

FCR 27

Office of the President
April 24, 2007

Members, Board of Trustees:

CONSTRUCT CAROL MARTIN GATTON BUILDING COMPLEX – DESIGN PHASE

Recommendation: that the Board of Trustees approve initiation of design services of up to \$5,156,000 for the Carol Martin Gatton Building Complex.

Background: The university's 2008-14 Capital Plan (a state planning requirement) will be submitted to the Board for review and approval at the June 12, 2007 meeting. This project is recommended so that initial design and preliminary study phases will be substantially completed by mid-fall 2007. This design phase will be funded with private gifts. The proposed Capital Plan includes a request to the 2008 Kentucky General Assembly for state bonds for construction of the Carol Martin Gatton Building Complex.

The design work will proceed in limited phases as the request for funding progresses. The initial work will be limited to preliminary programming, program-to-budget reconciliation, and site and design concepts. Only about 10 percent of the overall design services will be given a "notice to proceed" prior to full project funding approval by the General Assembly. The proposed site of the facility will be the surface parking lot at the northeast corner of the Avenue of Champions and Martin Luther King Boulevard.

The Top 20 Business Plan calls for substantial enrollment increases and for the university to increase substantially its outreach activities. By 2020, UK will increase its undergraduate enrollment by 5,394, its graduate enrollment by 912, and its faculty by 517. Additional classroom space is needed to accommodate enrollment growth across the university and especially within the Carol Martin Gatton College of Business and Economics. Over the past several years, increased enrollments and space constraints have forced the college to make selective admissions decisions that have limited substantially the number of academically qualified students who can major in business. UK's projected enrollment growth in the future will be further limited unless more space is constructed for use of the college.

The construction of a new facility for the college also frees up 120,000 square feet of space in the central core of campus. Many colleges, departments, and research programs need expanded space to meet the needs of their own rapidly growing enrollment. The

vacated building will be used for classrooms, faculty offices, administrative offices, and support space.

Additional space also will facilitate expansion of the college's outreach activities. The college has established a strong record of engagement across Kentucky and has built an aggressive agenda for more outreach in the years to come. Economic success in the knowledge economy will be affected by: (1) the degree to which universities translate their research agendas and expertise into solving the problems of existing enterprises; (2) the ability of researchers and teachers to turn ideas into new products; and (3) the capacity of universities for helping aspiring entrepreneurs to discover and deliver new products and services to market. These efforts create businesses and jobs. The college's history of accomplishment demonstrates that it has been an important catalyst for economic development in the Commonwealth. The college is a demonstrated source of innovation and thought leadership and provides much of the intellectual capital on which Kentucky's economy is based. Modernized and expanded space will enhance these efforts.

Action taken: Approved Disapproved Other _____