

November 4, 2021

Mr. David R. Woolstenhulme, Commissioner
Utah System of Higher Education
Two Gateway
60 South 400 West
Salt Lake City, UT 84101-1284

Subject: Impact Health & Prosperity Epicenter Building Scope Increase

Dear Commissioner Woolstenhulme:

The University of Utah requests approval of an expansion of the Impact Health & Prosperity Epicenter non-state funded capital development project that was approved in the 2021 legislative session. This project was previously approved with \$85.7 million of revenue bonding authority and a scope that included 575 new beds of on-campus housing. Due to increasing demand for student housing, approval is sought to increase the project scope by 200 beds to a total of 775 new beds. The project will continue to house the Sorenson Impact Center and the Center for Business, Health and Prosperity. The additional scope will add 17,512 square feet bringing the total project square footage to 272,394.

The Impact Health & Prosperity Epicenter will follow the Live-Learn model that has been very successful with Lassonde Studios in which student entrepreneurs live, create and launch their own companies and initiatives. At this new building, students will use the tools of entrepreneurship to solve problems of the human condition (poverty, poor health, etc.). This will also facilitate continued improvement in student success as we have found that students who live on campus during their first year are, on average, 12% more likely to graduate.

The proposed addition to the project budget is \$33,000,000, bringing the total budget to \$118,700,000. This will be financed through revenue bonds which will be repaid from housing revenues and donations. The same funding source will also fund operations and maintenance costs. No state funds will be used for this project nor will they be requested for operations and maintenance.

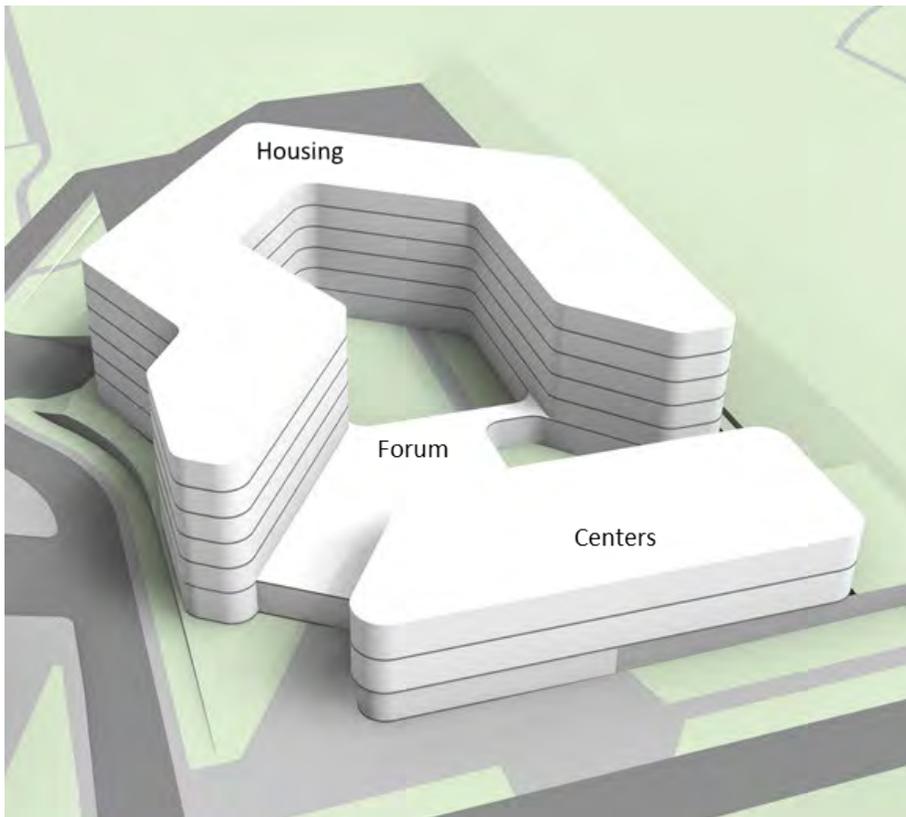
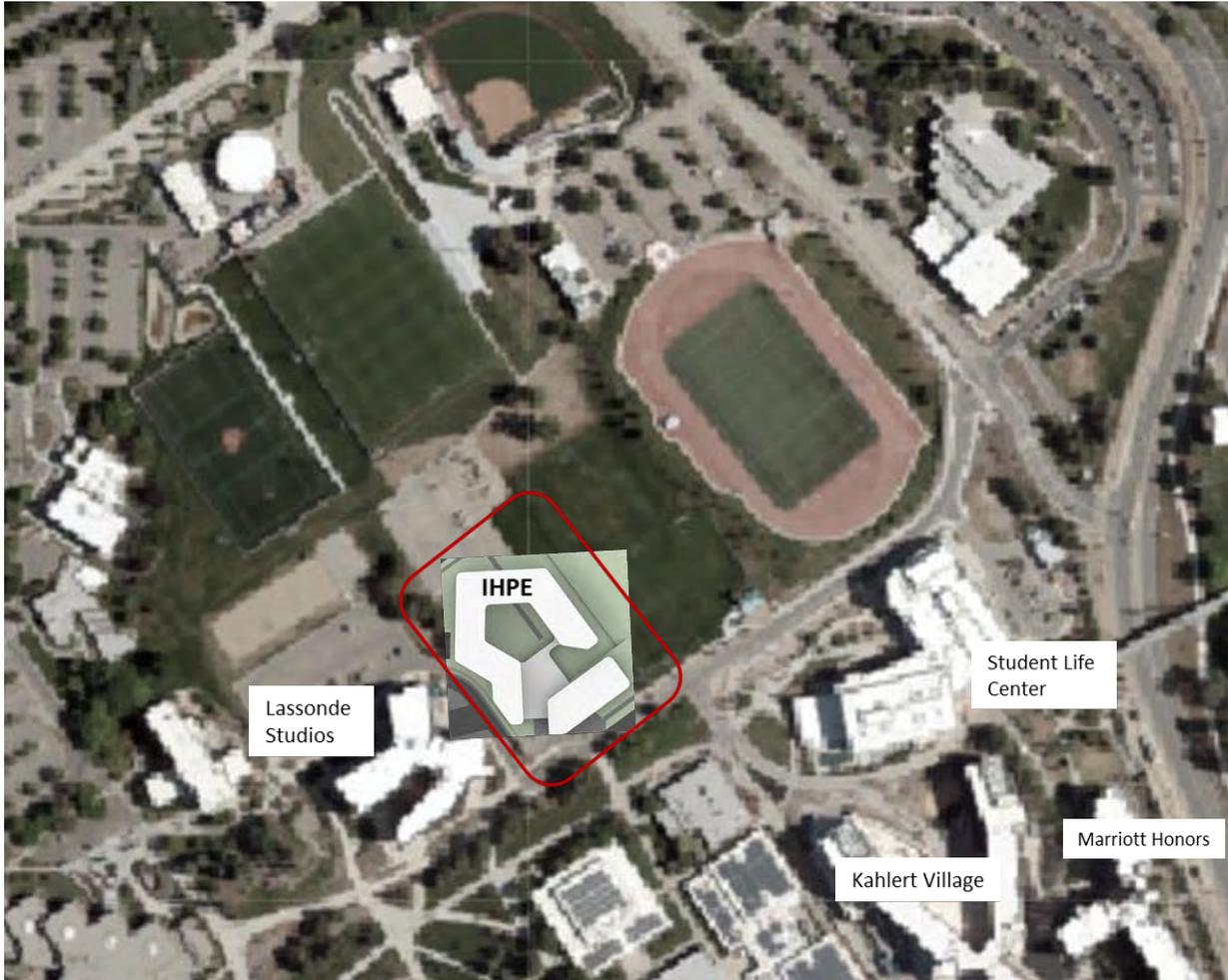
The project will be considered for approval by the University's Board of Trustees in their meeting on November 9, 2021. We request that this be presented to the Board of Regents for approval during their meetings on November 18 and 19, 2021.

Thanks, as always, for your consideration and support.

Sincerely,



Cathy Anderson
Chief Financial Officer



University of Utah
Capital Budget Estimate (CBE)
Capital Development Projects

Project Name:		Impact Health and Prosperity Epicenter (6 Floors, 775 Beds)	
Agency/Institution:		University of Utah	
Project Manager:		Andrea Cavrag (U of U) and Lori Kaczka (DFCM)	
		Cost	
Cost Summary	\$ Amount	Per SF	Notes
Facility Cost	\$ 97,213,096	\$356.88	
Utility Fee Cost	\$ 125,586	\$0.46	
Additional Construction Cost	\$ -	\$0.00	
Site Cost	\$ -	\$0.00	
High Performance Building	\$ 0	\$0.00	
Total Construction Cost	\$ 97,338,682	\$357.35	
Soft Costs:			
Hazardous Materials	\$ -		
Pre-Design/Planning	\$ 925,823		
Design	\$ 5,497,700		
Property Acquisition	\$ 1,566,500		
Furnishings & Equipment	\$ 3,749,500		
Information Technology	\$ 1,387,472		
Utah Art	\$ -		
Testing & Inspection	\$ 973,387		
Contingency	\$ 4,382,124		
Moving/Occupancy	\$ 105,000		
Builder's Risk Insurance (0.15% of Construction Budget)	\$ 146,008		
User Fees	\$ 846,603		
Legal Services (0.1% of Construction Budget)	\$ 97,339		
DFCM Management	\$ 169,339		
Commissioning	\$ 1,041,523		
Other Costs	\$ 473,000		
Total Soft Costs	\$ 21,361,318	\$78.42	
Total Project Cost	\$ 118,700,000	\$435.77	
Funding Other than State Capitol Development:			
FY22 Approved Bonding Authorization	\$ 85,700,000		
FY23 Requested Bonding Authorization	\$ 33,000,000		
	\$ -		
	\$ -		
	\$ 118,700,000		
Previous State Capital Development Funding:			
	\$ -		
	\$ -		
	\$ -		
Request for New State Capital Development Funding	\$ -		
Project Information			
Gross Square Feet	272,394	Base Cost Date	9/7/21
Net Square Feet	272,394	Estimated Bid Date	11/1/22
Net/Gross Ratio	100%	Est. Completion Date	7/1/24
		Last Modified Date	9/27/21
		Print Date	9/27/21