

Strategy for a Downtown USF Health Morsani College of Medicine-Heart Institute



**Executive Summary for Board of Governors
February 19, 2015**

Advancing the Downtown Strategy

Collaborative and Transparent Process

- The initial MCOM request for PECO funds for a new medical school facility occurred 8 years ago, but planning has accelerated over the past 2 years

- High level of engagement & feedback obtained from:
 - Students, Trustees, Faculty, Legal Counsel (interviews, surveys, presentations and approvals)
 - Outside experts
 - HOK (Space Programming)
 - Hammes Company (Healthcare Strategy)
 - Skanska (Cost Estimating)
 - Board of Governors
 - Extensive conversations with BOG Staff
 - Site visits with 8 BOG members
 - Phone conversations with 9 additional BOG members
 - Conversations with numerous elected officials

- Resulted in unanimous approval by USF BOT, and many letters of support from students, faculty, government and community leadership groups



USF Health Downtown Strategy: Co-locating MCOM and Heart Institute

Current State “The Opportunity”

- Morsani College of Medicine (MCOM) occupies a 40-yr old 192,000 sf facility rated “Poor” by NACUBO¹
- USF Main Campus is 25+ minutes from MCOM’s teaching hospital. No other medical school in the top-100 medical schools² is located as far away
- MCOM ranks 63rd in NIH funding among US medical schools
- Challenging recruiting environment due to facility condition and location
- Interprofessional strategy is effective and competitive advantage despite distance from teaching hospital

Future State “Solution Based”

- State-of-the-art, 319,000 sf facility to support technology based learning
- Downtown location improves proximity to Tampa General Hospital (5 min vs. 25+ min)
- Increased NIH funding moves MCOM into top quartile of US medical schools
- New facility and vibrant downtown environment will enhance recruitment of highly competitive students and faculty
- Interprofessional advantage improved with expansion opportunities for Pharmacy and proximity to TGH/CAMLS

The result is achievement of an important SUS BOG goal: ***Improve the quality and relevance of the System’s institutions with regard to state, national, and international preeminence***

USF Health Downtown Strategy

Aspirational Goal: Top Quartile Medical School¹

Current State
MCOM ranked 63rd
(\$43 Million in NIH Funding)

Impact of Downtown
MCOM moves into top quartile
In NIH Funding

2014 NIH Funding Rank / Total Funding ("000s)	Medical School / Teaching Hospital	Teaching Hospital Proximity to Medical School
42 [\$96,318]	UNIVERSITY OF MIAMI Jackson Memorial Hospital	<10 Min
43 [\$88,080]	UNIVERSITY OF FLORIDA UF Health Shands	<10 Min
63 [\$48,019]	UNIVERSITY OF SOUTH FLORIDA Tampa General Hospital	>25 Min
118 [\$4,872]	UNIVERSITY OF CENTRAL FLORIDA Florida Hospital - Kissimmee	10-25 Min
119 [\$4,860]	FLORIDA STATE UNIVERSITY Tallahassee Memorial HC	<10 Min
126 [\$3,090]	FLORIDA INTERNATIONAL UNIV Baptist Health System	10-25 Min
130 [\$1,300]	FLORIDA ATLANTIC UNIVERSITY Boca Raton Community Hospital	<10 Min



- Heart Institute's projected \$28 million in NIH funding provides momentum by delivering 40% of the funding growth MCOM needs to become top quartile
- Student Success:
 - Improved student desirability; 88% of accepted, but non-matriculating applicants listed facility quality and teaching hospital proximity as reasons for selecting a school
 - New physician scientists expand student research opportunities
- Proximity of MCOM/Heart Institute will support mutual success and TGH's aspiration to become US News "Honor Roll" Hospital

¹ Top quartile as determined by NIH Funding and US News Ranking

² Based on 2014 rankings and funding amounts

Top-100 Medical Schools by NIH Funding

MEDICAL SCHOOL PROXIMITY TO TEACHING HOSPITAL



Tampa General Hospital
USF MCOM is the
only medical
school in the top
100 that is more
than 25 minutes
from its teaching
hospital.

< 10 min to Medical School

10 to 25 min to Medical School

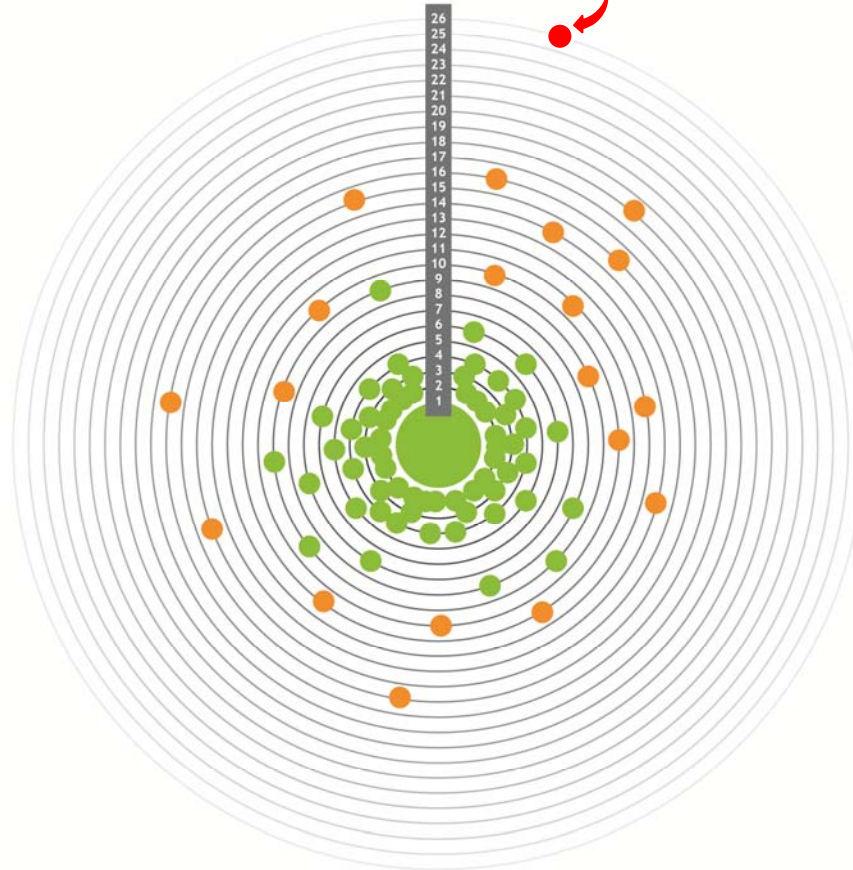
> 25 min to Medical School

Medical School Proximity to Teaching Hospitals

Of all 138 U.S. medical schools receiving NIH grant funding, MCOM is the *furthest* from its teaching hospital

MCOM >25 minutes to Tampa General

- < 10 min to Medical School
- 10 to 25 min to Medical School
- > 25 min to Medical School



- More than 88%¹ of medical school applicants view proximity to the teaching hospital as a crucial factor in their selection of a medical school
- The majority of interprofessional student interaction occurs in clinical settings primarily located at TGH

Student Success: A Guiding Principle

- Since 2013, US public medical school tuition has increased by approximately 20%, while MCOM has remained flat¹
- MCOM tuition and fees **will not increase** as a result of the downtown development
- At the downtown location, students will pay campus rates for parking and will have greater options for parking compared to the limited amount currently on the Main Campus. Per the agreement with the master developer, MCOM will have access to 100 spaces on site and another 900 nearby
- 84% of MCOM student survey respondents² believe that establishing the MCOM downtown will have a positive impact on student educational experiences
- More students currently live within 2 miles of the downtown site than live near the Main Campus
- BOG Performance-Based Funding: Increase number of STEM graduate degrees and postdoctoral appointees

¹ As determined by AAMC Tuition and Fees, Total Cost of Attendance Report

² January, 2015 survey of current MCOM students

Student and Faculty Support

“We, the elected student leaders at the University of South Florida Morsani College of Medicine (USF MCOM), wish to formally convey our support for the USF Board of Trustees’ plan to locate the new facility to house the College in downtown Tampa and respectfully request the approval of the Board of Governors for the Trustees’ plan.”

-January 20, 2015 letter to the Board of Governors

“Whereas, Dean Charles Lockwood has clearly outlined the academic advantages of locating the new facility within walking distance of the Morsani College of Medicine’s primary teaching affiliate, Tampa General Hospital, as well as the advantages that the proposed new location would provide in recruiting faculty, staff, and prospective students.”

*-University of South Florida Student Government Senate
Resolution JB [R] 55-018*

“The Executive Committee of the University of South Florida Morsani College of Medicine Faculty Council would like to express our strong support for the proposed expansion of USF MCOM to Downtown Tampa.”

-January 12, 2015 letter to the Board of Governors



Innovation and Research Success: USF Health Heart Institute

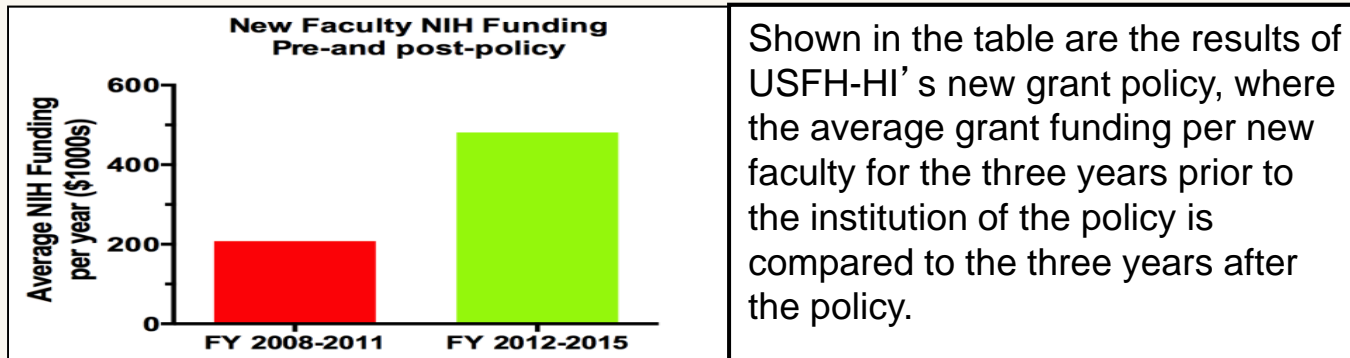
Unique advantages of a downtown location include:

- Proximity to the USF Health Tampa Bay Research and Innovation Center (TBRIC) at CAMLS, which utilizes multidisciplinary teams of healthcare providers and engineers to *assist medical device companies* in the entire medical device lifecycle
- Enhanced *biotech collaboration* given USF/TGH' s cardiac clinical volume, TBRIC and abundance of planned corporate space
- Close proximity to CAMLS featuring world' s most sophisticated cardiovascular simulation equipment to enhance training and serve as *a platform for CME programs* to improve Florida cardiac care



USF Health Heart Institute

- The USF Health research enterprise has experienced increasing success in the last three (3) years including strong growth in average NIH funding per new faculty



- These results have been used to guide projections for the Heart Institute:
 - \$28M/year in additional NIH research expenditures anticipated when at full capacity
 - Clinical income growth from physician-scientists is projected to increase \$1M/yr
- The downtown location is expected to accelerate program ramp-up to reach \$28 million in NIH funding from 12-15 years on the Main Campus to ~5 years at the downtown site
- The downtown site accelerates this curve because investigator access to funds is largely dependent on co-localization with TGH
- Without co-location with TGH, recruitment of investigators to the main campus could take longer

USF Health Morsani College of Medicine, Heart Institute Facility

- MCOM and USFH-Heart Institute will collectively occupy a 319,000 sf facility located on donated land
- The developer, city and county will provide significant contributions in the form of donated land, structured parking, enhanced utilities, site infrastructure and roadway improvements

Program Assumptions	Design Target Average SF	
College of Medicine	97,585	net usable
Heart Institute Labs	100,389	net usable
Auditorium/Dining/Support	41,581	net usable
Faculty Offices	29,610	net usable
Clinical Trials/Care Unit	8,379	net usable
Subtotal Net Usable	277,544	
Grossing Factor	41,632	
Total Gross Building Area	319,176	
		Cost/GSF
Total Construction	\$ 126,254,076	\$ 395.56
Total Design, Engineering, Civil	\$ 10,439,593	\$ 32.71
Total FF&E	\$ 15,958,800	\$ 50.00
Total Project Cost	\$ 152,652,469	

Project Comparison: Main Campus and Downtown

	Downtown	Main Campus
Facility Size (GSF)	319,176	276,492
Total Project Cost (<i>Construction, Design, FF&E</i>)	\$152.6 M	\$149.3 M
Funding Received + Requested Funding	\$130.0 M	\$130.0 M
Additional Funding to be provided by Private Sources	\$22.6 M	\$19.3 M

- The square footage difference between the two options is the result of the downtown location requiring space for a library and dining facility; items that are already provided on the Main Campus
- While the downtown facility is a larger building, the overall project costs are similar. This is because the Main Campus has approximately \$16 million of infrastructure costs not required by the downtown option.

Project Comparison: Main Campus and Downtown

- Included in the downtown facility cost is a minor expense to design and construct the building foundation to support two (2) additional floors
- This approach preserves the option of adding the College of Pharmacy program to the downtown building in the future
- USF is receiving substantial benefit at the downtown location via donated site (\$10 M) and a substantial proportion of infrastructure costs (parking structure, district water chiller, storm sewer improvements, utility lines, roadway improvements) estimated to total \$40 million.
- In the downtown location, all funds can be utilized for program spaces.

	Mechanical Penthouse
Heart Institute - Research + Vivarium	
Heart Institute - Research	
Heart Institute - Research	
Heart Institute - Research (Bio Repository + Bioinformatics)	
USF Health Shell Floor - Expansion Space	
USF Health Shell Floor - Expansion Space	
Morsani College of Medicine - Administration	
Anatomy	Faculty Offices
Specialty Clinic	CACL
Open Atrium with Stair	Classrooms
	Large Classroom (Tiered 200 seat) Classrooms
	Library Dining Student
Lobby	Auditorium (400 seat) MEP/ Bldg Support

USF Health Morsani College of Medicine, Heart Institute: Funding

- USF proposes funding the \$153 million project cost from the following sources:

Funding Sources	
<i>Heart Institute</i>	<i>\$50 M</i>
<i>COM from FLA</i>	<i>\$62 M</i>
<i>Morsani Gift</i>	<i>\$18 M</i>
<i>Addtl Private Support</i>	<i>\$23 M</i>
TOTAL Funding	\$153 M

\$41 million will come from private sources

- The downtown plan **does not represent an incremental PECO cost to the state.**
- Over the next 18 months, USF will galvanize private support to provide 27% of the total project cost

Return on Investment

- Student Success: At no additional cost to MCOM students, the downtown location will
 - Enhance student training and education due to proximity to TGH/CAMLS;
 - Increase number of STEM graduate degrees and postdoctoral appointees
 - Provides students access to services and programs on par with leading medical schools in the country
- By leveraging private support, Florida gains a superior facility for its investment than would have been built otherwise
- The downtown strategy will increase NIH grant funding and will position MCOM to move from a current ranking of 63rd to become a top-quartile medical school
- The USF Health Heart Institute is projected to drive up to \$73 million annually in local economic activity¹
- Co-location of USF Heart Institute with TBRIC and TGH has the potential to attract new Biotech companies to Tampa
- Florida is a net exporter of medical graduates, but if we can retain them for both medical school and residency, there is a 65% chance of retention, helping to meet workforce needs

¹Based on economic impact study commissioned by AAMC which indicates that for every dollar of research funding, \$2.60 of local economic growth is generated

Before you today: BOG Funding Request

As the next step, following the initial \$5 M appropriated by the 2014 Legislature and approved by the Governor, USF requests \$17 M as part of a total \$62 M multiyear request to develop MCOM in downtown Tampa

Total PECO Funding Requests for MCOM Facility	
Year	Amount
2014	\$ 5M
2015	\$17 M
2016	\$20 M
2017	\$20 M
TOTAL	\$62 M

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