

FCR 7

Office of the President
February 20, 2026

Members, Board of Trustees:

INTERNAL LOAN FOR IMPROVE PARKING/TRANSPORTATION SYSTEMS 1 – UK
HEALTHCARE (EXPAND PARKING STRUCTURE 8 – CONSTRUCTION PHASE)
CAPITAL PROJECT

Recommendation: that the Board of Trustees approve an internal loan to fund a portion of the Improve Parking/Transportation Systems 1 - UK HealthCare (Expand Parking Structure 8 – Construction Phase) capital project.

Background: Pursuant to the University’s Internal Loan Program Policy, any internal loan for capital purposes greater than \$1,000,000 must be approved by the Board.

In December 2022, the Board of Trustees approved the construction phase of the Improve Parking/Transportation 1 – UK HealthCare (Expand Parking Structure 8) capital project. This project will expand Parking Structure 8 by adding approximately 700 parking spaces and a shelled office and administrative space to support future University needs due to the UK HealthCare expansion in this area of campus. The project was approved with a scope of \$60,000,000 to be funded with agency funds.

UK HealthCare has determined it does not require the approximately 37,000 square foot office and administrative space. Consequently, the UK Police Department will be relocated to this area of campus to gain efficiencies by consolidating a large part of their support services into a central location. Pursuant to Administrative Regulation 8:2, a scope increase to fund the fit-up costs related to occupancy by the UK Police Department was approved by the president in October 2024 increasing the total scope of the project to \$67,000,000.

The Board is requested to approve a revised funding plan to include an internal loan not to exceed \$8,712,115 for a portion of the project. The remaining \$58,287,885 will be funded with agency funds. Pursuant to the University’s Internal Loan Program Policy, the Debt Management Committee has reviewed and approved this internal loan recommendation.

Action taken: Approved Disapproved Other _____