



2024 University of Minnesota Capital Request

House Capital Investment
February 19, 2024



UNIVERSITY OF MINNESOTA

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Building Minnesota's Future

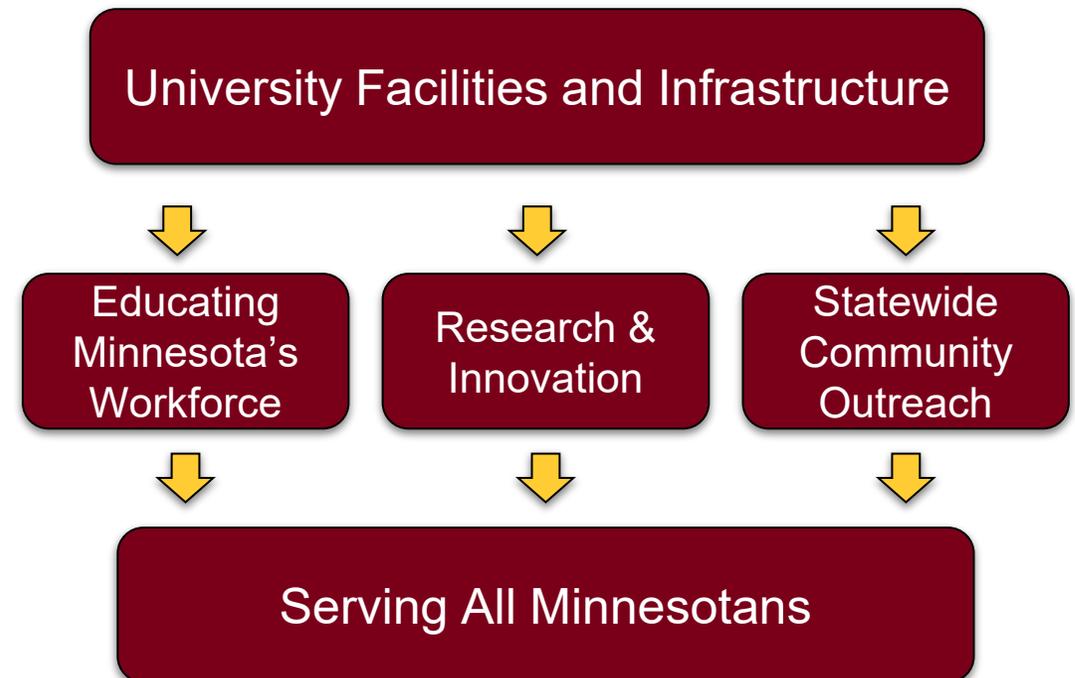
Higher Education Asset Preservation and Replacement (HEAPR) funding was created by the Legislature to recognize the uniqueness and complexity of the buildings and properties owned by the University of Minnesota and Minnesota State, and provide funding for their maintenance.



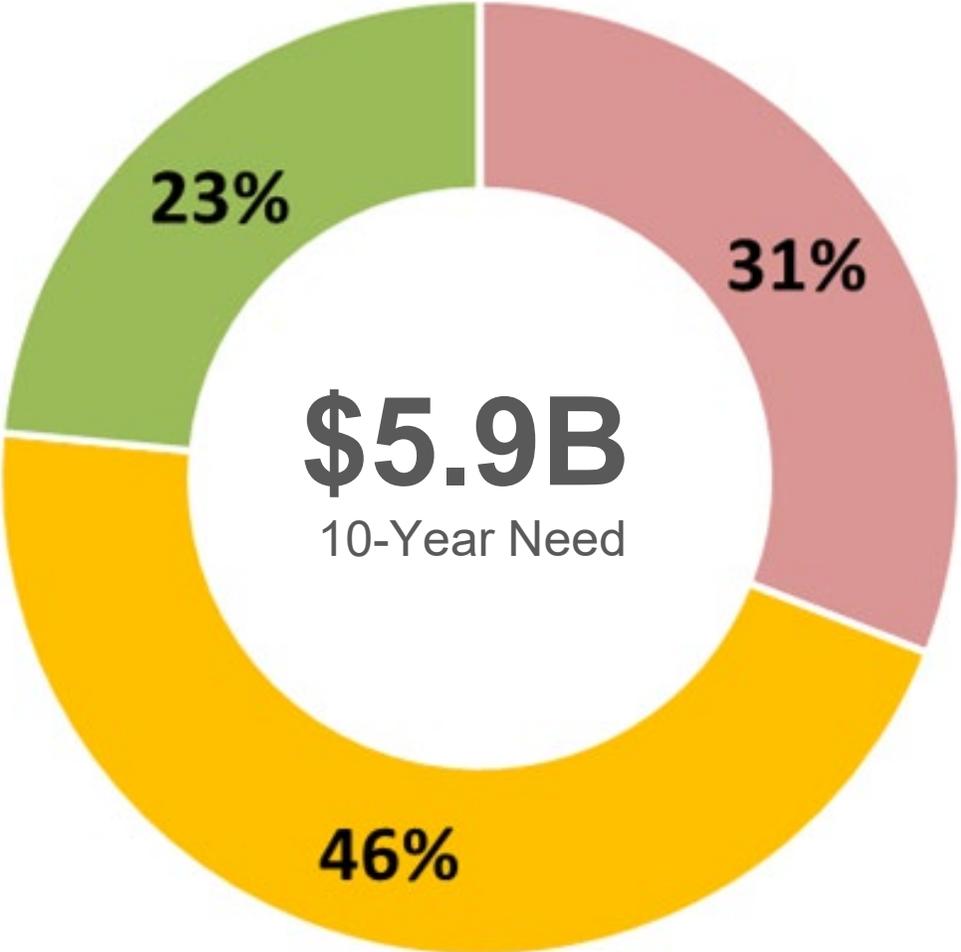
2024 University of Minnesota Capital Request

\$500 million in Higher Education Asset Preservation and Replacement (HEAPR) funding

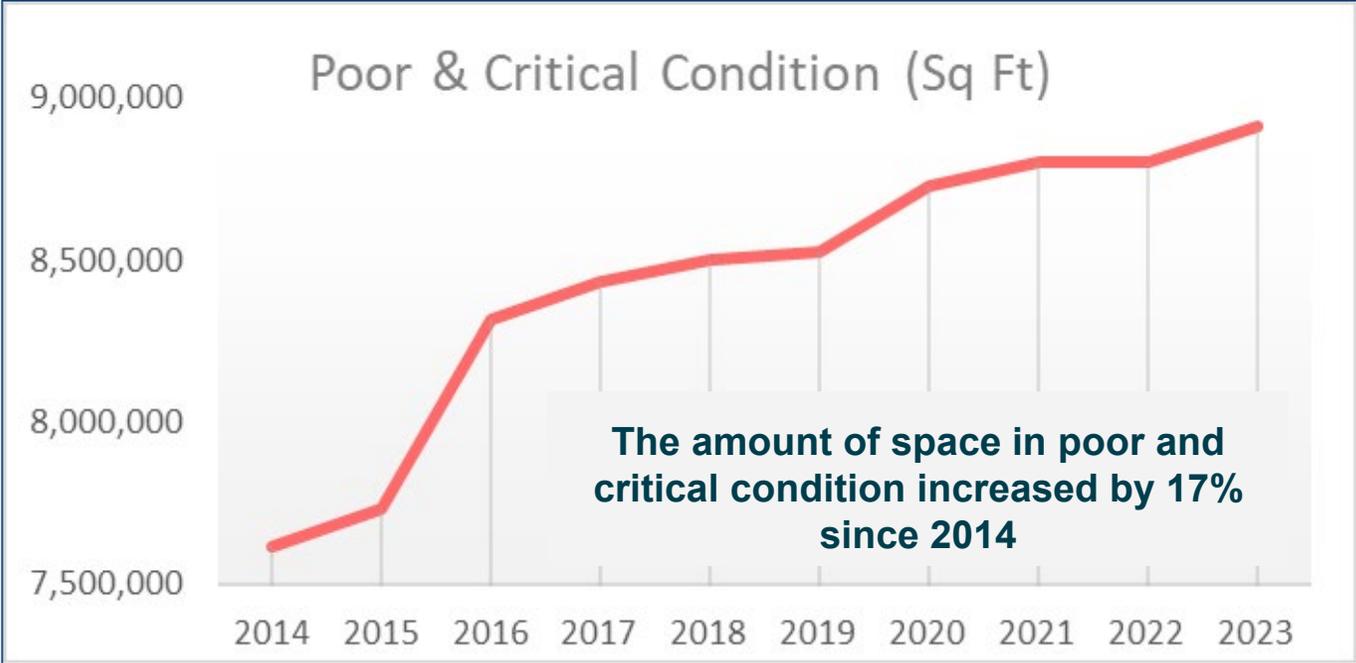
- Funds more than 150 projects systemwide to support education, research and outreach
 - Represents 8.5% of the University's \$5.9 billion need
 - No net new square footage
 - Supports space consolidation for future cost savings



Campus Condition is Declining



-  **Excellent / Good** - Fully functioning as intended. Safe, reliable, and welcoming.
-  **Fair / Below Avg** - Showing signs of increasing deterioration. Component and equipment failures are increasingly likely.
-  **Poor / Critical** - Facility and components are worn with obvious deterioration. Critical equipment failures are more frequent.

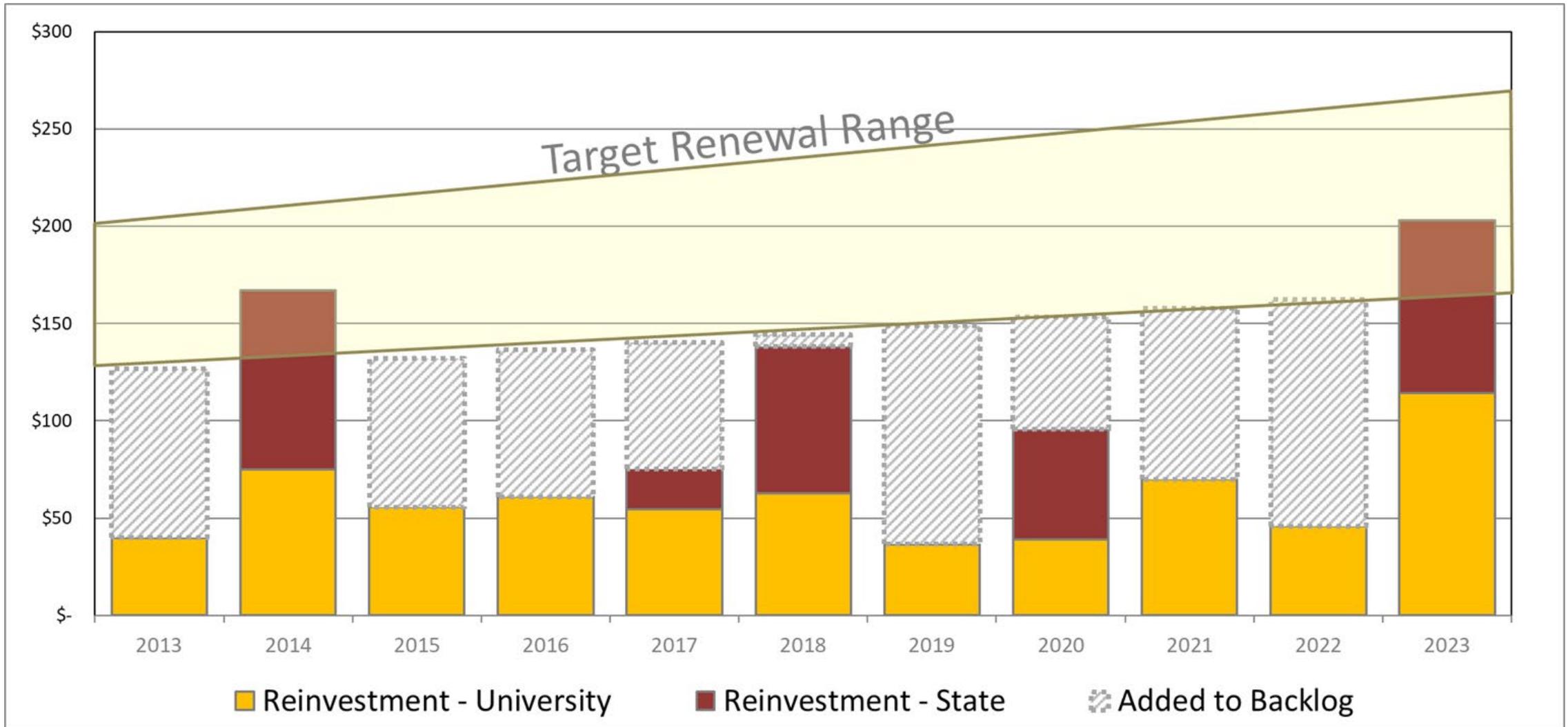


Inconsistent State Funding Adds to Backlog

Year	HEAPR Requested	HEAPR Received	Percent (%)
2014	\$ 100,000,000	\$ 42,500,000	43%
2015	\$ 55,000,000	\$ 0	0%
2016	\$ 100,000,000	\$ 0	0%
2017	\$ 100,000,000	\$ 20,600,000	21%
2018	\$ 200,000,000	\$ 45,000,000	23%
2019	\$ 200,000,000	\$ 0	0%
2020	\$ 200,000,000	\$ 38,495,000	19%
2021	\$ 200,000,000	\$ 0	0%
2022	\$ 400,000,000	\$ 0	0%
2023	\$ 200,000,000	\$ 43,350,000	22%
10-year	\$ 1,755,000,000	\$ 189,945,000	11%



State Support is Critical to Success



HEAPR supports Safety and Accessibility

A safe and accessible campus is fundamental for success

- Fire alarms and sprinklers
- Code related enhancements
- Equal access (e.g. ramps, elevators, drinking fountains)



Top: Twin Cities - Washington Ave. Pedestrian Bridge Enclosure and Railings
Bottom: Itasca Research Ctr. - Visitor Cabin (left); Morris - Multi-Ethnic Resource Center (right)



HEAPR supports Reliability

**Unreliable buildings
disrupt learning and
research (and cost more)**

- Mechanical, electrical and plumbing systems
- Utility systems
- Building roofs and windows



Left: Morris Campus - ruptured natural gas pipe

Right: TC - McNeal roof standing water (top); Food Sci. Nutrition - aged refrig. compressors (bottom)

HEAPR supports Asset Preservation

Extending the life of past investments is both responsible & economical

- Structural stabilization
- Exterior shell renewal
- Mechanical system modernization



Top: McNeal Hall ceiling failure

Bottom: Pattee Hall - exterior rehab (left); Eddy Hall - full capital renewal is needed (right)

HEAPR is Cheaper

Asset preservation support allows us to focus state, tuition, and external grant dollars on core mission, student success, and right-sizing the University's facility portfolio.

- **Preserve and extend the life of buildings**
- **Enable colleges to advance critical program enhancements**
- **Avoid the need for new facilities or costly emergency repairs**



HEAPR is Cheaper - An Example (Before)



Left: Mechanical Engineering Building; improvised HVAC piping, window A/C units, and makeshift window coverings
Right: Typical lab interior pre-renovation

HEAPR is Cheaper - An Example (After)



Left: The centralized mechanical room in the HEAPR renovated portion of the old (north) wing.

Right: the new machine shop in the north wing that was done at the same time as the HEAPR work, funded by the University.



**\$500 million in HEAPR funding
will renew more than 150
buildings to support
education, research and
outreach across Minnesota**

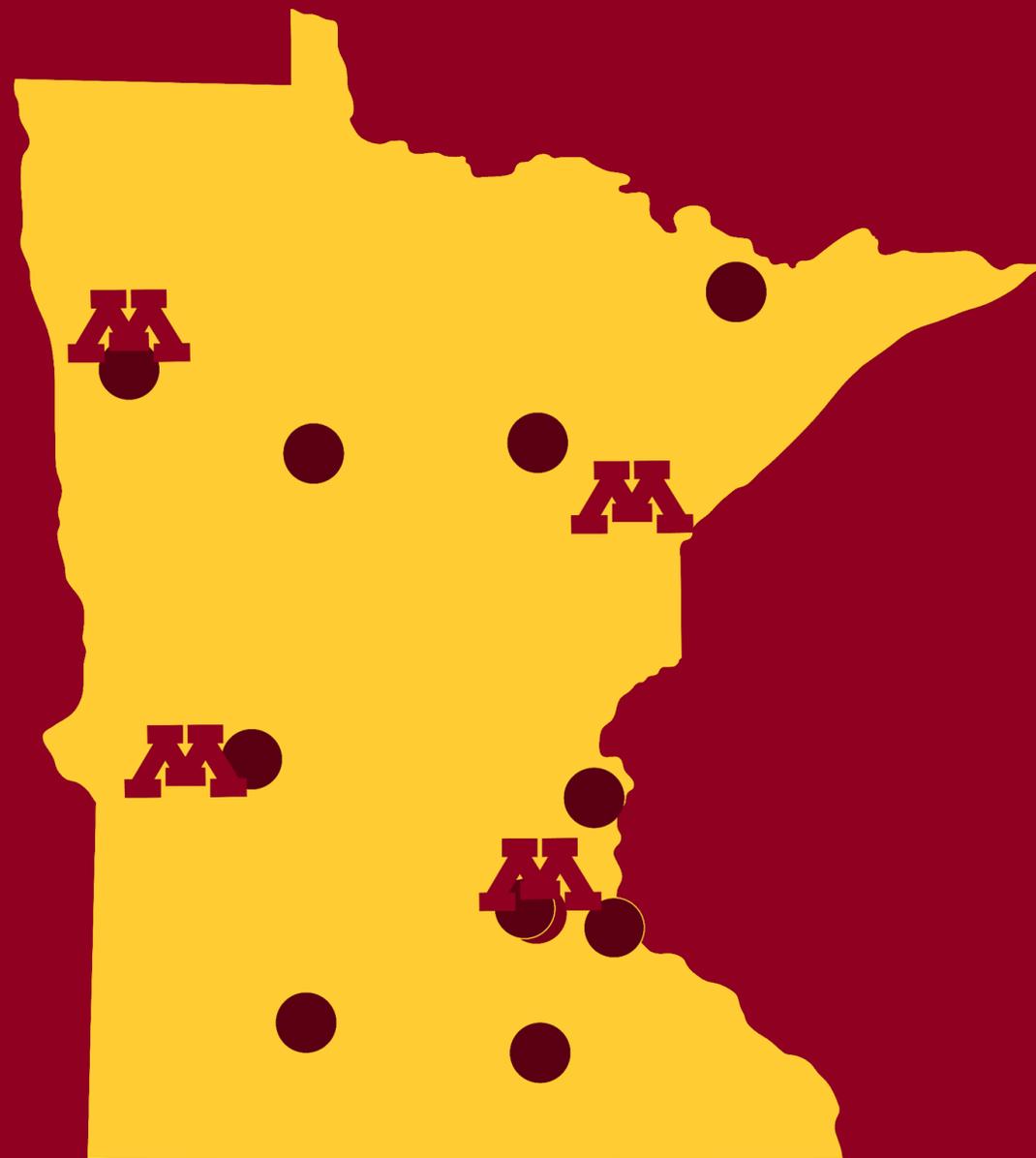
Crookston: \$10 million

Duluth: \$45 million

Morris: \$15 million

Research/Field Stations: \$13 million

Twin Cities: \$417 million



Investing in Minnesota's future workforce

HEAPR funding:

- Improves safety and accessibility
- Supports student learning and success
- Enables the University to increase key programs' enrollment to meet Minnesota's workforce needs



State Capital Appropriations Report

- Report presented to Legislature in January, as required by law
- 97% of the 2020 appropriations have been spent or encumbered
- 94% of the 2023 appropriations have been spent, encumbered, or otherwise obligated to specified projects
- Supported >250 vendors, in more than 80 cities and 20 counties
- 90% of project expenditures have gone back into MN companies
- Over 30% of construction expenditures over the last 5 years were with businesses owned and operated by people of color, women, and/or persons with a disability
- Our track record has been to have about 90+% of our total appropriation "spent, encumbered or otherwise obligated" within 2 years of the bill; established, efficient project delivery processes will continue this trend.





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Crookston Duluth Morris Rochester Twin Cities

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