REGISTER OF UNIVERSITY OF IOWA
CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS

Actions Requested: Recommend the Board approve:

1. Schematic Design, Project Description and Budget for the:
   • UIHC at Forevergreen Road – Construct Facility project, formerly the “UIHC - North Liberty Medical Office Building Development” project, ($395,000,000) with the understanding that approval is authorization to proceed with construction.
UIHC at Forevergreen Road – Construct Facility

**Executive Summary:** The University requests Board approval of the proposed Schematic Design, Project Description and Budget to build a new UIHC facility on their 60-acre site along Forevergreen Road in North Liberty.

The proposed project budget of $395,000,000 would be funded by three sources:
1. Hospital Revenue Bonds
2. Gifts
3. University Hospitals Building Usage Funds

- **Certificate of Need:** On August 31, 2021, the Iowa Department of Public Health’s State Health Facilities Council approved this project’s Certificate of Need (CON).

- **Moratorium note:** There are three exceptions to the Regents’ moratorium on new net square footage from September 2020 through June 2022. Those exceptions include capital projects approved prior to September 2020, capital projects 100% funded by private gifts and healthcare capital projects.

**Background:** This healthcare facility would be a 469,000 square foot medical, clinical, educational, and research office building, and extension of the UIHC. A central utility plant, dedicated to this facility, would also be constructed.

Specifically, the facility would include outpatient clinics, faculty offices, inpatient beds, surgical suites, radiology, laboratory, pharmacy, central sterile services, food services, an emergency treatment center, education and research space, and other support services.
UIHC is experiencing unprecedented demand for tertiary care for patients from all 99 Iowa counties and beyond. There are many factors contributing to this, including an aging population, an increased incidence of obesity and chronic disease, closure of services across many hospitals in the state, and an emerging shortage of community providers, due at least in part to their retirement.

Other Iowa hospitals are transferring substantial numbers of patients to UIHC for complex care and often experience delays in these transfers, because of limited bed availability. UIHC has the third highest rate of inpatient transfers compared to all other academic medical centers across the United States. UIHC also projects continued growth in the number of inpatient and ambulatory surgical procedures over the next decade, with rising levels of complexity and need for sophisticated space to support new, advanced technology.

Finally, as more and more patients travel to the UIHC main campus for outpatient care, the associated clinics and parking facilities have become more congested and difficult to navigate for older and medically-compromised patients.

Proposed Schematic Design

UIHC’s priority is meeting the healthcare needs of Iowans in a safe, timely and high-quality manner, while also promoting the vital academic responsibilities for education, training, and research. As Iowans have asked UIHC to do more, this expands our master planning to address UIHC’s future more comprehensively by including this Forevergreen Road site in North Liberty, that would serve as an extension of the UIHC.

The new facility is intended to optimally serve the needs of Iowans in a convenient and patient-centered setting, as there is almost no available space remaining at the main campus, which has been operating at maximal capacity. This facility at Forevergreen Road would allow UIHC
to deliver its highly specialized, inter-disciplinary model of care for Iowans and provide educational experiences for students and trainees.

Ultimately, this expansion would facilitate the recruitment of world-class physicians and trainees to the University of Iowa, improve patient access and satisfaction, and provide state-of-the-art care, technology, and facilities for the benefit of all Iowans.

### Project Summary

<table>
<thead>
<tr>
<th>1. Permissions to Proceed</th>
<th>Amount</th>
<th>Date</th>
<th>Board Action</th>
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<tbody>
<tr>
<td>Permission to Proceed with Project Planning</td>
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<td>Sept. 2016</td>
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<tr>
<td>Revised Permission to Proceed with Project Planning</td>
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<td>Feb. 2020</td>
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<th>2. Design Professional Agreements</th>
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<td>Neumann Monson, Iowa City</td>
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<td>Neumann Monson DP Agreement #1</td>
<td>$1,256,670</td>
<td>Aug. 2019</td>
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<td>Waiver of the Design Professional Selection Process</td>
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<td>Neumann Monson, Iowa City was selected</td>
<td>Feb. 2020</td>
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<tr>
<td>Neumann Monson, Agreement #2</td>
<td>$21,887,700</td>
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<tr>
<td>Medical Equipment Planning, nine proposals</td>
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<td>Ross and Baruzzi Inc., St. Louis, Missouri</td>
<td>$866,700</td>
<td>Mar. 2021</td>
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<td>Ancillary Consultant-Furniture, seven proposals</td>
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<td>HKS, Dallas, Texas</td>
<td>$343,594</td>
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<td>Utilization of CMR Delivery Method</td>
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<tr>
<td>JE Dunn Agreement</td>
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<td>Dec. 2020</td>
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<tr>
<td>Preconstruction and Construction Phase Services</td>
<td>$13,675,611</td>
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<td>Medical Equipment Planning, nine proposals</td>
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<td>Ross and Baruzzi Inc., St. Louis, Missouri</td>
<td>$866,700</td>
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<td>JE Dunn Amendment #1</td>
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<td>Build Mock-Up</td>
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<td>JE Dunn Amendment #2</td>
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<td>Mechanical, Electrical &amp; Plumbing Precon. Services</td>
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<th>4. Schematic Design, Project Budget</th>
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<td>Program Statement</td>
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<td>Schematic Design</td>
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<td>Project Description and Budget</td>
<td>$395,000,000</td>
<td>Sep. 2021</td>
<td>Requested</td>
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* Approved by Executive Director, consistent with Board policy.
Proposed Project Budget

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<tr>
<th>Category</th>
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<tr>
<td>Planning, Design &amp; Management</td>
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<td>Construction</td>
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<td>Construction – Central Utility Plant only</td>
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<td>Construction – Sitework only</td>
<td>25,763,000</td>
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<td>Furniture &amp; Equipment</td>
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<td>Contingency</td>
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<td><strong>Total</strong></td>
<td><strong>$395,000,000</strong></td>
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Proposed Source of Funds

1. Hospital Revenue Bonds
2. Gifts
3. University Hospital Building Usage Funds

Proposed Schedule

Design: February 2020 through April-June 2022
Construction: October-December 2021 through April-June 2025

Building Program

313,516 NSF = Departments
92,226 NSF = Building Support
405,742 NSF = Total NSF *

405,742 NSF = Total NSF
469,050 GSF = Total Gross Square Feet **
86.5% = NSF to GSF ratio

* NSF = net square feet
** GSF = gross square feet
Proposed Schematic Design: Interior Views

First Floor Lobby, inside Main Entrance: looking south

First Floor Clinic - Waiting Area: looking northeast
Proposed Schematic Design: Site Plan

- North Liberty city limits
- Highway 965 / Coral Ridge Avenue
- Forevergreen Road
- UIHC at Forevergreen project
- Northeast Pond
- Central Utility Plant
- Future expansion
- South Entrance
- North Entrance
- Main Entrance
- Emergency Entrance

Project location:
- UIHC at Forevergreen project
- Highway 965 / Coral Ridge Avenue
- Forevergreen Road
- UIHC at Forevergreen project
- Northeast Pond
- Central Utility Plant
- Future expansion
- South Entrance
- North Entrance
- Main Entrance
- Emergency Entrance

North Liberty city limits
Highway 965 / Coral Ridge Avenue
Forevergreen Road
UIHC at Forevergreen project
Northeast Pond
Central Utility Plant
Future expansion
South Entrance
North Entrance
Main Entrance
Emergency Entrance
Second Level Floor Plan

Third Level Floor Plan

- Outpatient Clinics
- Physical Therapy / Rehabilitation
- Emergency Department
- Inpatient Unit
- Surgery Services
- Diagnostic Imaging
- Pathology
- Pharmacy
- Food and Nutrition
- Public Amenities
- Research
- Education
- Central Sterilization / Supply Chain
- Building Support
AGENDA ITEM 2

Outpatient Clinics
Physical Therapy / Rehabilitation
Emergency Department
Inpatient Unit
Surgery Services
Diagnostic Imaging
Pathology
Pharmacy
Food and Nutrition
Public Amenities
Research
Education
Central Sterilization / Supply Chain
Building Support
Cost Comparison of 10 Similar Health Care Facilities in the United States

North Liberty Campus: Benchmark Costs

Costs are below or similar to hospital builds by other leading health systems

- University of Minnesota, Minneapolis, MN: $803/SF
- Texas Health & UT Southwestern, Frisco, TX: $831/SF
- Ohio State University Medical Center, Columbus, OH: $942/SF
- Penn Medicine, Philadelphia, PA: $1,000/SF
- University of Michigan Health System, Ann Arbor, MI: $1,333/SF
- Rush University Medical Center, Chicago, IL: $818/SF
- Henry Ford Health System, Detroit, MI: $828/SF
- Emory Health Care, Brookhaven, GA: $1,180/SF
- Stanford Health, Palo Alto, CA: $2,427/SF

* $842/gsf = $395,000,000 / 469,050 gross square feet (gsf)