

UNIVERSITY OF PITTSBURGH FACILITIES PLAN:

FY2007-2018

FACILITIES PLANNING, 1998-2006

In 1997 the University of Pittsburgh developed a highly successful comprehensive plan to guide its facilities development for a following ten years. The environment in which that plan was produced was a highly challenging one. The University was significantly over-committed in its building plans and it faced enrollment and budget shortfalls. Never was the development of a focused and realistic plan to guide future development more needed. Fortunately, the planning exercise proved highly effective and helped produce a remarkable decade of capital development, which in turn helped accelerate the improvements in overall quality of the University's academic programs.

In his charge, the Chancellor asked the committee to undertake several specific and difficult tasks:

- Review the adequacy of the amount and quality of existing space to meet the University's academic and student life needs;
- Assess the condition of existing facilities to determine the extent of deferred maintenance;
- Determine the financial investment required to renovate facilities to place them in contemporary condition;
- Review the utilization of rental properties; and

- Determine the impact of the additional debt service and annual operation and maintenance costs on the E&G budget.

In responding to this charge, the committee established a set of principles to guide its planning. This commitment to goal and priority setting marked an important development in the University's approach to planning. This approach would subsequently be adapted to academic and technology planning with great success. The principles which the facilities planning committee established included:

- Academic priorities must guide capital development;
- Existing space must be utilized more effectively and efficiently;
- Preservation should take precedence over new construction;
- Admissions and library facilities must be accorded a high priority;
- Improving instructional facilities is critical;
- The Cathedral of Learning, as the University's signature academic building, should be significantly renovated to showcase its programs;
- Student life and student services space, particularly recreation facilities, student unions, and housing, must be a high priority;
- Athletic facilities had to be significantly improved if the University's programs were to be competitive; and
- Rental properties should be utilized judiciously to house grant-funded research programs and other activities that do not require a campus location.

These principles clearly established the centrality of the University's academic mission in facilities planning. Above all, the committee understood that discipline and focus were

critical to the University's ability to develop its facilities sufficiently to support its academic goals.

The committee developed a careful and moderate plan to address the most significant facilities shortcomings. Given the financial context at that time, the projected expenditures had to be both modest and realistic. The committee projected that a minimum expenditure of nearly \$485,000,000 for the period 1998 through 2006 was required in order to meet the University's most critical facilities needs. Of that total, an estimated \$200,000,000 would have to be acquired through E&G debt, an amount which would put a significant strain on the University's annual operating budget. An additional \$100,000,000 was projected to be allocated by the Commonwealth. A modest \$56,000,000 was proposed to be acquired through gifts and other sources of support. The auxiliary operations were projected to be burdened with some \$44,000,000 in debt. The School of Medicine proposed that it would require the expenditure of a minimum of \$85,000,000. In retrospect, these were extremely modest goals, but in the context of 1997 they appeared potentially very burdensome and success in meeting them was not at all assured. In fact, a major emphasis of the plan was on the cancellation of several major projects that had been previously approved for the Pittsburgh Campus—a new building to house the undergraduate business school, a significant library expansion, and the establishment of a major performing arts center. Nevertheless, the committee believed that the University had to commit to these minimum levels of expenditure if it were to adequately house its academic and student life programs.

The reality of the past decade, of course, proved much more exciting, largely as a result of the high level of buy-in from numerous constituencies to the University's plan.

The discipline and focus displayed in the planning exercise and the University's willingness to make difficult decisions convinced its friends and supporters that the University had established clear goals and priorities and was intent on reaching those goals. As a result, instead of the projected \$485,000,000 in expenditures over the nine-year period, a total of \$866,000,000 was actually expended in modernizing existing facilities and building new ones to support rapidly developing programs and responding to new opportunities. This 75% increase in actual over projected expenditures reflects the success of the plan. It was made possible by the determination the University showed in focusing on its priorities and remaining disciplined in achieving those priorities. The rapid increase in the University's academic reputation during the period provided unanticipated levels of funding which in turn enabled higher than anticipated levels of investment. These higher levels of investment in turn produced more rapid improvements in program quality. A comparison between the proposed and actual levels of funding by source demonstrates the extent to which the University was able to accomplish significantly more than anticipated:

	<u>Proposed</u>	<u>Actual</u>
E&G Debt	200,590,000	183,805,000
Commonwealth Support	100,065,000	203,375,000
Gift/Other	56,025,000	90,360,000
Auxiliary	44,625,000	112,400,000
Medicine	85,375,000	275,865,000

The most important changes involve the relationship between E&G Debt and Commonwealth Support. The latter increase enabled the University to significantly reduce the impact of the capital expenditures on the operating budget. The \$17,000,000 less debt that the University had to assume, coupled with the dramatic savings in borrowing costs that the Office of Budget and Controller was able to achieve by taking advantage of the financial environment, enabled the University to invest more of its annual operating budget in improving program quality through annual allocations to academic and student life enhancements. These annual allocations had a major cumulative impact on improving institutional quality. The accelerated expenditures in Auxiliaries were driven by increases in student demand produced by the growing reputation of the University. Medicine was able to take great advantage of its rapidly growing research and clinical reputation to develop larger than anticipated revenue bases.

The accomplishments that resulted from this higher level of expenditure during this decade were remarkable. Because the University retained its focused commitment on its academic goals while retaining the flexibility to respond to opportunities, the capital investments were made in areas of critical importance. Deferred maintenance was dramatically reduced; existing facilities were significantly renovated to support new programs; campus utility and network infrastructure was modernized; much needed new facilities were constructed; and additional student housing and recreation facilities were added to all campuses. In addition, several inefficient facilities—Mineral Industries, Pennsylvania Hall, Pitt Stadium—were demolished, and a consistent policy on rental properties was implemented.

A partial list of specific major projects provides a sense of the magnitude of the accomplishments. New buildings during this period included Sennott Square, McGowan Center, Biomedical Science Tower 3, Petersen Events Center, Clapp/Langley/Crawford Addition, and Blaisdell Hall (Bradford). Significant renovations were completed in the Cathedral of Learning, Alumni Hall, Crawford, Chevron, Benedum, and Posvar Hall (for Education, UCIS, GSPIA, Economics, and History), and in the RIDC Computer Center to house a state-of-the-art network operations center. Classrooms throughout the University were systematically improved through a continuing program of support, and the student computing labs were completely renovated. The University Honors College moved into completely renovated facilities. Student service space in Thackeray Hall was dramatically improved, and student academic support services relocated to newly renovated facilities in Gardner Steel. The William Pitt Union was significantly renovated and non-student life programs were relocated to provide additional space for student activities. The Schools of Law, Business, Social Work, and Information Sciences received much needed physical improvements. Libraries on the Pittsburgh and Johnstown Campuses were renovated, and a high-density storage facility was constructed. Dramatic improvements were made in the facilities for several major athletics programs with the relocation of football, the construction of the Petersen Events Center for basketball, and the development of improved facilities in Fitzgerald Field House for gymnastics, volleyball, and wrestling. Residence halls were constructed on the Pittsburgh, Bradford, Greensburg, and Johnstown Campuses, and existing residence halls were systematically upgraded, including fire suppression as appropriate and computer networking throughout. Student recreation facilities on the Pittsburgh Campus were dramatically expanded through the

renovation of Bellefield Hall, the siting of a major facility in the Petersen Events Center, and the development of fitness centers in the residence halls. On the Bradford Campus, a new recreation center was built and the Commons was completely renovated. Several high profile University programs, including Governmental Relations and Computing and Information Services, were relocated from rental property to high visibility campus locations. Lastly, key programs such as Admissions and Alumni Affairs were placed in prime University locations.

A comparison between the proposed expenditures and the actual pattern of those expenditures demonstrates the extent to which important campus priorities were addressed:

	<u>Proposed</u>	<u>Actual</u>
Preservation	74,900,000	120,800,000
Academic Priorities	160,265,000	195,735,000
Classroom Renovations	13,650,000	19,255,000
Athletics/Recreation	111,940,000	141,750,000
Auxiliary	38,550,000	112,400,000
Medicine	85,376,000	275,865,000

FACILITIES PLANNING, 2007-2018

In 2006, the context for facilities planning is obviously markedly different than in 1996. The University's external reputation for high quality programs has never been higher; it is attracting the greatest level of external support in its history; the existing

physical plant is much larger and in much better condition; and the University's financial condition, while still constrained, is not as dire as it appeared at that earlier date.

Nevertheless, the challenges that must be met are as urgent now as they were before, and the resolve and discipline need to be as great if those challenges are to be met successfully. The stakes are even higher than they were in 1996. The level of competition the University faces has never been higher, and the difficulty in continuing to make progress against that competition is greater.

In appointing the current facilities planning committee (membership is listed on **Attachment 1**), the Chancellor gave it as its charge:

- To build on the accomplishments of the previous plan;
- To assess the condition, adequacy, and appropriateness of the University's facilities;
- To develop priorities for renovation and new construction that are aligned with academic goals and institutional resources;
- To prepare a comprehensive plan that ensures the University's continuing competitiveness in instruction, research, and student life; and
- To propose a realistic funding plan that recognizes continuing fiscal constraints.

In responding to its charge, the committee, recognizing the success of the process utilized by the earlier facilities planning committee, established a set of principles and developed priorities to guide its efforts. These principles and priorities included:

- Renovate and renew current facilities as a cost-effective way to meet future academic program needs rather than build expensive new facilities (as examples,

Clapp/Langley/Crawford and Parran/Crabtree would cost \$486 per gross square foot to construct and \$211 and \$132 respectively to renovate);

- Invest on a continuing basis in routine maintenance of existing facilities to ensure that they meet the needs of the programs they house;
- Develop significant additional research laboratory facilities to support projected growth and to ensure the University's continuing competitiveness for external funding;
- Invest regularly in improving and modernizing instructional facilities to provide an effective teaching environment;
- Increase the efficiency of space utilization, particularly for classrooms and offices;
- Develop the campus utility and information technology infrastructure to support future program needs;
- Provide appropriate student life space to assist in meeting enrollment and program goals; and
- Improve athletic facilities to ensure the competitiveness of University programs.

CURRENT SPACE INVENTORY

The planning process began with the compilation of a comprehensive inventory of current space by campus and by category of usage. That inventory, which proved difficult to produce because of inadequate centralized records, demonstrated the challenge of ensuring effective and efficient utilization of existing space and the extent of embedded costs in the University's budget of maintaining this space. A chart showing the extent of

current space by category of usage is attached (see **Attachment 2**). In summary, the amount of space by location is as follows:

	<u>Net SF</u>	<u>Gross SF</u>
E&G	4,192,400	7,565,610
Pittsburgh	3,413,150	6,457,030
Regionals	779,250	1,108,580
Auxiliary	2,514,838	3,140,543
Pittsburgh	1,826,490	2,184,740
Regionals	688,348	955,803
Medicine	1,471,570	2,032,930
Property Management	494,980	579,780
Grand Total	8,673,788	13,318,863

Within the E&G category, the space utilization expressed in assignable square feet by campus and by type is as follows:

	<u>Pittsburgh</u>	<u>Regionals</u>
Classroom	379,980	153,770
Instructional Lab	181,770	74,430
Research Lab	409,460	4,910
Library	264,710	82,850
Computer	66,700	15,620
Office	1,194,410	131,510

	<u>Pittsburgh</u>	<u>Regionals</u>
Conference	141,410	91,200
Shop/Storage	30,650	105,900
Clinical	37,560	3,760
Animal	19,440	0
Recreation	513,790	112,390

The net and gross square footage for University space is determined by a space accounting system that automatically calculates square footages of individual spaces either assigned to a user department (assignable) or to Facilities management as common, circulation, mechanical, or other (telecomm, security closets) based on a measured CAD drawing of each floor plan of each building. As a result of this methodology, a large fraction of space is not included in assignable.

To understand the budgetary impact of this existing space, its annual operation and maintenance at a 2005 rate of \$6.30 per gross square foot amounted to nearly \$84,000,000, with one-half of that total burdening the E&G budget. The \$6.30 is a blended rate across a wide variety of facilities, and it also includes maintenance of grounds and athletic fields. The actual cost per square foot is calculated for each facility, and ranges from \$4.15 for Sennott Square to \$19.87 for the McGowan Center. For E&G facilities only, the rate is \$5.91 per gross square foot. With rapidly escalating utility costs (which total 38% of the overall cost) and despite the considerable continuing emphasis on conservation and energy efficient construction, this amount will no doubt be significantly higher this year and into the future. Given this impact, it behooves the University to limit

the amount of additional space which it operates and maintains, making the effective utilization of existing space all the more important. The emphasis must be on transforming the existing space to better meet the University's goals. The challenge will be to accomplish this transformation without unduly disrupting ongoing instructional and research programs.

CURRENT CONDITION ASSESSMENT

After establishing the inventory, the committee undertook a general assessment of the current utilization of space and its adequacy and appropriateness to meet institutional goals. That assessment produced the following conclusions that in turn guided the continuing work of the committee, in particular its establishment of priorities:

- A number of older buildings on the Pittsburgh Campus—Allen/Thaw/OEH/SRCC/NPL, Salk, Victoria, Cathedral of Learning—require significant renovations to support current as well as future programs.
- The major science buildings on the Pittsburgh Campus—Benedum, Parran/Crabtree, Clapp/Langle/Crawford, Chevron—must be substantially modernized and made more efficient to support existing and future programs.
- Existing research laboratory space is inadequate in both amount and quality and requires substantial renovation to meet modern standards and expansion to support anticipated program growth.
- All University buildings require regular investment for routine maintenance in order to ensure their continuing effectiveness to support academic and student life programs.

- Campus utility and information technology infrastructure must be significantly expanded and upgraded to meet future needs.
- Student life facilities—residence halls, dining facilities, and recreation facilities—are inadequate on several campuses and require investment to support the achievement of academic and enrollment goals.
- Intercollegiate athletics facilities on the Pittsburgh Campus are inadequate in several sports, particularly soccer, track, baseball, and softball, and must be developed, preferably in on-campus locations.
- Despite past investments in classrooms, their improvement will represent a continuing expense to keep pace with changing technology and instructional approaches.
- The lack of a conference facility inhibits the ability of the Pittsburgh Campus to host appropriate academic meetings.

Based on this assessment of the current relationship between the state of its facilities and the needs of the University, the committee determined that in order for the University to meet its goals, the following approaches and actions were necessary:

- Major investments in programmatic renovations and modernization of selected facilities are required.
- A commitment to routine maintenance must continue to ensure that the overall condition of the physical plant adequately supports the University's programs.
- Flexibility in space design is essential to ensure the ability to respond to rapidly changing instructional, research, and student life programs.

- Utilization of existing space must be more efficient and more flexible in design in order to meet changing programmatic needs.
- On-going investments in programmatic renovations and instructional facilities are required.
- Competition for students, faculty, and externally-funded research will continue to increase, requiring substantial investment to keep pace.
- Limited resources will continue to constrain the University's ability to construct new facilities, requiring an emphasis on modernizing existing facilities.
- Acquisition of the University Club provides the opportunity to explore its potential as a conference site with appropriate conference planning support.
- Appropriate utilization of rental properties must continue to be an important means for meeting future space needs, particularly for externally funded research programs and activities that do not require campus locations.

Academic Facilities Assessment

After establishing this overall framework, the committee undertook a detailed review of proposed projects and examined different approaches to meeting expressed space needs. First, each unit of the University was asked to assess the adequacy and appropriateness of its existing facilities in the context of current and future program plans and to describe in detail its perceived facilities needs. Second, Facilities Management undertook a detailed assessment of the condition of all University buildings, engaging the firm of IDC Architects to assist in this assessment. IDC Architects is highly experienced in evaluating the condition of existing research facilities in terms of their ability to

support current and future programs. IDC Architects focused extensively on assessing building systems, while Facilities Management staff focused on assessing the condition of building envelope components, building systems in non-science facilities, and code compliance. Facilities Management also analyzed the University's extensive utility infrastructure in terms of its condition and adequacy to meet future needs. Computing Services and Systems Development undertook a similar assessment of the capabilities of the University's data and telecommunications network. Extensive field investigations were conducted and additional consultants were engaged as required to ensure a complete understanding of the condition of existing facilities on all the University's campuses. Based on this exhaustive review, a detailed list of projects for each building in the University was developed, cost estimates derived, and priorities established. This comprehensive inventory is maintained by Facilities Management and will be used to guide the renovation schedule throughout this plan. It is worth emphasizing that this review process was conducted systematically and applied evenhandedly to all buildings on all campuses. All buildings were reviewed relative to the same criteria: how well do they support the programs they house?

After these detailed assessments were completed, projects were organized into overall priority and then divided into two major categories: preservation/upgrade, and renewal. Preservation projects include deferred maintenance, such as roof replacements, masonry repairs, and window replacements. Upgrade projects consist of mechanical and electrical system modernization, code required work, utility infrastructure improvements, and energy conservation initiatives. For each facility a detailed schedule of items under each category was prepared.

Renewal projects consist of major renovations to selected facilities in order to enable them to meet current programmatic requirements and to have sufficient flexibility to adapt to changing requirements. Such projects include both architectural and building systems renewal. For example, in a number of instances major reallocation of space in research facilities is proposed in order to consolidate and increase research laboratory space in a cost-efficient manner. Such reorganization facilitates the placement of mechanical systems to provide more intensive systems, such as once-through air, only in selected portions of buildings. Classroom and office areas can be served with less expensive recirculated air systems. Spatial redistribution also advanced the goal of increasing the efficiency in utilization of existing space by identifying under-utilized and inefficiently organized space. IDC Architects produced a detailed floor-by-floor analysis of a number of major buildings—Allen/Thaw/OEH, SRCC/NPL, Benedum, Chevron, Salk/Dental Annex, Crabtree/Parran, Clapp/Langley/Crawford, Information Sciences, Thackeray, Victoria— demonstrating how space could be utilized more efficiently and how additional amounts of research laboratory space could be produced within existing buildings (see **Attachment 3** for the results of this analysis). While not all projects as described have been included in the plan because of cost limitations, this analysis is nevertheless at the core of the current facilities plan. Detailed building descriptions and proposed space modifications are maintained by Facilities Management for review by the affected academic units. Following that review, appropriate modifications in the plans will be developed and new cost estimates prepared. **It will be critical that this process of review and revision not be permitted to result in substantial changes in project**

scope or cost. Major cost increases in specific projects would destroy the financial feasibility of the overall plan.

The extensive analysis by IDC Architects and Facilities Management demonstrated a number of significant advantages to the strategy of renovating existing facilities rather than replacing them. Specifically, IDC Architects developed a phasing concept that showed it was possible to renovate existing facilities without significant disruption to existing research and instructional programs and activities and showed that renewal of these facilities could be accomplished in stages which would allow costs to be distributed over longer periods of time. The cost of renewal is significantly lower than the cost of replacement, and renewal enables the University to reduce dramatically its ongoing operation and maintenance costs since the creation of additional square footage is being minimized, and the existing space once renovated will be more energy efficient. The conclusion of Facilities Management is that, once these existing facilities are renewed, they will be of equal or superior quality to comparable new facilities. In addition, of course, many of these facilities are culturally, historically, and aesthetically significant and must be retained as part of the continuing history of the University. Since they must be retained, it is essential that they house high priority programs in alignment with University goals.

Athletics and Recreational Facilities Assessment

In addition to this process and analysis, a separate comprehensive review of the University's athletic and recreation facilities on the Pittsburgh Campus was undertaken by a separate planning committee (membership is listed on **Attachment 4**) with the

support of HNTB Consultants, who specialize in athletics facilities planning. The results of that study have been incorporated into the overall facilities plan. The primary goal of the committee was to ensure that balance was retained between athletics and recreation and that the legitimate needs of one were not met to the detriment of the other.

In brief, the committee concluded that despite the major achievements under the previous plan, a number of significant deficiencies remain for both athletics and recreation and meeting them will be difficult because of the University's urban location and its constrained funding. In intercollegiate athletics, the football, basketball, and swimming programs are generally housed in excellent facilities, and progress has been made in improving the facilities in Fitzgerald Field House for wrestling, volleyball, and gymnastics. Baseball and softball have inadequate campus facilities with overlapping fields that must also support soccer practice, and the fields are in poor condition and lack appropriate support elements. Soccer has a grossly inadequate practice venue and it must compete at a location far from campus. Track lacks an outdoor facility, and its indoor facility is in poor condition. Tennis has no campus facility. In addition, the University must continually monitor its compliance with Title IX with regard to facilities and be able to make appropriate changes as required. The Marching Band lacks an adequate storage/practice facility and an appropriately sized field.

The recreation program has improved immeasurably over the last decade, particularly with the construction of the Baierl Recreation Center, the Bellefield facilities, improvements to Trees Hall, and the residence hall fitness centers. The greatest deficiencies are in court space in Fitzgerald Field House and intramural fields which must be shared with the Marching Band. The Cost Center must be upgraded to support both

recreation field sports and indoor track and indoor practice space for baseball and softball. Fitzgerald and Trees require additional renovation to support the increasing demands made by both athletics and recreation.

The committee, with the assistance of the consultants, developed a comprehensive plan that would improve competition and practice facilities for intercollegiate athletics while increasing the opportunities for general student recreation. The key to meeting the University's most pressing needs in intercollegiate athletics is the acquisition of the property near Trees Hall and the Trees Fields known as Robinson Court. No estimate has been included for the cost of acquiring this site. In the view of the planning committee, there is no feasible campus alternative for the development of the required athletics facilities.

The Robinson Court property could, in the view of HNTB Consultants, house a competition and practice soccer stadium, a baseball stadium, and a Marching Band facility. Since the Marching Band could practice on the soccer field, that would free up space on the existing intramural fields. With the relocation of baseball, a track and field facility could be located on Trees Fields. While that might eliminate one of the two existing intramural fields, the deficiency would be made up by providing intramurals with full access to the track infield and limited access to the soccer field. In addition, an intramural field would be provided in the area that would house the field events. Softball would be most appropriately located at Mazerowski Field at the edge of Schenley Park.

The recreation program would benefit from the additional intramural fields and by access to the track and soccer facilities. In addition, Fitzgerald would be renovated to hold an additional court for recreation; the large gymnasium in Trees would be renovated

and aerobic facilities added; Cost would receive a new track and turf throughout to better support field sports for intramurals; and additional fitness facilities would be added to Bellefield.

The committee also proposed the construction of a new entrance with a plaza for Trees Hall to provide better access to both the swimming facility and Trees Hall generally. The plaza would be extended to Fitzgerald, which would also receive a new entrance. This would greatly enhance the visual impact of the facilities and provide much better access control for both facilities. Coupled with the development of the proposed major facilities in Trees Field and on the Robinson Court property, these changes would provide the University with an impressive athletics/recreation complex. **It must be emphasized that the proposed scenario carefully balances the needs of athletics and recreation. It is important that the balance be maintained throughout the implementation and that the needs of one program not be met at the expense of the other.**

Medicine Facilities Assessment

The School of Medicine operates a large number of instructional, research, and clinical facilities which require continuing investment to meet changing program demands. Medicine, based on its assessment of the current state of its facilities, proposes a comprehensive program for reinvestment in its existing facilities. For purposes of this plan, the facilities that are included are Scaife Hall, BST 1/2/3, Detre Hall, Bellefield Towers, Oxford Building, Theiss Center, Plum Borough Research Center, McGowan Institute, and the Falk Clinic. Medicine anticipates that it will require significant

additional research and instructional space. It will acquire some of this needed space by renovation to existing facilities to make them more efficient and by the continuing utilization of rental facilities for research programs. The costs noted in the plan are restricted to the maintenance and renovation of the existing facilities listed earlier.

Auxiliary Facilities Assessment

The University must continue a program of regular investment in its residence and dining halls in order to recruit and retain the number and quality of students that it projects. In general, existing residence halls have been well maintained in recent years and are in good condition. Nevertheless, regular renovation and maintenance must continue. Given existing and projected demand, it is clear that a number of campuses will require additional residence halls in the near future. At this time, it is estimated that the Pittsburgh Campus will require an additional 500 beds, and the Bradford, Greensburg, and Johnstown Campuses approximately 100 additional beds each. For the regional campuses, the additional beds are closely related to continuing enrollment growth, and construction will be based on their ability to meet enrollment targets. On the Pittsburgh Campus, additional Auxiliary needs include a modern campus bookstore and an additional dining hall. The adequacy of parking on the Pittsburgh Campus will require continuing review.

COST ESTIMATE METHODOLOGY

The cost estimates prepared by the committee have been developed with great care by Facilities Management on the basis of detailed analyses. In most cases, the

overall estimate is supported by a comprehensive list of specific items with the costs associated with each. This is a level of detail that was not possible in earlier planning and that should help ensure the accuracy of the estimates as well as provide a check-list of required renovations to guide annual schedules. At the same time, it must be emphasized that the costs are estimates only and are subject to revision as project scope or program requirements may change over time. It will be essential to protect against scope changes which would undermine the financial basis for the entire plan.

The estimated costs of the plan are expressed in two distinct ways. First, a detailed cost estimate has been developed for each component in the plan and expressed in 2006 dollars. This provides a consistent and detailed basis for the cost projections. Second, each project has then been subjected to cost escalation based on anticipated inflation in materials and labor. For purposes of projection, the cost of materials is projected to increase at an annual rate of 10% in FY2007 and FY2008, and at a 3% annual rate thereafter through the end of the plan. The cost of labor is projected to increase at an annual rate of 4% in FY2007 and FY2008, and at a 3% annual rate thereafter through the end of the plan. The technology components of the plan are projected to increase at a 3% annual rate. Throughout the plan, the initial amount is the 2006 detailed estimate, followed by the projected inflated cost in parentheses. Please note, however, that no attempt has been made to estimate the annual growth in revenue which would be available to cover these inflated costs.

ORGANIZATION OF THE FACILITIES PLAN

The challenges of organizing this plan are quite different from those faced by the earlier committee. The proposed plan has much more emphasis on major renovation projects, many of which will take a number of years to conclude. Establishing scheduling priorities is a difficult task, requiring a balance between programmatic priority and financial capability. In addition, a number of deserving projects which did not achieve the highest level of criticality have had to be omitted because of cost considerations. At the same time, the committee recognized that not all projects that would be required over the next dozen years could be identified at this time, and some of those that have been projected may have significant changes in scope depending upon programmatic developments. Opportunities will arise that cannot now be foreseen and priorities will inevitably shift in response to those opportunities. At the same time, a clear and consistent focus on advancing the academic mission of the University must remain at the core of the planning exercise, both now and throughout the implementation of the plan. To respond thoughtfully to opportunities does not mean, however, that short-term goals should advance at the expense of the long-term development of the University. Retaining this focus on overall institutional goals will remain the greatest challenge throughout the life of the plan. The balance between opportunism and a commitment to strategic priorities will be difficult to maintain, and it will require the discipline that can only come through an understanding of the precarious position of the University, which could more easily decline than advance.

Within this larger context, the committee advances a framework for facilities planning that identifies specific major projects while at the same time providing limited

but regular funding for smaller projects. That latter type of funding has proven critical during the last decade in enabling the academic programs to continue to develop in response to challenges and opportunities. Within the major projects, the emphasis is heavily on the development of the University's infrastructure for science and technology, although the overall development of all facilities on all campuses to ensure adequate support for all programs is not neglected.

MAJOR PROJECTS 2007-2018

Through the detailed assessment and priority setting that resulted from the planning process, a number of major projects were identified as critical to the University's ability to meet its academic goals. These projects are heavily weighted toward significant reconstructions of several of the major academic buildings on the Pittsburgh Campus, particularly those that largely support the research effort. Other projects advance important University goals related to the recruitment and retention of students or the development of needed infrastructure. All projects listed can be traced back to the goals and priorities described earlier in the plan. It should be emphasized that, in addition to the specific projects listed, all buildings on all campuses have been carefully assessed relative to the requirements of the programs they house and a detailed list of improvements developed. The cost of these additional projects is included in the plan.

These renovation projects and their current estimated costs (expressed in 2006 dollars followed by inflated dollars in parentheses), which will be substantially borne by the E&G budget, are as follows:

Pittsburgh Campus

E&G

Allen/Thaw/OEH/SRCC/NPL	\$44,705,000	(58,618,000)
Benedum	48,030,000	(52,358,000)
Parran/Crabtree	37,550,000	(43,683,000)
Salk/Dental Annex	30,447,000	(40,173,000)
Clapp/Langley/Crawford	56,445,000	(72,512,000)
Chevron	23,244,000	(30,951,000)
Victoria	9,185,000	(11,571,000)
RIDC Computer Center	4,800,000	(5,952,000)
Cathedral of Learning	27,312,000	(33,712,000)
Hillman Library	35,915,000	(52,167,000)

In addition to these major renovations, one new facility will be constructed since in this single instance it is more cost efficient to build new research laboratory space than to provide it through renovations. In addition, the University will acquire significant additional general classroom facilities in Salk Hall, which will enable the number of classrooms in other buildings to be reduced and the space thereby gained to be assigned to higher priority areas:

Salk Addition	\$39,515,000	(45,104,000)
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The University must also continue to invest in maintaining all of its facilities in appropriate condition to support the programs they house. To maintain, renovate, and modernize the University buildings on all campuses that are not identified above will cost:

All Other Academic Facilities \$49,575,000 (66,562,000)

Ongoing programmatic renovations at the discretion of academic officers are critical for the University to be able to respond to opportunities. These have proven their worth throughout the current plan. In addition, the program of classroom renovations throughout the University is vital to maintaining the quality of the instructional programs. These continuing programs are projected, over the course of the plan, to cost:

Programmatic Renovations \$36,000,000 (N/C)
Classroom Renovations 18,000,000 (N/C)

These modernized facilities and the growing research programs on the Pittsburgh campus will make increased demands on the campus utility infrastructure. The electrical and steam line distribution systems will require systematic extension and upgrading. The projected cost of the improving the utility infrastructure is estimated as:

Utility Infrastructure \$25,558,000 (32,695,000)

In addition to increased utility demands, the information technology resources of the campus must continue to grow and be periodically modernized. Information technology lies at the heart of the instructional and research programs of the University, and the infrastructure must be able to accommodate a growing number of sophisticated users who make increasing demands upon it. During the period of this plan, the information technology infrastructure, including the implementation of campus-wide wireless capability, will be expanded, with the source of funds coming primarily from the technology services and user services fees:

IT Infrastructure \$17,950,000 (20,735,000)

It should be noted that this cost does not include the information technology infrastructure within individual buildings, the cost of which is included in the renovation or construction costs for those buildings, but represents the network that connects buildings to central hubs.

The intercollegiate athletics and recreational needs that were described earlier will require significant investment through the University’s E&G budget, although additional needs of athletics will be met through revenue and fund-raising activities:

Soccer Complex	\$5,900,000	(6,359,000)
Track Complex/IM Field	4,250,000	(4,580,000)
Fitzgerald/Trees/Cost Renovations	4,900,000	(6,893,000)
Softball Field	2,000,000	(2,156,000)

To reiterate an earlier point, the cost of acquiring the Robinson Court property is not included in these totals.

Medicine

The School of Medicine projects that its research, instructional, and clinical programs will require continuing significant investments in existing facilities throughout the period of this plan. The changing demands of patient care and research programs will necessitate continual renovation to ensure that the facilities adequately support their programs. Given the nature of the facilities, the cost of renewal and adaptive reuse is high. The major proposed renovation projects, the cost of which would be borne by School of Medicine resources, include:

Detre/WPIC Facilities	\$60,000,000
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Falk Library	10,000,000
Scaife	42,000,000
BST 1/2/3	15,000,000

Overall renovations to Medicine facilities are projected to cost \$160,825,000 (206,465,000).

Auxiliaries

To remain competitive in student recruitment, the campus housing and dining facilities will require continuing renovation. The projected cost for ensuring that the current facilities remain safe and attractive is:

Residence/Dining Renovations	\$41,920,000	(54,054,000)
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Included in this total is \$2,300,000 (2,780,000) to support continuing upgrades to the information technology environment in the existing residence halls.

Because of growing demand, the campus must continue to build additional student housing. At this point, it is estimated that one additional residence hall for approximately 500 students and an additional campus dining hall will be required:

Residence/Dining Construction	\$32,000,000	(43,074,000)
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With this additional residence hall, the campus would house 7,200 students, which would represent approximately 50% of the full-time day students enrolled. This should enable the campus to continue to attract the high quality students who require and will benefit from a full campus experience as part of their educational program. Developing richer living/learning environments for students is a major emphasis in current academic planning. Having appropriate facilities to support this emphasis will provide a major

competitive advantage. Once these facilities are completed, the University will reassess its housing policies with regard to the feasibility of providing a four-year guarantee. It is impossible at this time to determine with any accuracy student residential patterns so far in advance. A housing rate of 50% of full-time undergraduates is a reasonable goal that is very competitive with similar institutions.

The planning committee did not attempt to assess parking on the Pittsburgh Campus. This review will occur following the adoption of the final plan, when the impact can be more clearly determined relative to continuing and future parking needs on the campus.

Gifts/Other

In a number of instances, important projects will be funded through other sources, including gifts and donations and various fees. For those projects that are to be funded through gifts, it is important to emphasize that they will be completed only if the gifts are in hand to support the full cost of the project. The projects that are tentatively scheduled to be built through gifts include:

Music Addition	\$2,600,000	(3,406,000)
Frick Fine Arts Addition	2,600,000	(3,406,000)
Marching Band Facility	5,000,000	(6,550,000)
Baseball Complex	3,000,000	(3,233,000)
Trees Pool Diving Well	3,100,000	(4,520,000)

Additional sources of funding for certain projects are student and user fees or other sources of revenue that can be directed to specific projects that benefit the users.

During the period of this plan, the projects that are scheduled to be completed through such sources of revenue include:

Falk School Renovations/Addition \$11,960,000 (13,643,000)

The existing facility is grossly inadequate in quality and size to support high quality instructional programs. The renovation and addition will permit the significant expansion of the School's enrollment, which will in turn provide the additional required revenue to fund the project, and provide high quality space for the program.

In addition, as noted previously, a significant portion of the information technology infrastructure will be implemented through existing fees, although it will be necessary to increase those fees periodically in order to provide the enhanced level of service that will result from the upgrades.

Lastly, the lack of an appropriate conference facility is proving detrimental to the University's efforts to host academic conferences and meeting. Such conferences, usually relative small in scale, require adequate facilities and a conference planning staff. The acquisition of the University Club provides the opportunity to explore the possibility of developing that facility as a conference/meeting center, most probably in partnership with a professional firm that specializes in the operation of such facilities. The facility also has other revenue generating capability in terms of room rental and food service, including perhaps the inclusion of a club for faculty/staff/alumni, etc. A feasibility study of developing the University Club for these various activities is underway and a specific proposal will be developed. The range of required renovations will depend upon the final scope of the program, and their cost, as well as the cost of the ongoing operation of the facility, would be met entirely through revenue generation. For planning purposes, an

amount that would bring some portion of the facility up to a standard suitable for academic meetings, with other potential renovations dependent upon the final scope of the development proposed, is included:

University Club Renovations	\$4,000,000	(4,532,000)
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Regional Campuses

E&G

As a result of the significant construction that has occurred on the regional campuses in the recent past, their facilities are in excellent condition and generally well designed to accommodate their existing and future instructional programs. Based on the assessments of their facilities by both IDC Architects and Facilities Management, some ongoing renovations will be required, primarily to modernize building systems and to increase utilization. The projected amounts for those renovation and renewal projects that will be supported through the E&G budget by campus are as follows:

Bradford	\$5,892,000	(7,047,000)
Greensburg	1,037,000	(1,335,000)
Johnstown	5,633,000	(7,390,000)
Titusville	1,428,000	(1,802,000)

As is the case with projects on the Pittsburgh Campus, detailed building-by-building analyses underlie these cost totals with specific projects listed in priority order. As a result of these improvements in existing facilities, the regional campuses will have in place excellent facilities and more efficient space utilization. In several instances, the

campuses will acquire significant additional space by recovering inefficiently used areas through renovation.

In addition to these renovations, the regional campuses will participate proportionally in the University program to ensure the systematic renovation of classrooms. The cost of this program at all the regional campuses is as follows:

Classroom Renovation	\$2,400,000	(N/C)
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Auxiliaries

The campuses must continue to invest in ongoing renovations to their residence and dining halls to continue to be attractive to incoming students in a highly competitive market. In addition, the campuses intend to increase their enrollments above their current levels and will require additional residence halls to meet their enrollment goals. These goals, compared to current enrollment levels, are as follows: Bradford, 1,500 (1,125); Greensburg, 1,750 (1,690); Johnstown, 3,250 (3,015); and Titusville, 500 (450) The additional proposed residence hall construction would bring the number of beds on each campus to 744 in Bradford; 720 in Greensburg; 1,937 in Johnstown. Titusville has a surplus of beds with its current 311. The projected cost of those renovations and of the new construction is as follows:

Bradford	Renovation	\$1,030,000	(1,219,000)
	Construction	6,500,000	(7,428,000)
Greensburg	Renovation	865,000	(1,037,000)
	Construction	4,500,000	(5,143,000)

Johnstown	Renovation	7,314,000	(9,469,000)
	Construction	5,000,000	(5,714,000)
Titusville	Renovation	953,000	(1,234,000)

In addition to the renovation costs noted above, significant investments will be required in the information technology environment in all the existing residence halls. These costs, which will be borne by the campus auxiliary budgets, are noted below:

Residence Hall IT Infrastructure	\$1,300,000	(1,606,000)
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Gifts/Other

The regional campuses are mounting aggressive fund raising campaigns to support the construction of several important projects. In addition, they are implementing appropriate additional student fees and utilizing auxiliary revenue to provide facilities that will enhance student life. The proposed projects by campus that will be funded through such approaches are listed below:

Bradford	Chapel Construction	\$3,000,000	(4,424,000)
Greensburg	McKenna Addition	3,500,000	(4,000,000)
	Campana Assembly	1,000,000	(1,143,000)
	Recreation Facility	8,000,000	(10,481,000)
Johnstown	Recreation Facility	9,000,000	(10,285,000)

The additional recreation facilities, in particular, are essential to respond to the growing demand that will be made by the increasing number of residence students. Recreational facilities are an important competitive factor, particularly as the regional campuses must expand their resident student population in order to achieve their enrollment goals.

FACILITIES PLANNING PRIORITIES

Because of the magnitude of the overall plan and the large number of major projects, it is necessary for both cost considerations and management capability to divide the overall plan into three phases of four years each. The planning periods are as follows: FY2007-2010; FY2011-2014; and FY2015-2018. The projects within each period are assigned their priority based on the academic significance of their programs and the specific condition of the current facilities in terms of their ability to support those programs. In a number of instances, major projects are extended over a number of years and into multiple phases in order to be least disruptive to current building occupants and to minimize the overall cost of renovations. **The actual schedules must be developed in close consultation with the building occupants, although it is essential that this consultative process not become an occasion for significant expansion of scope.**

With these caveats in mind, the schedule developed by the committee for the initiation of major projects is as follows, with the notation of whether the project is expected to extend beyond the specific phase. For a complete list of projects and their estimated costs within each phase (expressed in 2006 dollars and inflated dollars), refer to **Attachment 5 and Attachment 6**. The specific start and end date for each project has not yet been developed. The schedule for the projects listed in FY2007-2010 will be put into place over the Summer of 2006. In several instances, significant planning has already been underway and detailed schedules developed. For example, the Benedum, Clapp/Langley/Crawford, and Parran/Crabtree projects have been initiated in consultation with building occupants. A detailed plan is in place for the Falk School project. The athletics projects slated for Robinson Court await the acquisition of the property.

FY2007-2010

Pittsburgh Campus

Benedum Renovation

Falk School Addition Construction

Clapp/Langley/Crawford Phased Renovation

Cathedral of Learning Phased Renovation

Softball/Baseball/Soccer/Track Construction

Residence Hall Phased Renovations

IT/Utility Phased Development

Phased Classroom Renovation

Parran/Crabtree Renovation

Chevron Phased Renovation

Victoria Phased Renovation

Medicine Phased Renovation

Salk Addition Construction

General Campus Phased Renovation

Phased Programmatic Renovation

University Club Renovation

Regional Campuses

Bradford, Greensburg, Johnstown

Greensburg

Greensburg

Johnstown

All

All

All

Residence Hall Construction

McKenna Addition Construction

Campana Assembly Construction

Recreation Facility Construction

Phased Building Renovation

Phased Residence Hall Renovation

Phased Classroom Renovation

FY2011-2014

Pittsburgh Campus

Allen/Thaw/OEH etc Phased Renovation

Clapp/Langley/Crawford Phased Renovation

Salk Phased Renovation

Chevron Phased Renovation

Victoria Phased Renovation
Cathedral of Learning Phased Renovation
Trees/Cost/Fitzgerald Phased Renovation
Residence Hall Phased Renovation
Frick Fine Arts Addition Construction
Phased Programmatic Renovation

Medicine Phased Renovation
General Building Phased Renovation
IT/Utility Phased Development
Residence Hall Construction
Music Addition Construction
Phased Classroom Renovation

Regional Campuses

Greensburg

Recreation Facility Construction

All

Phased Building Renovation

All

Phased Residence Hall Renovation

All

Phased Classroom Renovation

FY2015-2018

Pittsburgh Campus

Allen/Thaw/OEH etc Phased Renovation
Clapp/Langley/Crawford Phased Renovation
Victoria Phased Renovation
Cathedral of Learning Phased Renovation
General Building Phased Renovation
Residence Hall Phased Renovation
Trees Pool Diving Well Construction
Phased Classroom Renovation

Salk Phased Renovation
Chevron Phased Renovation
Hillman Library Renovation
Medicine Phased Renovation
IT/Utility Phased Development
Dining Hall Construction
Phased Programmatic Renovation

Regional Campuses

Bradford	Chapel/Assembly Construction
All	Phased Building Renovation
All	Phased Residence Hall Renovation
All	Phased Classroom Renovation

PROJECTED COSTS OF IMPLEMENTATION

Mindful of the Chancellor’s charge to develop a facilities plan that could be accommodated within expected financial constraints, the committee has restricted its endorsement of proposals to those that will contribute most significantly to the future success of the University. In addition, it has phased those projects in order to distribute the costs over a wider time frame. This will moderate the debt burdens on the University, as well as provide maximum time to increase funding streams from both the Commonwealth of Pennsylvania and private sources.

The projected cost of the facilities plan is nevertheless quite significant, and the uncertainty of inflation and interest rates will require considerable vigilance throughout the plan. For that reason, it is proposed that the costs for each phase be re-estimated at the beginning of that phase. In other words, the projected cost of projects in the FY2011-2014 and FY2015-2018 periods should be revised during FY2010; and the projected cost of projects in the FY2015-2018 period should be revised during FY2014. This will ensure that future planning remains realistic and accurate estimates of debt burden can be more reasonably assessed.

Within these parameters, the committee projects the following costs by funding type for the completion of the plan, expressed in both 2006 and inflated dollars:

	<u>FY2007-2010</u>	<u>FY2011-2014</u>	<u>FY2015-2018</u>
E&G	196,479,000	160,323,000	134,469,000
	(221,846,000)	(203,245,000)	(187,230,000)
Pittsburgh	187,682,000	156,315,000	130,384,000
	(211,789,000)	(198,211,000)	(181,692,000)
Regionals	8,797,000	4,008,000	4,085,000
	(10,057,000)	(5,034,000)	(5,538,000)
MEDICINE	57,300,000	56,675,000	46,850,000
	(64,858,000)	(73,393,000)	(68,214,000)
AUXILIARIES	34,636,000	43,398,000	23,348,000
	(39,431,000)	(56,463,000)	(34,083,000)
Pittsburgh	13,270,000	40,600,000	20,050,000
	(15,010,000)	(52,837,000)	(29,281,000)
Regionals	21,366,000	2,798,000	3,298,000
	(24,421,000)	(3,626,000)	(4,802,000)
GIFTS/OTHER	42,660,000	21,200,000	10,100,000
	(47,581,000)	(27,529,000)	(14,263,000)
Pittsburgh	29,160,000	13,200,000	7,100,000
	(32,153,000)	(17,048,000)	(9,840,000)

	<u>FY2007-2010</u>	<u>FY2011-2014</u>	<u>FY2015-2018</u>
Regionals	13,500,000	8,000,000	3,000,000
	(15,428,000)	(10,481,000)	(4,423,000)
TOTALS	331,075,000	281,596,000	214,767,000
	(373,716,000)	(360,630,000)	(303,790,000)

The E&G total can be broken down into types of projects in order to demonstrate the emphasis in the proposed expenditures. Two-thirds of the total is designated for renewal projects, with an additional 13% for preservation. This is consistent with the principle of maximizing the adaptive reuse of existing facilities through their modernization. An additional 10% will be expended on campus infrastructure. Only about 10% of the total proposed E&G expenditure is designated for new construction. These percentages are dramatically different from those in the last plan, in which the primary emphasis was on providing the University with adequate and appropriate total space, which required the building of new facilities.

	<u>FY2007-2010</u>	<u>FY2011-2014</u>	<u>FY2015-2018</u>
Preservation	10,374,000	23,476,000	29,975,000
	(12,817,000)	(32,372,000)	(43,861,000)
Renewal	124,800,000	109,278,000	94,935,000
	(140,076,000)	(134,615,000)	(129,611,000)

	<u>FY2007-2010</u>	<u>FY2011-2014</u>	<u>FY2015-2018</u>
Construction	50,800,000	2,100,000	0
	(57,264,000)	(2,720,000)	(0)
Utility/IT Infrastructure	10,505,000	25,469,000	9,559,000
	(11,689,000)	(33,538,000)	(13,758,000)

In summary, the estimated total cost for **E&G** facilities is **\$491,2771,000** (612,321,000); for **Medicine** facilities, **\$160,825,000** (206,465,000); for **Auxiliary** facilities, **\$101,382,000** (129,977,000); and for **Gift/Other** facilities, **\$72,960,000** (89,373,000).

The total projected cost of the proposed facilities plan is **\$827,428,000** (1,038,136,000). It should be emphasized that the actual amount that is projected to be expended on this plan is significantly higher--**\$856,688,000 in 2006 dollars**. Fortunately, the University was able to allocate a large sum toward these projects through the FY2006 budget. In the capital, operating, and fee budgets for FY2006, some **\$33,850,000** has been identified and committed against these projects that are not scheduled to begin until FY2007.

Costs of this magnitude will have a considerable impact on institutional resources, particularly the E&G budget, which will have to bear a significant portion through debt service. The committee has therefore examined carefully both the capability of the E&G budget to carry debt service obligations of this amount and the likelihood of Commonwealth funding to alleviate those obligations. In addition, the University will have to issue debt for E&G, Medicine, and Auxiliary projects, so the debt capacity of the institution is an important consideration. It is essential that the University maintain its high credit rating to reduce the interest obligations. Consultations with the Office of

Budget and Controller have alleviated this concern. That office believes that the University should be able to borrow amounts in this magnitude without adverse effects on its bond ratings.

The committee has outlined a funding strategy that should make it possible for the University to achieve the goals outlined in this plan. Specifically, the E&G amount of \$491,271,000 (612,321,000) is projected to be divided as follows: E&G debt and annual operating budget allocations, \$251,271,000; and Commonwealth annual capital appropriation, \$240,000,000. Unfortunately, the E&G projects cannot be evenly divided over the twelve years of the plan; the largest portion, \$49,120,000 falls in the initial stage and the amounts descend throughout the plan. The Commonwealth support is projected to remain stable at \$20,000,000 annually. As a result, the burden on E&G debt will be heaviest in the earlier years and gradually decline over the length of the plan. Projected Medicine expenditures, on the other hand, are expected to be relatively even through the plan, which will enable Medicine to develop consistent funding strategies. For the Auxiliaries, the largest costs will be the middle years of the plan, and the lowest costs in the last period. This will allow Auxiliary debt capability to increase during the earlier years. Gifts/Other projects are heavily front-loaded, but since there are identified sources for their support, the impact on the overall institutional budget will be relatively small. To reiterate, the total amounts that are projected to be expended during each of three planning periods is presented below followed by the annual cost for each year of the period:

	<u>FY2007-2010</u>	<u>FY2011-2014</u>	<u>FY2015-2018</u>
Projected Cost	\$326,475,000	\$281,596,000	\$214,767,000
	(373,716,000)	(360,630,000)	(303,790,000)
Annual Cost	\$ 82,769,000	\$ 71,149,000	\$ 53,692,000
	(93,492,000)	(90,158,000)	(75,948,000)
E&G Only Annual	\$ 49,120,000	\$ 40,081,000	\$ 33,617,000
	(55,462,000)	(50,811,000)	(46,808,000)

GOALS THAT THE PLAN WILL ADVANCE

It is critical that the University accelerate the rate of progress that has occurred over the last decade. Competition will be increasingly intense, and the effort needed to advance against the competition will be much greater. Ensuring that the University has the facilities required to support its instructional, research, and student life programs will be a key to success. If the University is able to accomplish at minimum the program described in this plan, the required facilities will be in place to support the achievement of the goals laid out earlier. By the conclusion of the plan, all programs in the University on all campuses will be housed in appropriate and adequate facilities. Specifically, the implementation of the proposed facilities plan will have the following benefits and will advance the following goals:

- Existing facilities will be adapted and modernized to support present and future programmatic goals, with an emphasis on research infrastructure.
- Efficiency of existing facilities will be enhanced and aligned with academic priorities.

- Additional space will be provided in the high priority areas of classrooms/instructional labs (increase from 149,000 sf to 175,000 sf) and research labs (increase from 162,000 sf to 224,000 sf)
- Operation and maintenance costs will be held in check by the emphasis on renovation and renewal rather than construction.
- The single E&G new construction, the Salk Addition, will provide high quality research space at a lower cost than the equivalent renovation of Salk.
- Residence hall construction (800 beds) on the Pittsburgh, Bradford, Greensburg, and Johnstown Campuses will provide competitive facilities to meet enrollment targets.
- Recreation facilities will be improved and added at the Pittsburgh, Greensburg, and Johnstown Campuses to provide competitive programs.
- Athletic facilities for practice and competition will be constructed on the Pittsburgh Campus for soccer, track, baseball, and softball, and existing facilities for other programs will be improved.
- Utility and information technology infrastructure will be developed to support accelerating program demands.
- A conference/meeting facility suitable for smaller academic meetings will be provided with appropriate support services to assist in planning.

CHALLENGES THAT MUST BE OVERCOME

The challenges that the University must overcome in completing this plan are significant, but they are not unlike the ones that were successfully met during the recently

completed plan. In order to meet those challenges, the following characteristics will define success:

- An unrelenting focus on academic priorities and the discipline not to deviate from those priorities;
- A consultative plan for renovating the facilities described in the plan without undue disruption to faculty activities and instructional and research programs;
- A continued responsiveness to the demands of competitiveness and a sensitivity to changing external environments; and
- The fiscal discipline to keep projects from growing in scope and cost, so as not to threaten the long term financial strength of the University.

These challenges have been met successfully before and will no doubt be again. There is no alternative if the University is to continue as a leading national research institution.

If this plan proves as successful as its predecessor, it will be possible to accomplish significantly more than is outlined here. But the plan in its current form describes those projects that are essential to the University's continuing success.

Approved by the Facilities Planning Committee

April 4, 2006