RESCC Overview, Timeline and Delegated Authority

APRIL 2020
Real Estate, Space and Capital Committee (RESCC)

OVERVIEW

• The Real Estate, Space and Capital Committee (RESCC) sets business practices in place to review, approve and monitor real estate on an institutional basis.

• The committee is representative of all institutional entities and will work closely with executive leadership as well as the Business Development committee.
Real Estate, Space and Capital Committee (RESCC)

CHARTER

- Recommend **strategic placement** of UTMB Health business sites in **leased and owned facilities**
- **Review all space requests** and recommend action
- **Review all license agreements** related to space use and recommend action
- **Review business and financial impact of facilities** changes
- Determine **capital and operational fund requirement drivers** for space
Guiding Principles

- **Re-utilize or decommission** existing space when possible and/or necessary

- Use **metrics and analytics** to determine appropriate allocation and promote action plans to address identified space assignment gaps

- Consider **business and financial impact** to institution for each relocation

- Maintain a **coordinated effort** with Business Development Committee and the contracting process at UTMB Health
Real Estate, Space and Capital Committee (RESCC)

COMMITTEE MEMBERS

President’s Office
- Dr. Ben Raimer (Chair)

Business & Finance
- Cheryl Sadro (CFO)
- Lynn McGinley (VP Budgets)
- Aaron Lemay (VP Accounting)
- Dustin Thomas (VP Decision Support)
- Matt Furlong (AVP Capital and Assets)
- Todd Leach (VP Info. Services)
- Becky Korenek (SVP Strategic Business Development)
- Steven LeBlanc (VP Business Operations Facilities)

Academic Enterprise
- Loren Skinner (CAO)
- Fran Hutchinson (VP Finance)
- Dr. Donald Prough (Chair Anesthesiology)
- Dr. Norman Farr (Clinical Asst. Prof. PMPH)
- Dr. Michael Laposata (Chair Pathology)
- Dr. Lindy Ross (Clinical Asst. Prof. Derm.)

Health System
- Katrina Lambrecht (VP Regional Hospitals)
- David Gruener (VP Finance)
- Jim Amato (VP Health System Operations)
- Carlos Clark (Chief Medical Info. Officer)
Real Estate, Space and Capital Committee (RESCC)

SCHEDULE & FORM

Monthly RESCC Meeting

- Third Thursday of the month

Final Agenda Distributed

- Second Thursday of the Month

Prep Meeting

- First Thursday of the month

Deadline to Submit Space Requests

- Friday COB before Prep Meeting

Real Estate, Space and Capital Request Form

This form can be used for either a space request or request for new or existing leased space. Please complete all sections and return as outlined at the end of this form:

1. **Define Request: Check all that are applicable:**
   - Space in Existing Building
   - Leased Space
   - Other: ________________________________
   - Community, location, or campus being requested: ________________________________
   - New Space
   - Relocation of Space
   - Expansion of Space
   - Change in Use
   - Ground Floor Use (required for all space use on the ground floor)
   - Space Reassignment
   - Capital Equipment $5,000-$75k
   - Capital Equipment >$75k
   - IT/Software/Hardware

2. **Metrics to Define Space Need:**
   - Equipment Description (if applicable): ________________________________
   - Square Feet or number of exam rooms required and if known: ________________________________
   - Space use (e.g., clinic, office, etc.): ________________________________
   - Budget: ________________________________ Funding Source: ________________________________ Operational Date Desired: ________________________________
   - Current Space (if applicable): Use: ________________________________ Location: ________________________________ Sq Ft: ________________________________

3. **Provide Justification (Required):**
   - Please attach a concise narrative describing operational metrics, benchmarks, demographics, and other data to support the request for this space. Include proposed source of funding.

4. **Obtain Signatures (Required):**
   - Signature of this document authorizes Facilities Portfolio Management to proceed with concept analysis for presentation to Real Estate, Space and Capital Committee. This is not an approval for use of UTMB or leased space or an authorization to proceed with a project.

Requestor's Name: ________________________________ Department: ________________________________
Date: ________________________________ Phone: ________________________________ Email: ________________________________

Department Head of Area/Department

Print Name: ________________________________ Signature: ________________________________ Date: ________________________________

Vice President of Area/Department

Print Name: ________________________________ Signature: ________________________________ Date: ________________________________

COO/CAO

Print Name: ________________________________ Signature: ________________________________ Date: ________________________________

Vice President of Finance of Entity

Print Name: ________________________________ Signature: ________________________________ Date: ________________________________

Executive Vice President of Area/Department

Print Name: ________________________________ Signature: ________________________________ Date: ________________________________
Real Estate, Space and Capital Committee (RESCC)

REQUEST WORKFLOW

INPUT

Project Requestor(s)

Health System (includes CMC)

Academic Enterprise

Institutional Support

Business Development Committee

Space / Capital Requestor:
- Completes needed documentation: Space Request - Space/Real Estate Request/Concept Form
- Obtains VP/EVP approval to investigate project
- Submits to appropriate RESCC representative

Stage 1

RESCC
Portfolio Management and/or Capital Planning VP:
- Recommends or defers project concept
- Moves project forward for capital approval

Not Approved

Meeting Minutes will be provided to Cmte. Members and EVPs

Approved

Meeting Minutes will be provided to Cmte. Members and EVPs

Stage 2

Real Estate and Space Project Development Phase

Portfolio Management:
- Works with Requestor to establish a Project scope and identify sites
- Portfolio Management and Design and Construction:
  - Based on scope establishes total project cost $/sf
  - Requestor Prepares Business Plan

No Action Taken or Additional Information Required

Stage 2

RESCC convenes to recommend or defer final project

Meeting Minutes will be provided to Cmte. Members and EVPs

Stage 1

RESCC convenes to:
- Recommend or defer project concept
- Move project forward for capital approval

AVP, Capital Planning or Portfolio Management informs Requestor

Stage 2

Executive Leadership convenes to approve or deny final project

Approved

Not Approved

Executive Recommendation
Real Estate, Space and Capital Committee (RESCC)

ADMINISTRATIVE APPROVAL

- **Temporary ground floor** for construction laydown space up to 5,000 SF
- Renovations **less than $25,000** in construction cost
- All project related **temporary assignments** of space **less than 2,000 SF**
- Request for **change in use** or **reassignment of space under 2,000 SF**, if:
  - Gap is within acceptable range (+ 10% of benchmark)
  - Construction costs are less than $25,000 and funded by requesting department
- Real Estate approvals of all lease renewals when all of the following conditions are met:
  - < 5,000 SF
  - Within 5% of previous of previous lease rate
  - When all parties are in agreement and with VP and EVP approved space request
  - Space utilization is within 10% of agreed upon benchmarks (if applicable)
- Resident housing leases less than **$30,000/year** (with Provost approval)
### Real Estate, Space and Capital Committee (RESCC)

**Timeframe for Requests That Cannot Be Administratively Approved**

*(Excludes Major Capital Projects >$3M That Require BOR Approval)*

<table>
<thead>
<tr>
<th>Step</th>
<th>Space Assignment + No Change in Use</th>
<th>Minor Space Modifications + New Furniture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage 1 Approval</td>
<td>1-4 weeks</td>
<td>1-4 weeks</td>
</tr>
<tr>
<td>Procure IDIQ Architect / Engineer</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>(Includes Funding, PO, Agreement)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Programming + Evaluate Options</td>
<td>2 weeks</td>
<td>2 weeks</td>
</tr>
<tr>
<td>Schematic Design + Business Plan</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Engage BOF Stakeholders + Cost Estimate + Confirm Funding Source</td>
<td>N/A</td>
<td>2 weeks</td>
</tr>
<tr>
<td>Stage 2 Approval</td>
<td>2 weeks</td>
<td>4 weeks</td>
</tr>
<tr>
<td>Executive Approval</td>
<td>2 weeks</td>
<td>2 weeks</td>
</tr>
<tr>
<td>Bid</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Design/ Construction / Move-In</td>
<td>1 week</td>
<td>6-8 weeks (Lead time for new furniture)</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>Min. 8-11 weeks</strong></td>
<td><strong>Min. 17-22 weeks</strong></td>
</tr>
</tbody>
</table>
## Real Estate, Space and Capital Committee (RESCC)

**TIMELINE FOR REQUESTS THAT CANNOT BE ADMINISTRATIVELY APPROVED**
*(EXCLUDES MAJOR CAPITAL PROJECTS >$3M THAT REQUIRE BOR APPROVAL)*

<table>
<thead>
<tr>
<th>STEP</th>
<th>MODERATE SPACE MODIFICATIONS (JOC)</th>
<th>MAJOR SPACE MODIFICATIONS (BID, &lt;$3M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage 1 Approval</td>
<td>1-4 weeks</td>
<td>1-4 weeks</td>
</tr>
<tr>
<td>Procure IDIQ Architect / Engineer</td>
<td>6 weeks</td>
<td>6 weeks</td>
</tr>
<tr>
<td>(Includes Funding, PO, Agreement)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Programming + Evaluate Options</td>
<td>+/- 4 weeks</td>
<td>+/- 6 weeks</td>
</tr>
<tr>
<td>Schematic Design + Business Plan</td>
<td>+/- 6 weeks</td>
<td>Varies</td>
</tr>
<tr>
<td>Engage BOF Stakeholders + Cost Estimate + Confirm Funding Source</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Stage 2 Approval</td>
<td>2 weeks</td>
<td>2 weeks</td>
</tr>
<tr>
<td>Executive Approval</td>
<td>2 weeks</td>
<td>2 weeks</td>
</tr>
<tr>
<td>Bid</td>
<td>N/A</td>
<td>12 weeks</td>
</tr>
<tr>
<td>Design/ Construction / Move-In</td>
<td>Varies</td>
<td>Varies</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>MIN. 27+ WEEKS</strong></td>
<td><strong>MIN. 29+ WEEKS</strong></td>
</tr>
</tbody>
</table>

*Exact schedule varies per project. Budgets and schedule will be reviewed at RESCC Stage 2 and over the course of the project.*
# A/E Space Management Policy Benchmarks

Recognized by RESCC and the current IHOP Space Management Policy

<table>
<thead>
<tr>
<th>Benchmark Metric</th>
<th>A/E Space Mgmt Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct &amp; Indirect Expenditures / SF</td>
<td>$317/ SF</td>
</tr>
<tr>
<td>Years of Expenditures</td>
<td>Previous Fiscal Year</td>
</tr>
<tr>
<td>Research Space Definition</td>
<td>• 250 (Lab)</td>
</tr>
<tr>
<td></td>
<td>• 255 (Lab Service)</td>
</tr>
<tr>
<td>Centers and Cores</td>
<td>• Move the $ and the PI to the parent department</td>
</tr>
<tr>
<td></td>
<td>• Remainder not modeled</td>
</tr>
<tr>
<td>Ramp-Up Period</td>
<td>• Exempt</td>
</tr>
</tbody>
</table>
# A/E Space Management Policy and RESCC Process

## Authority for Approvals

<table>
<thead>
<tr>
<th>CONDITION</th>
<th>A/E Space Mgmt Policy</th>
<th>RESCC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocation of Research Space from Provost Space Pool</td>
<td>Chief Research Officer (CRO)</td>
<td>DOES NOT REVIEW</td>
</tr>
<tr>
<td>Expansion of Research Space Within Department</td>
<td>Department Chair</td>
<td>DOES NOT REVIEW</td>
</tr>
<tr>
<td>Expansion of Research Space Inter-Department</td>
<td>Department Chairs Approve Or CRO Executive Advisory Group makes binding decision</td>
<td>DOES NOT REVIEW</td>
</tr>
<tr>
<td>Change in Use of Space</td>
<td>Defers to RESCC</td>
<td>Committee reviews all expected costs at Stage 2 and recommends approval to Executives Stakeholders: Design/Construction, Interiors, Movers, EHS, Portfolio Management, IT, Signage, Lock Shop and Finance</td>
</tr>
<tr>
<td>Renovation of Space</td>
<td>Defers to RESCC</td>
<td>Committee reviews all expected costs &gt;$25000 at Stage 2 and recommends approval to Executives after Stakeholder review: Design/Construction, Interiors, Movers, EHS, Portfolio Management, IT, Signage, Lock Shop and Finance</td>
</tr>
</tbody>
</table>