

FCR 6

Office of the President
December 12, 2017

Members, Board of Trustees:

APPROVAL TO DECLARE AS SURPLUS UNIVERSITY PROPERTY
AND INITIATE CAPITAL PROJECT LOCATED AT
KIRWAN-BLANDING RESIDENT HOUSING COMPLEX AND DINING COMMONS

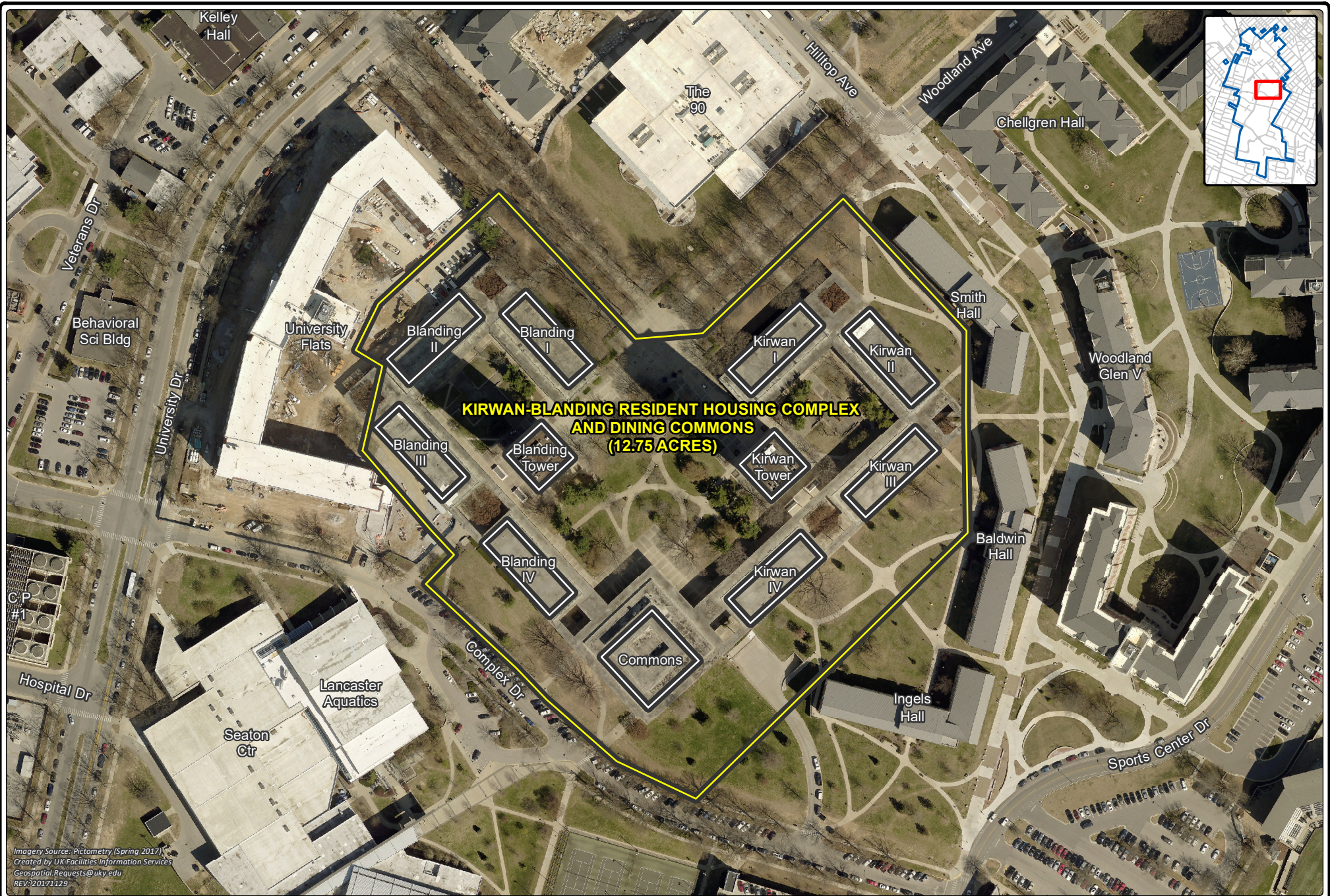
Recommendation: that the Executive Vice President for Finance and Administration, or his designee, be authorized to proceed with design and demolition of the Kirwan-Blanding Resident Housing Complex and Dining Commons, formerly undergraduate student housing and dining commons, located at 750-770 Woodland Avenue, Lexington, Kentucky.

Background: The Kirwan-Blanding Housing Complex and Dining Commons, built in 1967, is located on the southeast side of campus. It consists of two 23-story towers, eight low-rise buildings, and a dining commons comprising over 500,000 gross square feet of space on 12.75 acres. These facilities, with a Facility Condition Index (FCI) of 59.0 percent, are vacant and have reached the end of their useful life. Due to the deteriorating condition of these 11 buildings, use as housing and dining is no longer feasible. During the housing transformation, 6,850 new modern beds in 14 buildings have been added between August 2013 and August 2017. Current housing stock is sufficient to accommodate existing demand. The property is strategically located for the University's needs and the University will regain approximately 12.75 acres of land in a desirable central campus location. It is recommended that the property be declared surplus to the University's needs and demolished.

Kentucky Revised Statute §164A.575(7) states, "the governing board shall sell or otherwise dispose of all real or personal property of the institution which is not needed or has become unsuitable for public use, or would be more suitable consistent with the public interest for some other use, as determined by the board." This property is now surplus to the needs of the University and the proposed demolition is in the best interest of the Commonwealth.

Pursuant to Administrative Regulation 8:2, any capital project with an estimated cost of \$1,000,000 or more must be approved by the Board prior to initiation. The scope of this project is not expected to exceed \$25,000,000 and will be funded with a combination of agency funds and/or third-party financing. The demolition project was authorized by the 2016 Session of the Kentucky General Assembly, Decommission Facilities Pool at \$25,000,000 (Restricted Funds).

Action taken: Approved Disapproved Other _____



**KIRWAN-BLANDING RESIDENT HOUSING COMPLEX
AND DINING COMMONS
(12.75 ACRES)**