

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

UW Tower Occupancy Progress Report, March 2008

The last UW Tower planning progress report was provided to the Board of Regents at the January 2008 meeting. A general summary of occupancy progress is provided below.

BUILDING TRANSITION AND OCCUPANCY PROGRESS

The first phase of move-ins to the UW Tower properties began last month with the Office of Planning and Budgeting's move to the UW Tower on February 27. This first phase of moves also includes Educational Outreach, the Office of Research, UW Technology Services, the Attorney General's Office, UPress, the School of Nursing, and the School of Public Health and Community Medicine.

The overall move-in schedule is tracking within the original tower acquisition proforma assumptions which assumed that the buildings would be 50% occupied by June 30, 2008, 75% occupied by December 31, 2008 and 100% occupied by June 30, 2009. The current move schedule is very close to the proforma assumptions and we are working to exceed the ramp-up schedule. More detailed information, including unit move-in schedules, can be found at <http://www.uwtower.org/Main.aspx>.

Work is going on throughout the office properties to prepare floors for occupancy based on the move-in schedule:

Work to extend fiber to the property and replace the vertical telephone/data wiring and electrical wiring in the UW Tower buildings is essentially complete.

Cleaning and painting of the interior surfaces of the perimeter pillars, and the building core has largely been completed, as have fire alarm and building control upgrades.

The furniture given to the University by Safeco has been inventoried, disassembled and stacked on several floors throughout the tower to facilitate reassembly according to the specific space requirements of the occupants.

The City issued the permit for the new parapet and exterior sign package on February 4, and the project has been put out to bid with a target installation date for the new signs in May. Approximately \$980,000 has been provided from central capital reserves for the sign change project.

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Building orientations are underway for all future building occupants to familiarize staff and faculty with the facilities and the neighborhood.

Consistent with the proforma assumptions, the administration is proposing to finance various capital improvements necessary to prepare the property for occupancy. The debt service costs associated with these improvements have been factored into the UW Tower rent rate.

Maintenance and repair work is underway in the parking garages and a capital improvement project for seismic upgrades is planned for this summer.

A dedication event is being planned for April 25 to celebrate the University's occupancy of the tower properties.

The two surface parking lots included in the acquisition are currently being leased for parking under varying arrangements. The University and the City have finalized a lease for use of Lot #1 as a temporary fire station (May 2008 to December 2009). The administration is also evaluating future options including development of faculty/staff housing on one or both of these lots.