

UC Davis Health Capital Program

UC Davis Health believes the ability to live a healthy life should be enjoyed by every person. Committed to improving lives and transforming health care, UC Davis Health builds the best possible facilities for our care team members to provide excellent patient care; conduct groundbreaking research; foster innovative, interprofessional education; and create dynamic, productive partnerships with the surrounding communities.

UC Davis Health's capital priorities remain focused on: improving patient, research, and education spaces; working towards meeting California seismic mandates; modernizing aging infrastructure and technology; managing the equipment lifecycle to support continued growth; and expanding access to outpatient services throughout the Sacramento region.

35
Active Projects

$4.5B
Active Projects Investment

13
Completed Projects (FY 2025-26)

$702M
Completed Projects Investment

$1.4B
Capital Financial Plan (CFP) Identified Funding for projects FY 2026-27 to FY 2031-32

RECENT PROGRESS

1 million square feet
of new development opened last year

Key Metrics

- California Tower and Central Utility Plant Expansion projects achieved Topping-Out milestones
- 24 operating rooms undergoing renovation and modernization through 2028
- Ranked No. 1 hospital in Sacramento Region by U.S. News & World Report for the 15th consecutive year

Priority Areas

- Transition to renewable energy sources
- Operating room modernization
- Hospital growth planning

UC Davis Health Capital Program

Capital Priorities

UC Davis Health continues to balance regulatory requirements, infrastructure renewal, and strategic growth across its capital program. During the past year, significant effort was dedicated to implementing a capital governance and prioritization framework to better align project investments with organizational priorities and inform long-term capital planning. While seismic compliance remains a major focus, with several acute care facilities requiring upgrades to meet state mandates, capital investments continue to support key growth initiatives, including the California Tower, Central Utility Plant Expansion, and the operating room modernization. Together, these investments strengthen critical infrastructure, expand capacity, and support UC Davis Health's commitment to providing high-quality patient care.

Strategic Context and Local Initiatives

Modernizing for Excellence: Enhancing Care Through Strategic Investment

UC Davis Health's growth strategy is centered on patient access, seismic readiness, and renewal of critical infrastructure. Continued population growth across the region and increasing competition from healthcare providers in surrounding communities are driving demand for modern outpatient services, advanced clinical facilities, and durable infrastructure. In response, capital investments are focused on modernizing core clinical systems, renewing aging facilities, and meeting seismic compliance requirements to support patient care and position UC Davis Health for future growth.

Recently Completed Projects

Central Utility Plant Urea Replacement

The Urea Replacement project was successfully completed following a highly coordinated 32-day co-generation shutdown and system conversion. The Urea converts turbine gas emissions into water vapor in compliance with the Sacramento Water Quality Board. Implementation required extensive collaboration among Facilities, Operations, Environmental Health and Safety, regulatory agencies, and contractors to navigate significant field and operational challenges, including emergent equipment issues, evolving design requirements, and nearly 200 inspections within a fixed outage window. Through continuous coordination and rapid problem-solving, the team maintained the schedule, secured all required approvals, and restored plant operations. Completion of the project ensured regulatory compliance, avoided potential environmental penalties, and minimized operational risk and utility costs to UC Davis Health.

EXHIBIT 23. **Completed Projects Distribution by Budget Category**

	Budget $1M - $10M	Budget $10M - $20M	Budget > $20M	Total
Total Number	11	-	2	13
	85%	-	15%	100%
Total Budget	**$66M**	**-**	**$636M**	**$702M**
	9%	**-**	**91%**	**100%**

UC Davis Health Capital Program

Projects in Progress

Supporting Growth Through Modernization and Renewal

UC Davis Health has 35 active projects entering FY 2026-27 totaling more than $4.5 billion in capital. This amount encompasses the $3.7 billion dollar California Tower project, a 14-story hospital tower and five-story pavilion which adds approximately 900,000 GSF of space to the existing medical center. The Central Utility Plant Expansion (CUPx) project modernizes and expands the infrastructure that supports the operating rooms, inpatient units, labs and clinics across the campus. Additionally, the CUPx project expands utility capacity to accommodate future growth while reducing greenhouse gas emissions, positioning the Sacramento campus towards carbon-free operations. Both projects are scheduled for completion in 2030.

Seismic Snapshot

Seismic Compliance Program Accelerates

At the end of FY 2025-26, five acute care buildings (approximately 812,000 GSF) had a non-compliant rating under the HCAI seismic rating system for Structural Performance Category and Non-Structural Performance Category. Work on multiple seismic projects will accelerate to complete necessary seismic improvements and meet the compliance deadline of 2030. Seismic improvement requires approximately $174 million for current and future seismic compliance projects to address facility needs.

Restoration and Renewal Snapshot

Restoration and Renewal projects are part of an ongoing effort to address needs identified through the Facility Condition Assessment process. This assessment helps inform future priorities, projects, and long-term strategies.

EXHIBIT 24. **Active Projects Distribution by Budget Category**

	Budget $1M - $10M	Budget $10M - $20M	Budget > $20M	Total
Total Number	26	4	5	35
	74%	11%	14%	100%
Total Budget	**$99M**	**$51M**	**$4.4B**	**$4.5B**
	2%	**1%**	**97%**	**100%**

Note: Because of rounding, some totals may not correspond with the sum of the separate parts.



UC Davis Health Capital Program

Capital Financial Plan (2026-32)

2026-32 Outlook and Progress on Priorities

UC Davis Health's six-year capital outlook identifies approximately $1.4 billion in essential investments. Project typologies include seismic safety and compliance, infrastructure renewal, medical equipment replacement and growth and expansion. While hospital reserves and external financing are designated to cover $1.3 billion of this amount, additional funding is needed to advance the key priorities in a constrained fiscal environment.

Unfunded Needs and Advocacy Priorities

Approximately 10 percent of UC Davis Health's proposed capital plan—$136 million—remains unfunded. The focus of which is on future seismic upgrades to existing buildings that are vital to ensuring compliance and patient safety. Advocacy and strategic partnerships will be essential to closing this gap and maintaining high-quality patient care.



UC Davis Health Capital Program



Project Highlight

The Medical Campus Operating Room Integration Modernization project updates and renovates all (24) operating rooms, replacing light and monitor booms, surgical equipment and upgrading audiovisual technology. In addition to standard operating rooms, several of the operating rooms will convert to Cardiovascular Operating Rooms (CVORs) with a shared Perfusion Room, Flexible Operating Rooms and a replacement Hybrid OR. Updates also address improvements to the Pre-Op and the Post-Anesthesia Care Unit (PACU) spaces including headwall and nurse station replacements, as well as a remodel of the surgical waiting room.

PROJECT NAME
Medical Campus Operating Room Integration Modernization

TYPE
Hospital and Clinical

GSF
83,000

COMPLETION DATE
Fall 2028

PROJECT COST
$107M

ARCHITECT
Taylor Design

CONTRACTOR
Swinerton Builders

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Campus Seismic Plan Priority Group A Buildings

Building Name	FY25-26 SPR	FY25-26 SPC Rating	FY25-26 NPC Rating
Central Plant		5	2
Davis Tower		5	2
Main Hospital (CT Scan Building)		5	4
Main Hospital (East Wing Laundry)		4	2
Main Hospital (East Wing Radiology)		2	2
Main Hospital (East Wing Tower)		2	2
Main Hospital (Emergency Room Expansion)		1R	1R
Main Hospital (MRI)		1R	1R
Main Hospital (North/South Wing)		1R	1R
Main Hospital (University Surgery Center)		1R	1R
Main Hospital (University Tower)		4	2
Surgery and Emergency Services Pavilion		5	4
UMC BROADWAY (Broadway Building)	VI		
UMC CYPRESS (Cypress Building)	VI		
UMC IMAGING (Imaging Research Center)	VI		
UMC POLICE (Police Building)	VI		

Completed in FY 2025-26 Capital Projects Over $20M

Project	New, Renovation, Both, Infrastructure	Original Budget ($000s)	Augment ($000s)	Current Budget ($000s)	% Increase	Reason for Augmentation	Reason for Major Delay
DVH-Sacramento Ambulatory Surgery Center	New Building Construction	$563,000,000	$6,698,000	$569,698,000	1%	Fund Source Swap	Scope and Programmatic Changes
DVH-UCDH Parking Structure 7	New Building Construction	$66,000,000	$-	$66,000,000	0%		

UC Davis Health Capital Program

Active Capital Projects as of June 30, 2026 Over $20M

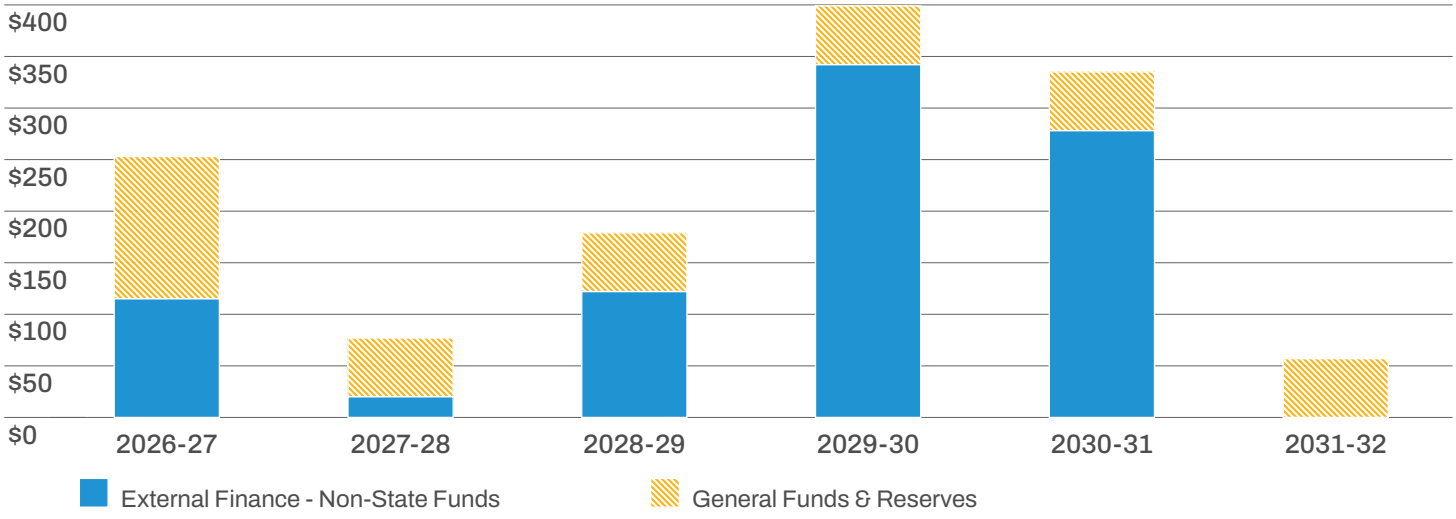
Project Name	Project Type	Original Approved Budget	Augmentation	Current Budget	Cost Change	Reason for Augmentation	Reason for Major Delays
DVH-California Hospital Tower	New Building Construction	$3,773,251,000	$-	$3,773,251,000	0%		
DVH-Central Utility Modernization and Expansion	Infrastructure	$406,000,000	$-	$406,000,000	0%		
DVH-Medical Campus Operating Room Integration Modernization	Renovation	$107,300,000	$-	$107,300,000	0%		Other
DVH-Main Hospital Interventional Radiology Suite Upgrade	Renovation	$26,000,000	$-	$26,000,000	0%		
DVH-Davis Tower Radiology Nuclear Med #1878 Remodel	Renovation	$8,500,000	$17,090,000	$25,590,000	201%	Scope and programmatic changes	Scope and programmatic changes

UC Davis Health
(2026-32 Capital Financial Plan)

Capital Need with Funding

Capital projects with identified funding have an anticipated funding plan, although some funding may not ultimately be realized, particularly gift funds, public private partnerships, and grants that depend on external entities. A project listed with a funding plan does not constitute capital budget approval, but it does inform the approval process for capital projects.

Proposed Capital Program Fund Sources ($M)



UC Davis Health Capital Program

($000s)	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	Total
ACC PET/CT Replacements	13,000 HR	-	-	-	-	-	13,000
East Wing Laundry NPC 4 Seismic Compliance	18,000 EF	-	-	-	-	-	18,000
East Wing Tower and Radiology SPC-4D Seismic Compliance	25,000 EF	-	-	-	-	-	25,000
Main Hospital IR/CT Room Renovations	22,000 HR	-	-	-	-	-	22,000
NPC 5 Emergency Water Compliance - Non-Acute Care Buildings	12,000 EF	-	-	-	-	-	12,000
NPC 5 Emergency Water Compliance - OSHPD Buildings	24,000 EF	-	-	-	-	-	24,000
SESP Critical Water Infrastructure and Central Processing Unit Equipment Replacement	35,000 HR	-	-	-	-	-	35,000
UC Davis Health Priority 1 (Renovation/Replacement/ Expansion)	12,000 EF	-	-	-	-	-	12,000
University Tower Elevator Upgrades (#11-15)	11,000 HR	-	-	-	-	-	11,000
University Tower NPC 4 Seismic Compliance	24,000 EF	-	-	-	-	-	24,000
UC Davis Health Priority 2 (Renovation/Replacement/ Expansion)	-	20,000 EF	-	-	-	-	20,000
UC Davis Health Initiative 1 (Hospital Modernization/ Clinical Expansion)	-	-	100,000 EF	-	-	-	100,000
UC Davis Health Priority 3 (Renovation/Replacement/ Expansion)	-	-	22,000 EF	-	-	-	22,000
UC Davis Health Initiative 2 (Hospital Modernization/ Clinical Expansion)	-	-	-	300,000 EF	-	-	300,000
UC Davis Health Priority 4 (Medical Office Building)	-	-	-	42,000 EF	-	-	42,000
UC Davis Health Initiative 3 (Hospital Modernization/ Clinical Expansion)	-	-	-	-	278,000 EF	-	278,000
Health System Projects ≤ $10M	12,000 HR	12,000 HR	12,000 HR	12,000 HR	12,000 HR	12,000 HR	72,000

UC Davis Health Capital Program

($000s)	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	Total
Health System Projects Capital Equipment Replacement ≤ $10M	20,000 HR	20,000 HR	20,000 HR	20,000 HR	20,000 HR	20,000 HR	120,000
Health System Projects Capital Renewal/ Infrastructure ≤ $10M	25,000 HR	25,000 HR	25,000 HR	25,000 HR	25,000 HR	25,000 HR	150,000
TOTAL	**253,000**	**77,000**	**179,000**	**399,000**	**335,000**	**57,000**	**1,300,000**

Capital Need with Not Identified ($000s)

The Capital Need with Funding represents only a portion of the total capital need. The table below lists projects for which a funding plan has not been established.

	($000s)
MEDICAL CENTER PROJECTS	
Seismic Priority A	66,000
Seismic Priority B	54,000
Seismic Priority C	16,000
TOTAL	**136,000**