campus E&G (state funded) Facilities:

- June 1, 2026 – (220,000 gross square feet (GSF) and greater) = 5,693,060 GFS in 32 Facilities
- June 1, 2027 – (90,000 GSF and greater) = 4,220,329 GSF in 41 Facilities
- June 1, 2028 – (50,000 GSF and greater) = 1,660,321 GSF in 28 Facilities

Past funding for these efforts (on a much smaller scale) has been borne by a combination of local funds and the Minor Works Program (UW 064 Building Account).

FINANCIALS:

Proposed Project Budget			Proposed Funding		
Construction Cost	\$8,000,000	80.0%	State Bldg/Const. Account 23-25	\$10,000,000	100.0%
Consultant Services	\$1,000,000	10.0%	Total Funding	\$10,000,000	100%
Other Costs	\$500,000	5.0%			
Project Management	\$500,000	5.0%			
Total Project Costs	\$10,000,000	100%			

BENCHMARKS:

Not Applicable

METRICS & INDICATORS:

Not Applicable

SCHEDULE:

2022				2023				2024				2025			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4

PROJECT SUMMARY
Demand Area: Growth
Type: Institutional Capital

wəłəbʔaltx^w (Intellectual House) - Phase 2
REGENTS ACTIONS:

 TBD

- Delegated Authority to execute Design Build Contract

OBJECTIVES:

- Create a student-centric building with a welcoming space that shows value and respect for our native communities.
- Provide essential infrastructure for students to work and study together.
- Help students stay connected to and learn more about their cultural traditions.
- Provide a supportive environment so students thrive, graduate and work to employ more American Indian (AI) and Alaska Native (AN) students.
- Respect the past and address the racial dynamic in our community to face some hard truths about the need to support AI/AN people in our community.
- Encourage AI/AN students, faculty, and staff to choose the University of Washington in part because of the longhouses on campus that welcomes them.
- Increase evening and weekend use and current programming.

DESCRIPTION: wəłəbʔaltx^w (Intellectual House) Phase 1 was constructed on tribal land and provides a multi-service learning and gathering space for American Indian and Alaska Native students, faculty, and staff, as well as others from various cultures and communities to come together in a welcoming environment to share knowledge. A place to honor tribal sovereignty where students come together, where they feel comfortable, where they learn and celebrate. Where they are at home.

Phase 2 will be an 8,600-square-foot teaching and learning building with a design highlighting contemporary Indigenous architecture. The space will focus on student success and include a native arts lab, student lounge, classroom/meeting space, computer/resource room, elder lounge, and support staff offices.

FINANCIALS:

Proposed Project Budget (excludes M&O)			Proposed Funding		
Construction Cost	\$8,625,000	75.0%	State Bldg/Const. Account 25-27	\$5,000,000	43.5%
Consultant Services	\$1,380,000	12.0%	Donor Funds	\$3,000,000	26.1%
Equipment and Furniture	\$575,000	5.0%	Other	\$3,500,000	30.4%
Other Costs	\$345,000	3.0%	Total Funding	\$11,500,000	100%
Project Management	\$575,000	5.0%			
Total Project Costs	\$11,500,000	100%			

BENCHMARKS:

 Intellectual House – Phase 1, Seattle, WA (escalated from 2015) \$1,337 Project Cost/GSF
METRICS & INDICATORS:

	Current	Target		Current	Target
Net Assignable SF	-	-	Construction Cost/GSF	\$1,027	-
Gross Square Feet	8,600	-	Project Cost/GSF	\$1,667	-
Efficiency (NASF/GSF)	-	-			

SCHEDULE:

2023				2024				2025				2026			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
FUNDRAISING/PLANNING															
		DB SELECT													
				DESIGN/PERMIT											
								CONSTRUCTION							
														MOVE	

PROJECT SUMMARY
Demand Area: Renewal
Type: Institutional Capital

Chemical Sciences Building
REGENTS ACTIONS:

February 2023 • Project approval

OBJECTIVES:

- **[student/faculty growth and retention]** Increase degree production through recruitment of graduate students resulting in an expansion of class offerings.
- **[colocation interdisciplinary]** Increase grant funding and new interdisciplinary discovery through a more creative and efficient collocated environment.
- **[modernization/optimization]** Optimize space by 15% through implementation of efficiencies, modernization, and economies of scale.
- **[synergy/interdependence between research & classroom]** Capitalize on synergy and interdependence between research and classroom by creating an environment that drives innovation and research that feeds what is taught in the classroom.
- **[industry partnerships]** Grow and strengthen relationships with industry partners and subsequently creating opportunities for more funding through collaboration opportunities.

DESCRIPTION: Construction of a replacement Chemical Sciences Building (CSB) that will enable a new mode of science where curiosity-driven chemical research can transform into real-world applications in real-time. This is anticipated to be a multi-phase interdisciplinary project, co-locating research faculty members from the Chemistry, Materials Science and Chemical Engineering departments. This will provide unique opportunities for education and discovery. This facility requires close proximity to the existing Chemistry Building and Bagley Hall with nearby interdisciplinary research centers such as MoES and NanoES. The proposed location (CMP sites C16 and/or C17) will relocate displaced occupants in both Benson Hall and the Chemistry Library and create vacant space in Bagley and Roberts Halls.

FINANCIALS:
Proposed Project Budget

Construction Cost	\$180,000,000	75.0%
Consultant Services	\$24,000,000	10.0%
Equipment and Furniture	\$12,000,000	5.0%
Other Costs	\$9,600,000	4.0%
Project Management	\$14,400,000	6.0%
Total Project Costs	\$240,000,000	100%

Proposed Funding

State Capital Request 25-27	\$100,000,000	41.7%
State Capital Request 27-29	\$100,000,000	41.7%
Donor Funding	\$20,000,000	8.3%
Unit Equity	\$20,000,000	8.3%
Total Funding	\$240,000,000	100%

BENCHMARKS:

Life Sciences Building (\$812 per GSF in 2017)	\$1,643	Escalated Project Cost/GSF
Nano Engineering Sciences (\$1,046 per GSF in 2016)	\$1,712	Escalated Project Cost/GSF
Molecular Engineering Sciences (\$846 per GSF in 2011)	\$1,491	Escalated Project Cost/GSF

METRICS & INDICATORS:

	Current	Target		Current	Target
Net Assignable SF	120,000	-	Construction Cost/GSF	\$1,200	-
Gross Square Feet	150,000	-	Project Cost/GSF	\$1,600	-
Efficiency (NASF/GSF)	80%	-			

SCHEDULE:

2022				2023				2024				2025				2026				2027				2028				2029							
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				

PROJECT SUMMARY			Demand Area: Renewal Type: Institutional Capital																
ASUW Shell House Restoration																			
REGENTS ACTIONS:																			
TBD	<ul style="list-style-type: none"> Project approval for \$11.2 million base capital + \$4.3 million value adds + \$3 million M+O Delegated authority to award Design Build contract 																		
OBJECTIVES:																			
<ul style="list-style-type: none"> Restore 100-year-old historic building while preserving the unique sense of place. Preserve exposed wood timbers, grand doors, ceilings, and character of the structure. Provide modernized utility infrastructure. Comply with accessibility and life safety code. Upgrade program functions to be flexible and accommodate multiple uses. Improve adjacent landscape and access consistent with Seattle Campus Master Plan. 																			
DESCRIPTION: The existing building on the Montlake Cut was constructed in 1918 and was originally occupied as a US Navy seaplane hangar. Transfer of ownership to the UW revised the occupancy to construction and storing of rowing shells and for training UW rowers. The building is now largely vacant and used for gathering events and historical oversight of the UW rowing legacy. The scope of the project addresses improvements required to revitalize this building while maintaining the historical nature of the building. The improvements include site work for accessibility, utilities, increased electrical service, structural improvements, envelope thermal insulation, heating and ventilation, restrooms, stabilizing existing hangar doors, construction of a glass curtain wall in the exiting hangar door opening, fire protection and fire alarm, power, data, communications, and lighting.																			
FINANCIALS:																			
Proposed Project Budget (excludes M&O)			Proposed Funding																
Construction Cost	\$12,477,500	80.5%	Donor Funding	\$15,500,000	83.8%														
Consultant Services	\$961,000	6.2%	Donor Funding (M&O)	\$3,000,000	16.2%														
Equipment and Furniture	\$713,000	4.6%	Total Funding	\$18,500,000	100%														
Other Costs	\$542,500	3.5%																	
Project Management	\$806,000	5.2%																	
Total Project Costs	\$15,500,000	100%																	
BENCHMARKS:																			
UW Clark Hall Renovation (2010)			\$935	Project Cost/GSF															
UW Denny Hall Renovation (2016)			\$813	Project Cost/GSF															
Parrington Hall Renovation (2020)			\$410	Project Cost/GSF															
Kincaid Hall Renovation (2021)			\$542	Project Cost/GSF															
METRICS & INDICATORS:																			
		Current	Target		Current	Target													
Net Assignable SF		8,480	-	Construction Cost/GSF	\$851	\$851													
Gross Square Feet		10,600	-	Project Cost/GSF	\$1,057	\$1,057													
Efficiency (NASF/GSF)		80%	-																
SCHEDULE:																			
2018-2021				2022				2023				2024				2025			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
FUNDRAISING																			
						DB TEAM													
								DESIGN											
								PERMITTING											
												CONSTRUCTION							

PROJECT SUMMARY		Demand Area: Growth Type: Institutional Capital			
College of Education – Early Learning Campus, Mt. Baker					
REGENTS ACTIONS:					
TBD	<ul style="list-style-type: none"> Delegated authority to engage with the City of Seattle on final terms Project Approval for \$63 million + \$15 million O+M (15 yr.) Approved final terms with the City. Delegation of authority to execute final terms with the City. 				
OBJECTIVES:					
	<ul style="list-style-type: none"> Access: Deliver high-quality childcare and preschool programs including high-demand family support services. Workforce Development: Provide affordable, relevant, and innovative professional-development and degree-completion programs to early-learning professionals. Systems Improvement: Support incubation and rapid-cycle innovation in early-learning practices while providing equitable dissemination infrastructure that reaches every Head Start, Early Head Start, and most EACAP programs in the state. 				
DESCRIPTION: The city of Seattle has assembled 3.79 acres of land adjacent to the Mount Baker Link light rail station, at Rainier Ave S. and S. McClellan Street. A state capital-budget proviso mandates that the property be redeveloped for affordable housing and educational use, including a possible early-learning focus. This is an ideal location to deliver early learning services, support existing service providers, and incubate emerging services and providers. It is the proposed home of the Early Learning Campus. An advisory board made up of Southeast Seattle families and community leaders has joined with faculty members from the UW College of Education to shepherd the effort. Together, they have met with elected officials, the city government’s Office of Housing and the Department of Education and Early Learning, and many community groups to explore and co-design the proposed initiative.					
FINANCIALS:					
Proposed Project Budget		Proposed Funding			
Capital Acquisition	\$42,000,000	Donor Funding	100%		
Capital TI Cost (including FF&E)	\$21,000,000	NOTE: No University Debt will be incurred for this project.			
Legal Fees & Expenses at Commencement	\$75,000				
Total Estimated Upfront Costs	\$63,075,000				
Operating Expenses (15 years)*	\$15,100,000				
Mid Term Tenant Improvements/Renewal	\$625,850				
Total Estimated Upfront and Ongoing Costs	\$78,800,850				
<i>*Operating expenses include a 3% per annum increase.</i>					
METRICS & INDICATORS:					
	Current	Target		Current	Target
Net Assignable SF	-	-	Construction Cost/GSF	\$896	-
Gross Square Feet	62,585	-	Project Cost/GSF	-	-
Efficiency (NASF/GSF)	-	-			
SCHEDULE:					
The City of Seattle is driving the schedule for this development. It is currently anticipated that construction would begin immediately following the execution of the agreement between the University and the City of Seattle.					

PROJECT SUMMARY
Demand Area: Strategic
Type: Institutional Capital

***Housing & Food Services – Adjacent Properties P3's
 Radford Court, Nordheim Court, Blakeley Village, and Laurel Village***
REGENTS ACTIONS:

- September 2022 • Approval to release the RFQ/RFP for the campus adjacent property lease(s)
- September 2023 • Approval for the Seattle Campus adjacent property lease(s)

OBJECTIVES:

- Achieve a HFS cash reserve balance sufficient to execute on required capital projects on existing on-campus HFS facilities
- Maintain on-campus rental rates, which would increase only with inflation
- Eliminate deferred maintenance on-campus and in the campus adjacent communities
- Maintain affordable housing for student families
- Increase campus adjacent housing for students
- Increase childcare capacity
- Retire substantial debt currently carried by the department

DESCRIPTION: This project aims to leverage Seattle Campus adjacent properties through long term land leases to achieve institutional objectives surrounding debt reduction, childcare capacity, student family housing availability and affordability, on-campus housing capacity, and reduction of deferred maintenance in the housing system.

The land currently occupied by Radford Court, Nordheim Court, Laurel Village, and Blakeley Village would be leased to a private developer(s) in return for up front and ongoing revenue streams meeting the objectives outlines above. It is estimated that the Radford and Nordheim leases would result in approximately \$215,240,000 in year one revenues. Of this amount, HFS would retain \$169,240,000 with \$167,000,000 in lump sum revenues and ongoing annual land leases of \$2,240,000, escalating at 1.0% annually. These funds would be used for the redevelopment of Haggett Hall and major renovations of McMahon and Hansee Halls. An additional \$46,000,000 would be received and used for debt reduction. HFS will have no interest in the future development or operation of the Radford, Nordheim, or Blakeley sites. However, based on industry speculation and consultant data, these sites are prime student housing locations, and it is assumed they would be developed as such.

At the Laurel site, HFS requires inclusion of a childcare facility (replacing several existing facilities) and approximately 160 units to be reserved for UW students at a reduced rental rate. Annual proceeds from the Laurel and Blakeley sites would be used to fund the ongoing childcare operating costs as well as subsidize below market rents for UW student units.

FINANCIALS:

Blakely Village Proposed Project Budget			Proposed Funding		
Total Project Costs	\$202,711,808	100%	Private Developer	\$202,711,808	100%
Laurel Village Proposed Project Budget			Proposed Funding		
Total Project Costs	\$157,758,114	100%	Private Developer	\$157,758,114	100%
Proposed Project Revenues – Year One			Proposed Funding		
Lump Sum Payment	\$167,000,000	77.6%	Private Developer	\$215,240,000	100%
Debt Payment	\$46,000,000	21.4%	(Land Lease Revenues)		
Annual Land Lease	\$2,240,000	1.0%			
Total Project Costs	\$215,240,000	100%			

SCHEDULE:

- Radford: Late FY24 \$80M lump sum (net debt); FY25 \$1.6M land lease income – development timeline determined by private developer
- Nordheim: Late FY24 \$87M lump sum (net debt); FY25 \$640K land lease income – development timeline determined by private developer
- Laurel and Blakeley Villages: FY25 development commences; no income to HFS

PROJECT SUMMARY			Demand Area: Renewal Type: Institutional Capital		
<i>Housing & Food Services – Haggett Hall</i>					
REGENTS ACTIONS:					
September 2022	• Approval to hire a design build team				
September 2023	• Approval for HFS cash flow financing				
OBJECTIVES:					
• Complete the Housing Master Plan and north campus neighborhood as originally intended prior to the pandemic					
• Increase Seattle Campus housing capacity by approximately 800 beds					
• Leverage timing to reduce overall project costs with the required demolition of Haggett Hall and new Haggett Hall construction occurring sequentially					
DESCRIPTION: Haggett Hall, as it currently exists, is beyond reasonable life expectancy and was originally intended to be demolished and rebuilt as part of the Seattle Campus Housing Master Plan set forth in 2011. Due to institutional funding constraints and the pandemic, plans for Haggett Hall were suspended. Haggett Hall will need to be demolished as required by the City of Seattle to make way for proper ingress and egress to the service road behind neighboring Willow Hall. Significant costs to the University can be avoided if development immediately follows demolition. Funding for this project is made possible by the long-term land leases of Seattle Campus adjacent properties.					
FINANCIALS:					
Proposed Project Budget			Proposed Funding		
Total Project Costs	\$156,000,000	100%	Unit Equity (Land Lease Revenues)	\$156,000,000	100%
SCHEDULE:					
• Project is estimated to span FY24-26, opening to residents in Autumn 2026.					

PROJECT SUMMARY
Demand Area: Clinical
Type: Institutional Capital

UW Medicine – Laboratory Medicine
REGENTS ACTIONS:

- March 2022
- Approval of lease terms for relocation and consolidation of Department of Laboratory Medicine and Pathology
 - Delegation of authority to the President or her designee to execute the lease and other documents associated with consolidation of the space

OBJECTIVES:

- Consolidation of six separate, outdated locations into a singular, new location is a strategic priority to increase the operational efficiency of laboratory services and allow for growth over time.

DESCRIPTION: The Department of Laboratory Medicine and Pathology currently occupies 84,000 square feet in multiple hospital and leased locations. The University plans to consolidate a significant portion of the hospital-based functions and all functions in leased space into a 5-story building at 1601 Lind Avenue in Renton, totaling 199,168 square feet. Consolidation and growth have been a long-term goal, predating the pandemic. The total projected cost is approximately \$188 million, which includes rent and operating expenses for the 20-year lease term plus initial tenant improvements to renovate the building and furnish with laboratory equipment. All costs will be funded 100% by revenue and unrestricted reserves of the Department of Laboratory Medicine and Pathology.

FINANCIALS:

Proposed Project Budget			Proposed Funding		
Tenant Improvements	\$50,895,465	100.0%	Unit Equity	\$50,895,465	100.0%
Total Project Costs	\$50,895,465	100%	Total Funding	\$50,895,465	100%
Lease Recap			Proposed Funding		
New 20-Year Lease	\$124,691,115		Unity Equity	\$21,847,508	100%
Existing Leases Being Retired	(\$102,843,607)				
Net New Lease Obligations	\$21,847,508				

BENCHMARKS:

Average Existing Lease Cost (for the six existing leases for 49,408 SF)	\$104 per SF (inc. M&O)
New Lease at 1601 Lind Avenue, Renton	\$31 per SF (inc. M&O)

SCHEDULE:

2021				2022				2023				2024				2025			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
				NEGOTIATIONS															
								TENANT IMPROVEMENTS											

PROJECT SUMMARY
Demand Area: Strategic
Type: Institutional Capital

Welcome Center
REGENTS ACTIONS:

- TBD
- Information item
 - Project approval

OBJECTIVES:

- The UW has a rare opportunity to partner with the University Book Store and the University of Washington Alumni Association to develop and operate a Welcome Center, nestled in the heart of the U-District. Across the street from campus and a block from the new light rail station, the Welcome Center will create a gateway to the UW. It will tell the UW's story of impact, catalyze collaboration, ignite curiosity, and evoke a deep sense of place and belonging. It will welcome everyone to *their* university.

DESCRIPTION:

Final business terms are not determined at this time.

- The University Book Store (UBS), the Alumni Association (UWAA) and the UW plan to create an LLC.
- UBS plans to issue an RFQ as part of the process to hire a developer to build and operate a 256,600 GSF structure on the current UBS parking lot on the corner of 15th and 43rd NE.
- It is anticipated that the developer will build and operate the facility under a long-term ground lease with UBS.
- This structure is anticipated to have two components:
 - A podium may contain a UW Welcome Center, Book Store and Alumni Association public space.
 - A tower to potentially contain leased office and residential space as well as a meeting space on the top floor (precise uses not yet known).
- It is anticipated that the LLC will secure funding and purchase the podium from the developer at project completion for a predetermined and fixed cost.
- UW anticipates occupying the podium in perpetuity and potential ownership interest through the LLC.

FINANCIALS:

Estimated Project Budget				Estimated Funding			
Podium Core & Shell	\$21,800,000	30.7%		Philanthropy	\$45,300,000	63.8%	
Soft Costs	\$20,600,000	29.0%		Unit Equity	\$2,000,000	2.8%	
Tenant Improvements	\$18,100,000	25.5%		Alumni Association	\$5,000,000	7.1%	
Site Preparation (MHA)	\$5,400,000	7.6%		Ground Lease	\$18,700,000	26.3%	
Parking	\$5,100,000	7.2%		Total Funding	\$71,000,000	100%	
Total Project Costs	\$71,000,000	100%					

SCHEDULE:

2022				2023				2024				2025				2026				2027	
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
RFP/RFQ				NEGOTIATE AGREEMENTS				DESIGN				PERMITS				CONSTRUCTION				MOVE	

CLINICAL CAPITAL

PROJECT SUMMARY			Demand Area: Renewal Type: Clinical Capital												
<i>UW Medicine (Medical Centers) - Montlake Campus Membrane Repair & Landscape</i>															
REGENTS ACTIONS:															
November 2020	<ul style="list-style-type: none"> Delegated authority to award Design Build contract (initial definition work) 														
May 2022	<ul style="list-style-type: none"> Project approval for fully defined scope, schedule, and budget 														
OBJECTIVES:															
<ul style="list-style-type: none"> Provide a complete and long-term solution to the ongoing threat of water infiltration underneath the Northwest and Main Entry Courts of UWMC Montlake Campus, while providing for improved ADA accessibility and accommodating increased pedestrian and bicycle movement in a manner which minimizes conflicts, congestion, and optimizes the use of valuable campus open space for a diversity of uses. 															
<p>DESCRIPTION: The existing waterproofing membrane underneath the Northwest and Main Entry Courts is beyond its service life and failures have been an ongoing challenge to operations, equipment, and patient care for UWMC. The scope of this project includes demolition of existing hardscape, excavation to expose existing waterproofing, and complete replacement of the existing waterproofing membrane, flashings, and associated systems. The existing waterproofing includes the horizontal waterproofing on the Level 3 structural deck (primarily), the Level 2 structural deck and below-grade walls at these locations, the waterproofing at horizontal and vertical seismic joints, and the transitions where the waterproofing turns up onto the above-grade walls or down onto the below-grade walls of the existing Medical Center.</p> <p>The project scope also includes new landscape and hardscape improvements that are appropriate for significant open spaces at the leading hospital in our region, will enhance the visitor, patient, and staff experience, and are visually pleasing when viewed from above. Developing safe, effective, and attractive solutions for a dense interface of pedestrians, cyclists, cars, and transit is a key aspect of the project. The project requires a multi-phased approach to allow for continuous 24/7 access to the Medical Center, and the design-builder is responsible for developing a design and construction phasing plan.</p>															
FINANCIALS:															
Proposed Project Budget			Proposed Funding												
Construction Cost	\$43,658,892	85.2%	ILP Debt Funds	\$36,252,000	70.7%										
Consultant Services	\$3,705,608	7.2%	Central Equity	\$14,600,000	28.5%										
Equipment and Furniture	\$330,750	0.7%	SOM Equity	\$400,000	0.8%										
Other Costs	\$1,499,127	2.9%	Total Funding	\$51,252,000	100%										
Project Management	\$1,805,623	3.5%													
Loan Issuance	\$252,000	0.5%													
Total Project Costs	\$51,252,000	100%													
SCHEDULE:															
2020		2021			2022			2023			2024			2025	
Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
	DB TEAM														
		PROJECT DEFINITION/DESIGN													
						CONSTRUCTION (JULY 2022 - JULY 2025)									

PROJECT SUMMARY
Demand Area: Clinical
Type: Clinical Capital

UW Medicine - Primary and Specialty Care Expansion
REGENTS ACTIONS:

- October 2021
- Project approval
 - Approve use of ILP Funds
 - Delegate authority to award Design Build contract

OBJECTIVES:

- Provide additional primary and specialty care capacity for key service lines in order to grow strategic market volumes.

DESCRIPTION: UW Medicine has strategic initiatives to grow market share in key areas within the greater Puget Sound region. This project will provide capacity for additional primary and specialty care and related ancillary services. The additional volume generated from this expansion is anticipated to improve access for key service lines.

FINANCIALS: Project costs are not yet finalized and planning work for this project is just underway. Project execution is anticipated to occur starting late in FY22 and continuing into FY24.

Proposed Project Budget

Construction Cost	\$30,800,000	80.0%
Consultant Services	\$3,850,000	10.0%
Equipment and Furniture	\$3,850,000	10.0%
Total Project Costs	\$38,500,000	100%

Proposed Funding

ILP Debt Funds	\$38,500,000	100%
Total Funding	\$38,500,000	100%

SCHEDULE:

2021				2022				2023				2024				2025			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
PLANNING																			
			TEAM																
				DEFINITION/DESIGN															
								CONSTRUCTION											

PROJECT SUMMARY
Demand Area: Clinical
Type: Clinical Capital

UW Medicine (Medical Centers) - Procedural Space
REGENTS ACTIONS:

- September 2022
- Project approval
 - Approve use of ILP Funds
 - Delegate authority to award Design Build contract

OBJECTIVES:

- Relocate and expand capacity for procedures both to grow the program and allow for relief of volumes.
- Vacated procedural suite on the Seattle Campus will allow for future OR expansion on the Northwest main campus (OR expansion not included in this project scope).

DESCRIPTION: The vacated space on the Seattle Campus will be remodeled to create procedural suites to accommodate projected volume demand. This project will allow for procedural growth of one of the key strategic service lines within UW Medicine. Volumes at Montlake are at full capacity so this project will allow for the decanting of these lower acuity procedures to be focused on the Northwest Campus. The project is not yet fully planned and developed but is anticipated to occur over a two-year period starting in FY23.

FINANCIALS:

Proposed Project Budget

Construction Cost	\$9,590,000	70.0%
Consultant Services	\$2,055,000	15.0%
Equipment and Furniture	\$2,055,000	15.0%
Total Project Costs	\$13,700,000	100%

Proposed Funding

ILP Debt Funds	\$13,700,000	100%
Total Funding	\$13,700,000	100%

SCHEDULE:

2022				2023				2024				2025			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
			PLANNING												
				TEAM											
								DEFINITION/DESIGN							
												CONSTRUCTION			

PROJECT SUMMARY		Demand Area: Clinical Type: Clinical Capital	
UW Medicine (Medical Centers) - Other Clinical Capital Projects			
REGENTS ACTIONS:			
Date TBD	<ul style="list-style-type: none"> Regents will review and approve a dedicated amount of ILP debt funding for groupings of small projects (under \$15M) on an annual basis as part of the review of UW Medicine's Long Range Financial Plan (LRFP). To implement all the projects on the LRFP, UWMC local equity will also be leveraged. All projects will be executed under delegated authority. 		
OBJECTIVES:			
	<ul style="list-style-type: none"> Capital projects in the clinical enterprise support ongoing operations and strategic initiatives for each of the UW Medical Centers and clinics in keeping with the Strategic Refresh. 		
DESCRIPTION:			
<p>Construction – Core Capital: All the UW medical centers require constant life cycle renewal and programmatic renewal to keep up with a rapidly changing industry and to adequately maintain the facilities. This set of projects ensures that the most pressing facilities needs can be addressed at each medical center. In many cases these projects complement larger initiatives at the respective medical centers. Fund sources to be deployed for these projects include ILP debt and local equity.</p> <p>Examples of projects include asset upgrades critical to Operations and Maintenance, Radiation Oncology, and Radiology.</p> <p>Equipment – Core Capital: Continual re-investment in medical and diagnostic equipment is critical in order to provide the most effective and safe patient care possible. The capital investments in this grouping will ensure equipment at the medical centers is replaced and upgraded in a timely and strategic manner. Fund sources to be deployed for these projects include ILP debt and local equity.</p> <p>Examples of projects include medical and diagnostic equipment to support the Heart Institute, PCS, Perioperative Care, Radiation Oncology, and Radiology.</p> <p>Strategic Service Line Expansion: As part of UW Medicine's Strategic Refresh a series of capital investments have been identified that will help advance UW Medicine's position in the market. These projects focus on enhancing and expanding services at various locations throughout the system. Fund sources to be deployed for these projects include ILP debt and local equity.</p> <p>Examples of expansion projects include opportunities for the Heart Institute, Neurosciences Institute, Spine, Transplant, and Women & Children. Examples of refresh projects includes opportunities for ACD, Inpatient Care, Pharmacy, Psychiatric Care, and Perioperative Care.</p> <p>Campus Reconfiguration/Backfill at Northwest: In order to provide additional capacity for complex quaternary patient care on the Montlake Campus of UWMC, reconfiguration of existing clinical space on the Northwest Campus is needed. A number of spaces will be redesigned and updated to enable the relocation of certain services from Montlake to Northwest, providing much needed clinical space to expand services for key strategic services line growth on the Montlake Campus.</p> <p>IT Improvements: One of the most rapidly changing areas of the clinical enterprise is IT. This has become especially apparent in the current situation as we work remotely, and patients seek assistance remotely. The investments in this group will be funded through local equity.</p>			
FINANCIALS:			
Proposed Project Budget		Proposed Funding	
Total Project Costs*	\$604,500,000	100%	
		ILP Debt Funds	\$192,400,000 31.8%
		Unit Equity	\$412,100,000 68.2%
		Total Funding	\$604,500,000 100%
*Total Project Costs includes \$115.8M in IT Capital			
SCHEDULE:			
Individual project schedules in development.			

GLOSSARY

Appropriation: Legal authorization granted by the Washington state legislature to make expenditures and incur obligations for specific purposes.

Asset Preservation: Capital improvement projects that involve major repairs or rehabilitation of existing University facilities. This is a specific category of projects generally appropriated from the UW Building Account. It includes both Minor Works (projects below \$2 million) and Major Preservation (projects above \$2 million that are not subject to Minor Works restrictions).

Active Projects: Projects have already been approved by the Board of Regents or are being executed under Delegated Authority (less than \$15M) and are underway. These projects will continue to draw on current capital resources until they are complete, so they are included in the Five-Year Capital Budget.

Benchmarks: Similar past projects are used to help set expectations and budgets for planned projects.

Bridge Program: Gift-supported projects are based on pledges made to the University with specific stipulations about timing and payments. The Bridge Program is a short-term loan funded internally to accommodate timing differences between the expenditures and the pledge payments. Interest is charged but often at a different rate than long-term debt through the Internal Lending Program.

Building Account: A state-appropriated fund source, comprised mainly of student building fees, timber revenues and Metropolitan Tract proceeds. Although the revenue is collected locally, the state legislature appropriates the funding. A portion of it is used for Preventive Facility Maintenance which directly supports the core maintenance for all Seattle Campus buildings, ensuring a certain level of critical maintenance is achieved. This account also supports seismic improvements.

Central Equity: An internal fund source that represents the use of UW cash reserves.

Clinical: This term is meant to differentiate the clinical enterprise within UW Medicine from the academic and research activities. It includes UWMC - Montlake, UWMC - Northwest, Harborview Medical Center, Valley Medical Center, UW Neighborhood Clinics, and Airlift Northwest. The Long-Term Capital Plan identifies clinical demands that include renewal, growth, and strategic projects within the clinical enterprise.

Clinical Capital: Proposed future investments specifically for UW Medicine, which uses its own scoring system to rank its projects and ensure alignment with the highest priorities at an enterprise level.

Core Capital: Proposed future investments funded through recurring capital, primarily the UW Building Account which is appropriated by the state each biennium. These projects are grouped into categories and each line item represents many individual projects that are generally delivered as part of a program.

Debt: Long-term debt borrowed by units for a capital project from the Internal Lending Program. These funds are secured by general obligation bonds issued by the University. This does not include short-term borrowing from the Bridge Program to account for cash flow differences in pledge payments.

Deferred Maintenance: Refers to work on an asset that is near failure or past its overall life cycle (either planned or unplanned) that is postponed to a future budget cycle or indefinitely.

Demand: The four primary drivers of capital expenditures are clinical, growth (research or student FTEs), renewal of our existing facilities, and strategic investments that have the potential to change the direction of the University. See detailed descriptions below:

Clinical: Projects that support and bolster the mission and strategic objectives of the Clinical Enterprise. Clinical demand also includes the three other demands that pertain to the institution. Therefore, Clinical demand accounts for all Clinical renewal, strategic, and growth. Examples of current projects include Destination One (Strategic) and Behavioral Health Teaching Hospital (growth).

Growth: Projects which are driven by a growth in student enrollment, research, or additional capacity. This growth tracks in a fairly linear fashion to additional square footage. Growth projects expand on the University's mission and support increases in the overall reach of the institution.

Renewal: Reinvestment required across all three campuses in existing facilities needed to keep up with the life cycle of the systems or with new safety or code requirements.

Strategic: Capital investments that take advantage of opportunities and/or projects that have the potential to send the University in new directions. Examples include Finance Transformation, University District Station Building, Medical School in Spokane, etc.

Gross Square Feet (GSF): The total number of square feet of a building, measuring from the outside of the exterior walls and including all floors, walls, shafts, etc.

Gifts: Philanthropic support has been a vital source of funding for capital over the years and will continue to be in the future. Capital gifts have been historically used to fund academic, research and athletic projects.

Institutional Capital: All planned major capital investments, other than clinical projects, are in this category. Projects that have already been approved by the Regents are considered to be Active Capital.

Life Cycle: Every component of a building has a useful life that depends on its use and maintenance cycle. Life cycles vary from just a few years for IT and finishes to 30 years for major equipment and roofs to even longer for structural components. Replacement or renewal of components at the end of their useful life ensures the building can remain useful.

Maintenance & Operations: The ongoing annual cost of a building, including utilities, custodial, grounds, and maintenance. These costs are funded through the UWF Operating Budget. Life cycle renewal is typically not included in this figure.

Metrics: These are included in each project summary, and they are meant to be measurements we can use to quickly compare outcomes across projects — generally about space utilization and costs.

Net Assignable Square Feet (NASF): The sum of all areas on all floors of a facility assigned to, or available for assignment to, an occupant, program, or specific use.

Net New GSF: This represents the increase in the overall facility footprint. It is the gross square footage of the new building minus buildings that were demolished or leased space that was vacated.

Other (fund source): This can be either a fund source such as the planned bond issue by King County or a yet to be defined/finalized funding source.

Preventive Maintenance: A maintenance strategy where inspections are made or actions are taken on a scheduled basis to reduce service interruptions, reduce the premature failure of facilities, systems, and equipment, and continue efficient operations.

Project Objectives: These are meant to explain why we are doing the project. They are defined very early in the process and used throughout the project as a reminder of the drivers behind the project.

Public/Private Partnership (P3): Public-private partnerships involve collaboration between the University and a private-sector company that can be used to finance, build, and operate projects

State Bond: A fund source that represents the direct appropriation of state capital funds to the UW for a specific project — the result of a UW state budget request or legislative priority.

Unit Equity: An internal fund source that represents the use of UW cash reserves accumulated over time by an academic or central unit, and specifically includes the following fund sources: General Operating Funds, Designated Operating Funds and Self-Sustaining Funds.