

Board of Governors

Facilities Committee Meeting – Discussion of USF Downtown Project

January 21, 2015

Annotated Questions and Answers

Q. Which projects would go downtown? (Kuntz)

A. This includes the Heart Health Institute, which is a \$15M request. If the Legislature appropriates that funding, USF will not come back and ask for additional state appropriations for the Heart Health Institute. The same goes for \$17M, \$20M, and \$20M requested for the Morsani College of Medicine, which will be in the same building downtown. An additional \$40-60M is the cost to build the tower downtown as contemplated.

Q. What happens if the project is half built and the (\$60M?) fundraising dollars don't materialize? (Kuntz)

A. The Universities are not legally allowed to sign a binding/design/any form of contract unless they have the money at hand; they can only sign for what has already been appropriated or what they have in the bank.

Q. Is it true that the budgeted project cost may not be the actual project cost? We're just showing the appropriated and the total project cost would be significantly greater? (Kuntz)

A. This is true. This is the budgeted amount. The Project could cost more or less when it is actually built. Also, when/if the project is constructed, USF will come back to the Board to ask for PO&M. This is true for any University the builds or is donated a project that includes E&G space.

Q. What is the total program, project, capital and operating cost of the school of Medicine – we're looking at \$57M – what is the total cost? (Morton)

A. The total project cost to the state is estimated at \$112 M. The project cost total is estimated around \$157 M. (This question is more fully addressed in the USF materials)

Q. What about equipment? (Tripp)

A. The cost of \$157 M includes basic equipment of the facility. But not all associated expenses, such as moving. Expense items not in the project budget will come from USF COM Budget.

Q. What about renovations to the old facility? How much will that cost? (Tripp): Does this include all of the equipment in the hospital? Or is it only bricks and mortar?

A. USF will be requesting an additional \$9M for rehabilitation of the old facility, however, that work will not happen until after the new building is completed, and that would be done probably 4-5 years from now. To be specific, the total project cost, a good estimate, is somewhere between \$150-163M – our best estimate is \$157M. So the delta between what we have – assuming all appropriations come through – is \$26.9M.

Q. What has the Board already approved vs. what is left to approve? (Colson)

A. The Board authorized the funding for the Heart Health Institute, but on the main campus, not downtown. The Board still needs to approve 1) Funding for COM; 2) In connection with funding, the project location; 3) Site authorization, if constructed downtown. The Facilities Committee has discussed items 1 and 2, but not the full Board.

Q. Is there a business plan? (Several members)

A. Yes. However, this was not included in the meeting materials.

Q. Does the Board need to authorize USF to expend the \$5 Million to plan the project? (Several members)

A. Yes. (The Committee took action to release the \$5 M).