UNIVERSITY OF MINNESOTA
BOARD OF REGENTS
Facilities Committee
Thursday, September 11, 2008
1:45 – 3:15 p.m.
600 McNamara Alumni Center, West Committee Room

Committee Members
David Metzen, Chair
Dallas Bohnsack, Vice Chair
Anthony Baraga
David Larson
Maureen Ramirez
Patricia Simmons

Student Representatives
Erick Elgin
Emma Olson

AGENDA

1. Capital Budget Amendment - Review/Action - K. O'Brien/C. Casey (pp. 2-6)
   A. Centennial Hall II, Crookston Campus

   T. LaSalle (pp. 7-15)
   A. Centennial Hall II, Crookston Campus
   B. McNamara Alumni Center Expansion, Twin Cities Campus
   C. Urban Research and Outreach Center / Engagement Center - North Minneapolis

3. Facilities Condition Assessment - K. O'Brien/M. Berthelsen (p. 16)


6. Information Items - K. O'Brien (pp. 20-43)
Facilities Committee

September 11, 2008

Agenda Item: Capital Budget Amendment

☐ review ☒ review/action ☐ action ☐ discussion

Presenters: Vice President Kathleen O'Brien
Chancellor Charles Casey

Purpose:

☐ policy ☐ background/context ☒ oversight ☐ strategic positioning

In accordance with Board of Regents Policy: Reservation and Delegation of Authority, review and take action on the following Capital Budget Amendment:

• Amend the Fiscal Year 2009 Capital Budget by $10,600,000 to include funding for the design and construction of the Centennial Hall II student housing project on the Crookston Campus.

Outline of Key Points/Policy Issues:

The University of Minnesota Crookston is in need of additional Residential Life housing to accommodate a growing student population and to enhance the student experience by providing quality on campus housing. The proposed Centennial Hall II is a two-story, 128-bed apartment style student housing facility. The facility will contain approximate 53,330 gross square feet, which includes the 2,730 gross square foot coffee/dining facility.

Background Information:

Board of Regents approval of funding for the Centennial Hall II project is being requested at this time as the project scope of work, schedule, and funding had not been sufficiently defined at the time the FY2009 Capital Budget was approved in June 2008. Review/Action is requested to ensure sufficient construction occurs this fall before winter conditions set in to ensure project completion by August 2009.

Detailed information for this request can be found in the attached project data sheet.

President's Recommendation for Action:

The President recommends approval of the following Fiscal Year 2008 Capital Budget Amendment:

• Amend the Fiscal Year 2009 Capital Budget by $10,600,000 to include funding for the design and construction of the Centennial Hall II student housing project on the Crookston Campus.
1. Basis for Request:

The University of Minnesota Crookston is in need of additional Residential Life housing to accommodate a growing student population and to enhance the student experience by providing quality on campus housing.

The current Crookston Campus student housing occupancy rate is as follows:

<table>
<thead>
<tr>
<th>Facility</th>
<th>Date of Construction</th>
<th># Bed Space Available</th>
<th># Beds in Use/Occupied</th>
<th>Occupancy Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brink Hall - Apartment Style</td>
<td>1976</td>
<td>45</td>
<td>45</td>
<td>100%</td>
</tr>
<tr>
<td>McCall Hall – Dormitory Style</td>
<td>1941</td>
<td>119</td>
<td>133</td>
<td>112%</td>
</tr>
<tr>
<td>Skyberg Hall – Dormitory Style</td>
<td>1970</td>
<td>202</td>
<td>231</td>
<td>114%</td>
</tr>
<tr>
<td>Westside – Apartment Style</td>
<td>1997</td>
<td>48</td>
<td>48</td>
<td>100%</td>
</tr>
<tr>
<td>Centennial Hall I – Apartment Style</td>
<td>2006</td>
<td>81</td>
<td>81</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>495</strong></td>
<td><strong>538</strong></td>
<td></td>
<td><strong>109%</strong></td>
</tr>
</tbody>
</table>

An additional 40 student housing beds have been leased off campus for year 2008 – 2009. The occupancy rate for these beds is 89%.

In addition to the student numbers recorded above the Crookston Campus has a waiting list of 3 students requesting campus housing.

Brink Hall is a marginal student housing facility. In the spring 2006 Crookston was authorized to utilize Brink Hall for student housing for five additional years (until 2011) on the condition a fire sprinkler system was installed. The fire sprinkler system was installed. The continued use of Brink Hall after the completion of Centennial II (Fall 2009) is being evaluated.

2. Scope of Project:

The proposed Centennial Hall II is a two-story, 128-bed apartment style student housing facility that consists of two wings, each with 16 two-bedroom/4-bed units, which are connected with a two-story link. The first floor of the link includes classroom/seminar space, a recreation room, and a lounge area. The second floor of the link includes a lounge, and possibly two guest studios and two typical two-bedroom units, which would provide 10 additional beds. Space for an exercise room, laundry rooms, print center, honor room, elevator and mechanical and electrical spaces are also provided in the building.
The building will be constructed as a slab-on-grade, wood-framed, brick veneer structure with a roof constructed with wood trusses covered with shingles. An optional, single-story coffee/small dining facility may be added to the north end of the east wing of the complex if the budget allows. All exterior materials will match the adjacent Centennial Hall, which was constructed in 2005. The facility will contain approximate 53,330 gross square feet, which includes the 2,730 gross square foot coffee/dining facility.

The project will be located on the south end of the campus north of the athletic fields adjacent to other campus student housing.

3. **Consistency with the Master Plan or Precinct/District Plan:**

   This project is in compliance with the Crookston Campus Master Plan.

   The project is located on the campus historic mall; therefore, the exterior appearance is very important to the character of the campus. Conforming to the appearance and quality of other building on the mall, the exterior of Centennial Hall II will be clad in brick of similar color of other mall buildings and have dark red asphalt shingles.

4. **Environmental Issues:**

   No environmental issues are anticipated. No contamination of soil was discovered during the construction of other adjacent buildings.

5. **Cost Estimate:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Cost</td>
<td>$8,700,000</td>
</tr>
<tr>
<td>Non Construction Cost</td>
<td>$1,900,000</td>
</tr>
<tr>
<td>Total Project Cost</td>
<td>$10,600,000</td>
</tr>
</tbody>
</table>

6. **Capital Funding:**

   University Debt $10,600,000

7. **Capital Budget Approvals:**

   At the time the Fiscal Year 2009 Capital Budget was presented to the Board of Regents for approval in June 2008 the scope of work, budget, schedule, and funding had not been determined or reconciled to each other.

8. **Annual Operating and Maintenance Cost and Source of Revenue:**

   Annual operating and maintenance cost for the facility are anticipated to be approximately $200,000 and will be funded from Crookston Campus Residential Life operations.
9. Time Schedule:

AWARD DESIGN/BUILD CONTRACT
Establish Guaranteed Maximum Price  October 2008
Achieve Substantial Completion  July 2009
Occupy  August 2009

12. Design / Builder, Construction Manager):

Community Contractors, Grand Forks, North Dakota with Michael J Burns Architects
Moorhead, Minnesota as the design subconsultant.

13. Recommendation:

The above described project scope of work, cost, funding, and schedule is appropriate:

Richard Pfutzenreuter, Vice President and Chief Financial Officer  8/28/08

Charles Casey, Chancellor, University of Minnesota, Crookston  8/28/08

Kathleen O'Brien, Vice President for University Services  8/28/08
Facilities Committee

September 11, 2008

Agenda Item: Schematic Plans

☐ review ☒ review/action ☐ action ☐ discussion

Presenters: Vice President Kathleen O’Brien
Chancellor Charles Casey
Senior Vice President Robert Jones
Associate Vice President Michael Perkins
Tom LaSalle, LaSalle Development Group

Purpose:

☐ policy ☐ background/context ☒ oversight ☐ strategic positioning

In accordance with Board of Regents Policy: Reservation and Delegation of Authority, review and take action on the schematic plans for the following projects:

- Centennial Hall II, Crookston Campus
- McNamara Alumni Center Expansion, Twin Cities Minneapolis East Bank Campus
- Urban Research and Outreach Center / Engagement Center, North Minneapolis

Outline of Key Points/Policy Issues:

Centennial Hall II, Crookston Campus

The University of Minnesota Crookston is in need of additional Residential Life housing to accommodate a growing student population and to enhance the student experience by providing quality on campus housing. The proposed Centennial Hall II is a two-story, 128-bed apartment style student housing facility. The facility will contain approximate 53,330 gross square feet, which includes the 2,730 gross square foot coffee/dining facility.

McNamara Alumni Center Expansion, Twin Cities Minneapolis East Bank Campus

The McNamara Alumni Center was designed to be the home to the University of Minnesota Foundation, University of Minnesota Medical Foundation, University of Minnesota Alumni Association and the University of Minnesota Board of Regents. The building was envisioned to be a Gateway to the University and designed to house University events. The number of events has grown to nearly 900 per year, with multiple events occurring daily. The original design does not include breakout space, prep spaces, and sound separation to deal with the number, size, and frequency of events. The proposed addition will greatly improve the events operation as well as the experience for the guests to the building. An additional 15,000 square feet of office space will provide expansion space for the foundations. The President’s Club recognition previously planned for the Gateway Plaza will be housed in the 12 foot atrium and the new breakout space.
Urban Research and Outreach Center / Engagement Center, North Minneapolis

As a part of the University's land-grant mission and model of public engagement, the University has developed an Urban Agenda. One of the tenets of this Urban Agenda is that the University must have a presence in the urban communities where the issues to be resolved are most prevalent. This led to the creation of the first Urban Research and Outreach / Engagement Center (UROC) in the state of Minnesota. This Center will coordinate the delivery of the community-driven research, outreach and engagement activities and programs. North Minneapolis was chosen as the site for this pilot initiative because it is a microcosm for issues facing urban communities both locally and nationally. The University acquired the former Penn Plymouth Shopping Center located at 2001 Plymouth Avenue North in early 2008. The building, originally constructed in 1976 with approximately 21,000 square feet, will be completely renovated to house community/university partnership programs and allow for collaborative interaction. There will also be space for UROC's administrative staff.

Background Information:

Additional information on these projects can be found in the attached project data sheets.

- Board of Regents approval of funding for the Centennial Hall II project is being requested that this time as a separate Capital Budget Amendment.

- The McNamara Alumni Center Expansion project is funded by the University of Minnesota Gateway Corporation, not the University of Minnesota. However, because of its location on campus, its schematic plan is subject to Board of Regents review.

- Funding for the Urban Research and Outreach / Engagement Center was included in the Fiscal Year 2009 Capital Budget approved by the Board of Regents in June 2008.

President's Recommendation for Action:

The President recommends approval of the schematic plans and construction for the McNamara Alumni Center Expansion project.

The President recommends approval of the schematic plans and of the appropriate administrative officers proceeding with the award of contracts for the development of construction documents and construction for the following projects:

- Centennial Hall II, Crookston Campus
- Urban Research and Outreach Center / Engagement Center, North Minneapolis
McNamara Alumni Center Expansion  
Twin Cities Minneapolis East Bank Campus

1. **Basis for Request:**

   The McNamara Alumni Center was designed to be the home of the University of Minnesota Foundation (UMF), University of Minnesota Medical Foundation (UMMF), University of Minnesota Alumni Association (UMAA), and the University of Minnesota Board of Regents. The building was envisioned to be a Gateway to the University and designed to house University events. No one envisioned that those events would approach 900 per year with multiple events occurring daily. The original design does not include breakout space, prep spaces, and sound separations to deal with the number, size, and frequency of events.

   The proposed addition will greatly improve the events operation as well as the experience for the guests to the building. The addition will also improve the access to the building and flows within the building for the tenants. The additional 15,000 sq ft of office space will provide expansion space for the Foundations that is contiguous to their existing space. This proximity will resolve their space needs and contribute to the operating efficiency.

   The President’s Club recognition previous planned for Gateway Plaza will be housed in the 12’ atrium and the new breakout space. This will make this monumental recognition of University donors more accessible to McNamara guests year-round.

2. **Scope of Project:**

   The addition will expand the four story portion of the building along Walnut Street approximately 70’ to the south and 85’ to the west. The addition will use the same copper exterior as the existing building. There will be a 12’ wide 5-story glass enclosed atrium between the granite girder and the addition and a 12’ wide glass 5-story exterior where the addition meets the existing building along Walnut Street. The Walnut Street entrance will be enhanced to create a new “front” door to the building.

3. **Consistency with the Master Plan:**

   The addition is consistent to modifications approved to the Master Plan allowing the construction of the McNamara Alumni building, Gateway Plaza, and Scholar’s Walk.

4. **Environmental Issues:**

   There are no known environmental issues with the site or the building.

5. **Cost Estimate:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Addition</td>
<td>$7,325,000</td>
</tr>
<tr>
<td>President' Club</td>
<td>750,000</td>
</tr>
<tr>
<td>Non Construction Costs</td>
<td>1,625,000</td>
</tr>
<tr>
<td><strong>TOTAL PROJECT COSTS</strong></td>
<td><strong>$9,700,000</strong></td>
</tr>
</tbody>
</table>

   Construction cost per square foot $284
   Total cost per square foot $376
6. Capital Funding:

The project will be paid for by the University of Minnesota Gateway Corporation using invested cash and additional tax exempt revenue bonding financing.

7. Capital Budget Approvals:

Not applicable. This project is not funded as a part of the University's Capital Budget.

8. Annual Operating and Maintenance Costs and Sources of Revenue:

The additional operating costs will be paid by D'Amico's Restaurant, events, and the tenants that occupy the new office space. Operating expenses for fiscal year 2007-2008 were $7.73 per square foot. The addition will not have a material effect on expenses, but may slightly reduce the per square foot cost.

9. Time Schedule:

   Begin Construction          December 1, 2008
   Complete construction       September 1, 2009

10. Project Delivery Team:

    Designer:                  Antoine Predock
    Executive Architect:      KKE
    Construction Manager:     Mortenson
    Owner's Representative:   LaSalle Development Group

11. Recommendation:

    The above described project scope of work, cost, funding, and schedule is appropriate:

    [Signatures]

    Richard Pfutzenreuter, Vice President and Chief Financial Officer

    E. Thomas Sullivan, Senior Vice President and Provost

    Kathleen O'Brien, Vice President for University Services
1. **Basis for Request:**

As a part of the University’s land-grant mission and model of public engagement the University has developed an Urban Agenda, a strategy to leverage the University’s academic resources in partnership with the community, government, business, and the philanthropic sector to solve complex issues facing our urban communities. This initiative reflects the University’s commitment to a new level of outreach and public engagement that is more intentional and committed to working in authentic sustainable partnerships with urban communities and governments; based on multi-disciplinary evidence-based approaches; anchored by a physical presence in the community where the challenges are most prevalent; and focused on work leading to measurable outcomes and significant impact.

One of the tenets of this Urban Agenda is that the University must have a presence in the urban communities where the issues to be resolved are most prevalent. This led to the creation of the first Urban Research and Outreach / Engagement Center (UROC) in the state of Minnesota. North Minneapolis was chosen as the site for this pilot initiative because it is a microcosm for issues facing urban communities both locally and nationally. Residents of North Minneapolis face greater challenges than most other urban communities, including: dramatically lower levels of educational attainment, higher levels of unemployment, widespread poverty, and health disparities. The University worked with the City, County, and several leading community organizations to create the University Northside Partnership, which was instrumental in guiding the development of the UROC model and continues to serve a convening, advising, and communicating role to strengthen community relationships.

The University believes this innovative urban strategy will partner better-prepared University researchers with better-prepared community organizations in democratic, collaborative action aimed at making a sustainable difference in the urban environment of North Minneapolis. The work also positions the University to set a new standard nationally for how a university-community partnership can contribute to the public good, especially in disinvested urban areas. UROC will become the University’s anchor in North Minneapolis to coordinate the delivery of community-driven research, outreach and engagement activities and programs.

2. **Scope of Project:**

The University acquired the former Penn Plymouth Shopping Center located at 2001 Plymouth Avenue North in early 2008 for rehabilitation to house its first Urban Research and Outreach/Engagement Center. This is a long term investment to improve the health and economic outcomes of the residents of the North Minneapolis community. The design concept for this project will be formulated in consideration of UROC’s programs and incorporate cultural design elements from the community.

The building, originally constructed in 1976 with approximately 21,000 square feet, will be completely renovated to house community/university partnership programs and allow for
collaborative interaction. There will also be space for UROC’s administrative staff, who will coordinate and oversee programs and activities related to this Urban Agenda.

Discussions and planning currently are underway with the following programs for occupancy in UROC:

- Center for Early Education and Development;
- Center for Innovation & Economic Development;
- Child and Family Center;
- CLA Departmental Community Coordinators;
- Extension Urban Youth Development, Nutrition Education, Family Development, and Master Gardeners;
- Medical School Program in Heath Disparities;
- AHC Urban Health Education Center and Center for Community Collaboration & Health; and
- University Northside Partnership workgroups and community events.

Minority and women-owned businesses and contractors will be particularly encouraged to submit bids for the renovation.

3. Environmental Issues:

Environmental issues encountered as part of this project will be mitigated. Approximately $60,000 will be spent abating asbestos-laden floor tile, mastic, and various other concerns.

4. Cost Estimate:

Construction Cost (Exterior repairs, interior build-out, furniture) $2,800,000 (77%)
Non Construction Cost (A&E, project management, contingency) 822,000 (23%)
Total Project Cost $3,622,000

5. Capital Funding:

University Funds $3,622,000 ($172 psf)

6. Capital Budget Approvals:

Funding in the amount of $3,622,000 was approved for this project as a part of the Fiscal Year 2009 Capital Budget.

7. Annual Operating and Maintenance Cost and Source of Revenue:

First year operating and maintenance costs are estimated to be approximately $158,350 ($7.41 psf) and will be funded by the Office of the Senior Vice President for System Academic Administration.
8. Time Schedule:

Begin Construction                Fall 2008
Complete construction              Spring 2009

9. Architect/Engineer:

Urban Design Perspectives, Minneapolis, Minnesota, was retained in July 2008, through a
competitive Request for Proposal process.

10. Recommendation:

The above described project scope of work, cost, funding, and schedule is appropriate:

Richard Pfutzenreuter, Vice President and Chief Financial Officer

Robert Jones, Senior Vice President for System Academic Administration

Kathleen O'Brien, Vice President for University Services
This map is intended to be used for planning purposes only and should not be relied upon where a survey is required.

Base Data: Real Estate Office
MN Land Management Info Center
MNDNR, MNDOT

University of Minnesota
Board of Regents

Purchase of 2001 Plymouth Ave N, Minneapolis

Real Estate Office

SITE

This map is intended to be used for planning purposes only and should not be relied upon where a survey is required.

Base Data: Real Estate Office
MN Land Management Info Center
MNDNR, MNDOT
Facilities Committee  

September 11, 2008

Agenda Item: Facilities Condition Assessment Update

☐ review  ☐ review/action  ☐ action  ☒ discussion

Presenters: Vice President Kathleen O’Brien
Associate Vice President Mike Berthelsen

Purpose:

☐ policy  ☒ background/context  ☐ oversight  ☐ strategic positioning

To review the updated Facilities Condition Assessment and discuss the use of the information provided by the Facilities Condition Assessment as a capital and financial planning tool.

Outline of Key Points/Policy Issues:

The Facilities Condition Assessment is a comprehensive evaluation of the condition of the University of Minnesota’s campus facilities and infrastructure portfolio.

Because owning and operating the University’s physical plant is critical to supporting the University’s mission of teaching, research, and outreach, the University has instituted the Facilities Condition Assessment to:

• Move the facilities condition assessment from a depreciation model to an inspection-based process.
• Create a central repository of facilities needs information.
• Provide the University with a tool for master planning, facilities programming and capital planning, and financial planning and budget forecasting.
• Improve processes, which will assist the administration and the Board of Regents with their stewardship responsibilities for the University’s physical assets.

The presentation will include an update on the work completed to date, a discussion of how to make it more operational, and a review of next steps.

Background Information:

The Facilities Condition Assessment has been discussed annually with the Board of Regents facilities committee since 2003.

Reviewing the Facilities Condition Assessment provides a framework for the upcoming review of the Six Year Capital Plan.
Facilities Committee

September 11, 2008

Agenda Item: Committee Workplan, 2008-09

☐ review   ☐ review/action   ☐ action   ☒ discussion

Presenters: Regent David Metzen
             Vice President Kathleen O'Brien

Purpose:

☐ policy   ☐ background/context   ☒ oversight   ☐ strategic positioning

According to Board of Regents Policy: Board Operations and Agenda Guidelines, Section II, Subdivision 7: Workplans, “Each year the Board and its committees develop workplans with the advice of the president or delegate.”

This discussion is intended to focus on major issues the committee may wish to address in FY 2008-09.

Outline of Key Points/Policy Issues:

The Facilities Committee oversees the University's physical assets (e.g., land, buildings, infrastructure, and equipment). This committee considers the general adequacy, condition, and use of existing facilities; oversees policy related to physical planning, reviews renewal, replacement, and new construction decisions; and recommends the financing of capital projects.

Specifically, this committee recommends:

- capital budget amendments;
- schematic plans;
- real estate transactions; and
- district and campus master plans.

This committee also:

- reviews semi-annual capital improvement reports; and
- receives miscellaneous facilities management reports and notification of significant issues.

Background Information:

The Facilities Committee had a preliminary discussion of its work plan at its July 2008 meeting.
The Facilities Committee oversees the University’s physical assets (e.g., land, buildings, infrastructure, and equipment). This committee considers the general adequacy, condition, and use of existing facilities; oversees policy related to physical planning, reviews renewal, replacement, and new construction decisions; and recommends the financing of capital projects.

Specifically, this committee recommends:
- capital budget amendments;
- schematic plans;
- real estate transactions; and
- district and campus master plans.

The following issues will be considered by the committee in addition to the normal business items:

**Facilities Committee Agenda Items**

*Annual issues to be addressed:*
- Capital Planning and Project Management Semi-Annual Project Report
- Facilities Condition Assessment (FCA) and Facilities Management Update*
- Utilities: principles and progress update – Utilities Master Plan
- Issues related to: Annual Capital Budget
- Issues related to: Six-year Capital Plan

*Additional items for consideration by the Facilities Committee:*
- Update on Sustainability programs in University operations

**Facilities-related Agenda Items for the Full Board**

*Annual issues for Board of Regents action:*
- Six year Capital Plan
- Annual Capital Budget
- State Capital Request

*Additional issues for Board of Regents action:*
- Twin Cities Campus Master Plan approval
- Rochester Campus Master Plan approval
- Morris Campus Master Plan approval
- Board of Regents Sustainability policy – system-wide goals
- Central Corridor Light Rail Transit updates and MOU approval

*Additional items for consideration by the Board:*
- TCF Bank Stadium construction update and tour
- Medical Biosciences capital program implementation structure
- University Neighborhood Alliance
- University Northside Partnership/ Urban Research and Outreach Center

*The September Facilities Committee meeting will address the facilities condition assessment, funding, and other strategies to address facilities needs.*
Agenda Item: Consent Report

Presenters: Vice President Kathleen O'Brien

Purpose:

Outline of Key Points/Policy Issues:

Background Information:
Facilities Committee

September 11, 2008

Agenda Item: Information Items

☐ review  ☑ review/action  ☐ action  ☑ discussion

Presenters: Vice President Kathleen O’Brien

Purpose:

☐ policy  ☑ background/context  ☐ oversight  ☐ strategic positioning

To update the Board of Regents on the following items:


B. Final Review for Civil Engineering Building, Duluth campus and the St Paul Utility Building and Electrical Switch Gear.

D. Emergency Approval on August 5, 2008, of the Sale of 10,890 Square Feet of Land at 1506-4th Street SE, Minneapolis to Doran Development LLC (Twin Cities Campus).

Outline of Key Points/Policy Issues:


This report includes projects primarily authorized as a part of the Fiscal Year 2008 and Fiscal Year 2009 Capital Budgets. Specific projects are highlighted to illustrate process improvements and challenges encountered in ensuring that the project scope of work is delivered within the budget and on schedule.

Final Project Review for Civil Engineering Building, Duluth campus and for the St Paul Utility Building and Electrical Switch Gear, Twin Cities Campus.

According to Board of Regents Policy: Reservation and Delegation of Authority, Article I, Section VIII, Subdivision 9, “The Board reserves to itself the authority for a subsequent review of approved capital budget project with a value greater than $5,000,000 prior to award of construction contracts.”
In order to maintain the project scope, schedule and budget for these two projects, the attached project information sheets were reviewed by the Board of Regents Chair and Co-Chair and the Facilities Committee Chair prior to the September facilities committee meeting, so that construction contracts could be awarded.

**Emergency Approval on August 5, 2008, of the Sale of 10,890 Square Feet of Land at 1506-4th Street SE, Minneapolis to Doran Development LLC (Twin Cities Campus)**

In accordance with Board of Regents Policy: *Board Operations and Agenda Guidelines*, the President requested emergency action for the approval of the sale of 10,890 square feet of University land to Doran Development LLC. The Doran Companies requested purchase of the subject 10,890 square feet of University land for site assemblage for its planned Sydney Hall development and Dinky Dome renovation project. The Sydney Hall development, as approved by the City of Minneapolis on July 25, 2008, will include 198 units of student housing and one floor at the street/grade level of retail space (13 effective stories), with two levels of underground parking plus surface parking. The project will include the renovation of the Dinky Dome building at 1501 University Avenue SE for retail space at the street/grade level and office space on the second and third floors.

The buyer will be Doran Development LLC, a subsidiary of Doran Companies. The University is to receive $1 million for the purchase of the 10,890 square feet of land, and a $100,000 donation to the TCF Bank Stadium Project to benefit the Marching Band’s facilities.

The administration requested emergency approval in order to allow for a September 2, 2008 closing. Such closing date will allow the University to receive the $1 million purchase price earlier (which can then be invested and earn interest income for the University), and will allow the developer to maintain the project schedule for a fall 2010 opening, which will then provide additional housing options for University of Minnesota professional and graduate students for that term.

**Background Information:**

Information items are intended to provide the Board of Regents with information needed for them to perform their oversight responsibilities.

In accordance with the Board of Regents Calendar, the Capital Improvement Plan Semi-Annual Report is presented in the spring and in the fall to inform prior to consideration of the annual capital budget and the 6-year plan.
Capital Planning &
Project Management

Capital Improvement Budget
Semi-Annual Report
September 11, 2008
CPPM Performance Measures

The CPPM group accepts full accountability for:

- Meeting project scope expectations
- Delivering expected quality
- Delivering projects on schedule
- Delivering projects on budget
- Improving process productivity
- Limiting / eliminating legal liabilities
- Promoting minority professional vendor participation
- Support University of Minnesota sustainability initiatives

Initiatives:

- Best Value Procurement “Pilot Project” continues
- Revised performance forms created to incorporate professional development goals for staff
- Roll-out of Project Management Information System
- Implementation Unifier: Electronic Project Management Information System

CPPM Teams:

- CPPM has organized itself into the following Team structure:
  - Academic Health Center
  - Provost
  - President / Administration
  - System Academic Administration, Athletic, Student Services, Out State
AHC Classroom Improvements FY06

**Description:** The Academic Health Center (AHC) project is the renovation of seven (7) tiered lecture auditorium classrooms in Malcolm Moos Health Sciences Tower and PWB, University of Minnesota Twin Cities Campus, 515 Delaware St. SE, Minneapolis, MN 55455. Improvements include: carpet, paint, flexible and durable furniture; adjacent way finding and space identification; new lighting; improved room acoustics; HVAC temperature control and ventilation; and state of the art “Smart” technology including wireless access.

- Construction for the original scope of work complete over the past two summers and the classrooms are occupied
- Due to favorable budget conditions two more classrooms will be completed this summer 2008
- **Original scope of work completed on schedule and within budget**
- **Two Classrooms added for summer 2008 have been completed with in the originally proposed budget.**

Bell Museum of Natural History

**Description:** 71,000 square feet building on the North West corner of the St. Paul campus used to collect, preserve, prepare, display, and interpret the state’s diverse animal and plant life for scholarly research and teaching and for public appreciation, enrichment and enjoyment.

- All building design elements are now complete and design development documents have been completed
- Construction Manager has developed the preliminary Guaranteed Maximum Price for construction
- Funding - future State Capital Request and gifts
Hanson Hall & Skyway to CSOM

Description: Expansion of the Carlson School of Management (CSOM) on the site south of the existing CSOM Building (formerly surface parking lot) on the West Bank with Skyway to existing Carlson School of Management.

Project Executive: Mike Perkins  
A & E Firm: RSP Architects  
Budget: $47.9M  
Schedule: Spring 08 - Completion

- Construction is complete
- The project is on schedule and within budget

Carlson School of Management Repurposing

Description: Several programmatic units will relocate to Hanson Hall when it opens in the Spring of 2008, creating opportunities for repurposing space in the current facility to provide better service for students, improve security, expand the executive education facilities and co-locate scattered departments

Project Executive: Gary Summerville  
A & E Firm: RSP Architects  
Budget: $10M  
Schedule: Fall 2009

- All building design elements are now complete and design development documents have been completed
- Construction Manager is in the process of preparing the construction Guaranteed Maximum Price and will present it mid-April 2008
- Construction will be completed in six phases
- The project is on schedule and within budget
**Center for Magnetic Resonance Research Expansion (16.4 T Magnet)**

**Description:** Expansion and renovation of the Center for Magnetic Resonance Research. It will incorporate the nation's highest field strength (16.4) tesla magnetic resonance system for lab primate and human biological research as well as Cyclotron Imaging equipment.

- Project Executive: Gary Summerville
- Project Manager: Kevin Ross
- A & E Firm: RSP Architects
- Contractor: M A Mortenson
- Budget: $11,040,000 ($2,040,000 Const
- Schedule: Summer 2009

- Construction Documents in process
- Schematic Plans approved by Regents in May 2008
- *The project is on schedule and within budget.*

**Center for Magnetic Resonance Research Expansion**

**Description:** Expansion of research magnet space is accompanied by corresponding office space expansion for staff and researchers. Laboratory and storage space is expanded to support research on site. Patient facilities are expanded and provided in close proximity to main entry lobby. Additional vivarium space is planned. Expanded office and seminar space is relocated to the second level expansion to support a second level link between all precinct research building.

- Project Executive: Gary Summerville
- Project Manager: Kevin Ross
- A & E Firm: RSP Architects
- Contractor: TBD
- Budget: $53,200,000
- Schedule: TBD

- Architect selected through the State Designer Selection Board
- Request for Proposals from Construction manager issued.
- Funded as a part of the Bio-Medical Bonding Authority
- *Project schedule and budget in development*
Folwell Hall Exterior Stabilization

Description: Renovation of the exterior brick / terra cotta wall entrances and roof systems.

Project Executive: Gary Summerville  Project Manager: Paul Oelze
A & E Firm: Miller Dunwiddie  Contractor: McGough
Budget: $15.5M  Schedule: Spring 2008 completion

- West entrance to the building was reconstructed Spring 2008
- All of the other construction was completed Fall 2007
- Favorable budget allowed for added scope of work
- **Project is within budget, the Fall 2007 completion schedule was extended to Spring 2008 to complete the west entrance.**
- **Project is now complete**

Kolthoff Hall Ventilation Upgrade

Description: The entire heating, ventilating, air conditioning and electrical systems will be upgraded to safely support contemporary teaching and research activities. In addition, the correction of code deficiencies, the installation of fire suppression system, the upgrade of mechanical and electrical systems, and the renewal of interior finishes and portions of the exterior envelope are necessary to extend the useful life of the facility.

Project Executive: Gary Summerville  Project Manager: Roger Wegner
A & E Firm: RSP Architects  Contractor: M. A. Mortenson
Budget: $29,688,000  Schedule: Spring 08 - Completion

- The project continues in construction of Phase 4 (final Phase)
- Building exterior work will occur this Spring 2008
- **The project is within budget, the schedule has been extended Fall 2008 to complete exterior work added due to favorable budget conditions.**
Medical Biosciences Building

Description: Construction of a Medical Biosciences Building and the utility infrastructure required to support it, as part of an expansion to the existing Research Precinct which includes the Lions Research Building, the McGuire Translational Research Facility, and the Center for Magnetic Resonance Research. The facility will provide space for the Center for Memory Research & Care, Neuroscience Department, the Immunology Center and Bio-Safety Level-3 Laboratory Suits.

Project Executive: Gary Summerville  Project Manager: Kevin Ross
A & E Firm: Perkins & Will  Contractor: Kraus Anderson
Budget: $79.3M  Schedule: December 2009 – Completion

- Project includes the development of utility infrastructure to serve the East Gateway District including the construction of a small building to provide access to the utility tunnel system and infrastructure
- Construction began in April 2007 for the infrastructure and in January 2008 for the Medical Biosciences Building
- Construction continues
- The project is on schedule and within budget

Northrop Auditorium: Exterior Stabilization and Code Upgrade

Description: Building exterior envelop work to stabilize the building and code relate improvements.

Project Executive: Mike Denny  Project Manager: Roger Wegner
A & E Firm: RSP Architects  Contractor: JE Dunn
Budget: $15M  Schedule: Spring 2008 - Completion

- Added significant scope items that further stabilize the exterior and address major interior code deficiencies
- The project was completed on schedule and within budget
Plant Growth Facilities East Addition

Description: 4,700 SF addition to create a Bio-Safety Level 3 (BSL3) containment facility for the study/research of exotic plant diseases. The facility is designed with the appropriate containment features for the research study of quarantined bio-control agents and plant diseases.

Project Executive: Gary Summerville  Project Manager: Matt Stringfellow
A & E Firm: RSP Architects  Contractor: Knutson
Budget: $5,000,000  Schedule: Fall 07 - Completion

- Construction completed
- This highly technical facility is in the process of testing and verification of systems.
- Department added $50,000 to project to fund user requested items.
- The facility has achieved certification to be used as BSL-3 Laboratory
- **Project was completed on schedule and with the addition of approximately $100,000 from the user completed within the budget expectation of the user**

Science Teaching & Student Services

Description: An innovative, flexible science teaching and learning environment, which will support technology-rich and hands-on, interactive science instruction in addition to providing a consolidated student services center for front-line academic and transactional services that cannot be effectively handled on-line, such as academic counseling and career counseling.

Project Executive: Justin Grussing  Project Manager: Hines
A & E Firm: KPF & HGA  Contractor: McGough
Budget: $72.5M  Schedule: Fall 2010 – Completion

- Funding is a part of the 2008 State Capital Appropriation and 2009 Capital Budget
- Design Development nearing completion
- **Project is within budget and the schedule**
St Paul Utility Building and Electrical Switch Gear

Description: The existing St Paul electrical switch gear does not have adequate capacity to support the primary electrical services required by the St Paul campus and additional chillers and cooling towers. In order to continue the development of the St Paul campus chilled water facility; building space is needed to house additional electrical switch gear, chillers and cooling towers and associated mechanical and electrical equipment. Under ground piping is needed to connect this second chilled water plant to the pipe distribution system and additional electrical ductbanks are needed to feed the new electrical switch gear and distribute electrical service to the St Paul campus.

- Project Executive: Gary Summerville
- Project Manager: Roger Wegner
- A & E Firm: Sebesta Blomberg
- Contractor: Adolfson & Peterson
- Budget: $17,486,000
- Schedule: Fall 2009 - Completion

- Construction in process
- Project scope of work is within budget and schedule

Chester Park School Renovation, UMD

Description: Chester Park School is approximately 56,040 square feet and was formerly used as an elementary school. The original school was built in 1927 and an addition was built in 1967. The University purchased the property in June 2006 and is renovating the facility to meet the needs of the college of education, music department and sea grant programs. All restrooms in the building will be upgraded to be accessible to meet current codes.

- Project Executive: Gary Summerville
- Project Manager: John Rashid
- A & E Firm: Architectural Resources
- Contractor: Max Gray
- Budget: $5,400,000
- Schedule: December 2008 - Completion

- Construction is process
- The project scope of work is within budget and schedule
UMD Civil Engineering

Description: The construction is approximately 33,300 gross square feet and wraps around the northwest and northeast sides of the Voss-Kovach Hall and is being designed to achieve LEED Silver certification.

Project Executive: Gary Summerville  
A & E Firm: Stanius Johnson  
Budget: $15M  
Schedule: January 2010 - Completion

- Funded as a part of the 2008 State Appropriation & 2009 Capital Budget
- Awarded within budget
- Construction is in process
- The project is within budget and on schedule

Duluth Labovitz School of Business and Economics

Description: The project consists of a new three (3) level building with a partial mechanical basement of approximately 65,000 Gross Square Feet (FSF).

Project Executive: Gary Summerville  
A & E Firm: Perkins and Will  
Budget: $23M  
Schedule: Summer 08 - Completion

- Construction is complete and ready for Fall 2008 occupancy
- Project completed on schedule and within budget
Duluth Malosky Stadium Renovation

Description: Construct 4-story facility behind the grandstand providing space for restrooms, concessions, storage, Club Suite and Press Box. Grandstand which is in good condition will remain and will be clad in metal to match the new facility. Project also includes the replacement of the existing solid metal fence and ticket booth at the perimeter of the field.

Project Executive: Gary Summerville  
Project Manager: John Rashid  
Design/Builder: Kraus Anderson  
Sub-consultant Architect: Ankeny Kell  
Budget: $6.5M  
Schedule: Fall 07 - Phase I Completion  
Fall 08 - Phase II

- Phase I - Fence and ticket booth construction completed Fall 2007
- Stadium construction will be completed for the Fall 2008 season
- **Project is on schedule and within budget**

UMM Community Services Building Renovation

Description: The project includes the complete interior architectural, mechanical, and electrical renovation of the Community Services Building. The building consists of approximately 18,000 gross square feet and will provide approximately 11,800 square feet of space assignable to programmatic functions.

Project Executive: Gary Summerville  
Project Manager: Oliver Real Estate

A & E Firm: Meyer, Scherer & Rockcastle  
Contractor: J E Dunn  
Budget: $7.5M  
Schedule: Fall 2009 - Completion

- Funded as a part of the 2008 State Appropriation & 2009 Capital Budget
- Guaranteed Maximum Price pricing is in process.
- **The project is within budget and on schedule**
Morris Campus Bio-Mass / District Heating

**Description:** Through the gasification of corn Stover, the Morris campus is seeking to expand its central heat plant capacity, as well as research the effectiveness of using locally grown biomass, to supplant their reliability on fossil fuels. This project is research in nature. The University hopes to demonstrate the opportunities for the use of biomass as a readily available and cost effective alternative for heating in rural community buildings such as hospitals, schools, clinics and businesses.

**Project Executive:** Gary Summerville  
**Project Manager:** Oliver Real Estate  
**A & E Firm:** HGA  
**Contractor:** Knutson Construction  
**Budget:** $8,956,000  
**Schedule:** Summer 08 – Completion

- System testing and commissioning in process
- The research nature of this project required skills beyond that required of a typical construction project
- *The project is on schedule and within budget*

Maintenance/Farm Research Operations Center, Northwest Research and Outreach Center (NWROC), Crookston

**Description:** The current farm operations facility, constructed in 1971, does not accommodate the changes made in crop and animal research and the outreach mission of NWROC. Academic positions have been added; diary herd and beef feedlots have increased in size; and the number of acres operated to support crop and livestock research has increased. The number of vehicles needed to carry out the NWROC mission has increased and the farm equipment has increased in size.

The new facility will be equipped to facilitate the maintenance and operations needs of the NWROC.

**Project Executive:** Gary Summerville  
**Project Manager:** Doug Johnson  
**A & E Firm:** Foss Architects  
**Contractor:** TBD  
**Budget:** $2,000,000  
**Schedule:** Spring 2009 - Completion

- Project is being bid
- *Project scope of work is within budget and schedule.*
Administration Building Addition and Remodeling, West Central Research and Outreach Center (WCROC), Morris

Description: The existing Administration Building at the WRCOC constructed in 1972 no longer has the capacity needed for the programs housed in the building. In addition to the WCROC programs, a Regional Extension Center has been integrated into the WCROC facility. The existing building is also in need of upgrading to address a variety of code and deferred maintenance issues. The core of what occurs at the WCROC still lies in animal husbandry, crop production, and horticulture. However, it has embraced environmental and social issues, realized the importance of economics in all program areas, and developed a regional horticultural garden and a new endeavor named the University of Minnesota Renewable Energy Research and Demonstration Center.

Project Executive: Gary Summerville  Project Manager: Doug Johnson
A & E Firm: JLG Architects  Contractor: JE Dunn
Budget: $3,300,000  Schedule: Fall 2009 - Completion

- Guaranteed Maximum Price pricing is in process
- The project scope of work is within budget and schedule

Wind to Hydrogen, West Central Research and Outreach Center, Morris

Description: The University of Minnesota Morris will construct a globally unique research and demonstration facility to foster the development of wind, hydrogen, and other renewable energy sources. To store wind energy, electricity is converted to hydrogen by electrolysis of water and stored in compressed gas cylinders. When demand calls, the hydrogen is burned in an internal combustion engine to run a generator. The facility will provide researchers opportunities to measure efficiencies and optimize the system.

Project Executive: Gary Summerville  Project Manager: Oliver Real Estate
Budget: $3.75M

- Schematic plans approved by the Regents
- Project as planned is significantly over budget (approx. 73%)
- The project is being scaled down to fit the budget
- The project delivery method will be changed from Construction Manager at Risk to Design / Build
- Design / Build proposal are being requested
- The research nature of this project requires skills beyond that required of a typical construction project
July 25, 2008

FACSIMILE

To: Vice President Kathleen O'Brien
From: Jon Steadland, Assistant to the Executive Director
Re: Final Project Review
Pages: 2 (including cover)

By email and telephone on July 24, 2008 and today, Chair Simmons, Vice Chair Allen, and Facilities Committee Chair Metzen each reviewed and approved the request from you for final project review of the following projects (as described in the attached memorandum):

- Duluth Civil Engineering Building; and

I understand that this information will be reported to the Board of Regents at the September 2008 meetings, as required by Board Policy.

c: Robert Bruininks, President (w/o attachments)
Kathryn Brown, Vice President (w/o attachments)
Ann Cieslak, Executive Director (w/o attachments)
MEMORANDUM
July 21, 2008

To: Regent Patricia Simmonns, Chair, Board of Regents
Regent Clyde Allen, Vice Chair, Board of Regents
Regent David Metzen, Chair, Facilities Committee

From: Kathleen O’Brien
Vice President, University Services

Subject: Final Project Reviews for the Duluth Civil Engineering Building and St. Paul Utility Building and Electrical Switch Gear - Chilled Water Facility, Phase 3

According to Board of Regents Policy Reservation and Delegation of Authority, Article I, Section VIII, Subdivision 9, “The Board reserves to itself the authority for a subsequent review of approved capital budget projects with a value greater than $5,000,000 prior to the award of construction contracts.”

The Duluth Civil Engineering Building and the St. Paul Utility Building and Electrical Switch Gear - Chilled Water Facility, Phase 3 projects currently are within the scope, schedule and budget approved by the Board of Regents. In order to maintain their scope, schedule and budget, it is important that the University award the construction contracts for these two projects prior to the next Board of Regents meeting. Therefore, I am requesting your review of these projects outside of the normal Board of Regents meeting schedule. I have consulted with the President, who supports proceeding in this manner.

With the award of these contracts we are committing to complete these projects as approved. We will include the attached project summaries as a part of the information items for the September 11, 2008, Board of Regents Facilities Committee meeting.

Please feel free to contact me if you have any questions or concerns.

C: President Robert H. Bruininks
Ann Cieslak, Executive Director
Jon Steadland, Assistant to the Executive Director
Policy Summary:
According to Board of Regents Policy Reservation and Delegation of Authority, Article I, Section VIII, Subdivision 9, “The Board reserves to itself the authority for a subsequent review of approved capital budget projects with a value greater than $5,000,000 prior to the award of construction contracts.”

Project Summary:
The project is a two-story teaching, laboratory, and administrative space addition of Voss-Kovach Hall located at 1305 Ordean Court on the University of Minnesota Duluth campus. The proposed construction is approximately 33,300 gross square feet and wraps around the northwest and northeast sides of the Voss-Kovach Hall is designed to achieve LEED Silver certification. The hydraulics/general projects laboratory and the structures laboratory are two story spaces that all require ceiling heights of 20+ feet. The Civil Engineering Building is intended to highlight construction systems and site systems related to the field of study.

The building displays several stormwater and sustainable building strategies including a green roof and a reflective roof. The landscape design for the project focuses on on-site stormwater infiltration via stormwater gardens that use plant materials and stone native to northern Minnesota. The design will include a French Drain for storm-water retention on the north side of the building. This area will retain stormwater from the site as well as from the building roof.

Board of Regents Approval Summary:
Six-Year Plan: May 2007 as a part of the 2007 Six-Year Plan
Capital Budget: June 2008 as a part of the FY2009 Capital Budget
Schematic Plans: December 2007

Project Team:
Architect/Engineer Team: Stanius Johnson Architects, Duluth with Ross Barney Architects, Chicago
Contractor: Stahl Construction Company, St. Louis Park, Minnesota

Project Budget:

<table>
<thead>
<tr>
<th>Funding Identification</th>
<th>Total</th>
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<tr>
<td>2008 State Capital Appropriation</td>
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<tr>
<td>Duluth Administration</td>
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<tr>
<td>Internal Loan repaid by James I Swenson Family Gift</td>
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<tr>
<td>Total</td>
<td>$15,000,000</td>
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Project Schedule:
Begin Construction: July 2008
Substantial Completion: January 2010

Consistency of project with approved scope, schedule and budget:  
X Yes    No
Policy Summary:
According to Board of Regents Policy Reservation and Delegation of Authority, Article I, Section VIII, Subdivision 9, “The Board reserves to itself the authority for a subsequent review of approved capital budget projects with a value greater than $5,000,000 prior to the award of construction contracts.”

Project Summary:
This project is the third phase of a multi-phase plan to upgrade the chilled water and electrical utility infrastructure and delivery systems on the St. Paul campus and consists primarily of the construction of a new two-level utility building adjacent to the existing Continuing Education and Conference Center electrical substation located at 1890 Buford Avenue. New electrical switch gear will be installed in the building. Three electrical ductbanks will also be installed. One ductbank will be an additional primary electrical feed from Xcel Energy and two additional ductbanks will distribute electrical service to the St. Paul campus. The project also includes the installation of underground piping to connect this new facility to the campus chilled water distribution system.

Board of Regents Approval Summary:
Six-Year Plan: May 2007 as a part of the 2007 Six-Year Plan (HEAPR)
Capital Budget: June 2008 as a part of the FY2009 Capital Budget
Schematic Plans: June 2008

Project Team:
Construction Manager: Adolfson and Peterson, Inc., Minneapolis

Project Budget:

<table>
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<th>Funding Identification</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>2008 Higher Education Asset Preservation &amp; Replacement</td>
<td>$17,000,000</td>
</tr>
<tr>
<td>2008 Higher Education Asset Preservation &amp; Replacement</td>
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<tr>
<td>Total</td>
<td>$17,486,000</td>
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</tbody>
</table>

Project Schedule:
Begin Construction: Summer 2008
Substantial Completion: Fall 2009

Consistency of project with approved scope, schedule and budget:

X Yes    ___ No
August 6, 2008

FACSIMILE

To: President Robert Bruininks
From: Jon Steadland, Assistant to the Executive Director
Re: Emergency Approval
Pages: 2 (including cover)

By email yesterday, Chair Simmons, Vice Chair Allen, and Facilities Committee Chair Metzen each approved the request from you for approval of the following real estate transaction (as described in the attached letter from you):

- Sale of 10,890 square feet of land at 1506 4th Street SE, Minneapolis to Doran Development LLC.

I understand that this action will be reported to the Board of Regents at the September 2008 meetings, as required by Board Policy.

c: Kathryn Brown, Vice President (w/o attachment)
   Kathleen O'Brien, Vice President (w/o attachment)
   Ann Cieslak, Executive Director (w/o attachment)
July 31, 2008

The Honorable Patricia Simmons  
The Honorable Clyde Allen  
The Honorable David Metzen

Dear Members of the Board:

The Board of Regents Board Operations and Agenda Guidelines allow for an emergency procedure if an emergency situation exists as defined in the Guidelines. Specifically, in Section II, Subd. 10, the policy reads as follows:

Upon the recommendation of the president, the Board chair, vice chair, and the respective committee chair may act on behalf of the Board when delay for Board approval poses a significant health, safety, or financial risk to the University. Any such emergency approvals will be brought to the next meeting of the Board, consistent with Board policy.

I am recommending use of this emergency process for Board approval of the following item, to prevent delay that could pose a financial risk to the institution:

Real Estate Transaction – Review/Action:

A. Sale of 10,890 Square Feet of Land at 1506-4th Street SE, Mpls (Twin Cities Campus)

Upon Board approval of this real estate transaction, the University will be able to close on the sale of the above-described property to Doran Development LLC and receive the $1 million purchase price. Upon completion of the sale of the property, the buyer will commence its Sydney Hall development and Dinky Dome renovation project on the subject land and adjacent land it is acquiring for this project.

Information on the sale of this property was included as Information Items in the February and July 2008 Facilities Committee meeting agendas.

Thank you for your attention to this request. Additional information regarding this item is enclosed.

Sincerely,

Robert H. Bruininks  
President

Enclosures

cc: Ann Cieslak, Executive Director, Board of Regents  
Richard H. Pfitzenreuter, III, Vice President and CFO  
Kathleen O’Brien, Vice President, University Services  
Susan Carlson Weinberg, Director of Real Estate
SALE OF 10,890 SQUARE FEET OF LAND
AT 1506 - 4TH STREET, SE, MINNEAPOLIS,
(TWIN CITIES CAMPUS)

1. **Recommended Action**

   The President recommends that the appropriate administrative officers receive authorization to execute the appropriate documents providing for the sale of 10,890 square feet of land at 1506 – 4th Street SE, Minneapolis.

2. **Location and Description of the Property**

   The subject property is part of the University Contract Parking Lot C-55 located at 1506 – 4th Street SE, Minneapolis.

   The legal description is: Lot 4, Block E, Tuttle’s Addition to Saint Anthony, Hennepin County, Minnesota, excluding minerals and mineral rights, if any.

3. **Basis for Request**

   The Doran Companies has requested purchase of the subject 10,890 square feet of University land for site assemblage for its planned Sydney Hall development and Dinky Dome renovation project. The Sydney Hall development, as approved by the City of Minneapolis on July 25, 2008, will include 198 units of student housing and one floor at the street/grade level of retail space (13 effective stories), with two levels of underground parking plus surface parking. The project will include the renovation of the Dinky Dome building at 1501 University Avenue SE for retail space at the street/grade level and office space on the second and third floors.

4. **Details of Transaction**

   The buyer will be Doran Development LLC, a subsidiary of Doran Companies. The University would receive $1 million for the purchase of the 10,890 square feet of land, and a $100,000 donation to the Football Stadium Project to benefit the Marching Band’s facilities. The University would receive an access easement across the driveway areas of the Sydney Hall and Dinky Dome site to provide access to a University building or underground parking that could be constructed on the remaining University land in the block in the future. Additionally, the University would receive a right of first offer to purchase the Sydney Hall development and/or the Dinky Dome building in the event either or both of those facilities are offered for sale to the public in the future.
The University would agree to a no-build easement encumbering portions of the westerly 15' of Lot 3, Block E, Tuttle’s Addition, above approximately 20’, which would allow the Sydney Hall development to include additional windows on the northeast elevation. The University would grant a temporary easement encumbering the westerly 20' of said Lot 3 for construction purposes, with Doran Development to pay monthly for the lost parking revenue attributable to the parking spaces located within the easement area.

5. Use of the Property

Doran Development would assemble the subject property with the adjacent property fronting on 15th Avenue SE for development of Sydney Hall and renovation of the Dinky Dome.

In response to the University’s request that the Sydney Hall development respond to the need for housing for University of Minnesota professional and graduate students, Doran Development has designed the housing to include the desired project mix (additional studios and one and two bedroom units) with technology, security and access systems which will allow it to designate certain floors for professional and graduate students. University graduate and professional students will have first priority in leasing available units prior to March 1 of each year. Leases will be offered for entire apartment units (rather than bedrooms).

6. Use of Sale Proceeds

The net sale proceeds received will be used by the University for an electronic traffic system to improve the flow of traffic in the campus area.

7. Recommendations

The above-described real estate transaction is appropriate:

Richard H. Pfutzenreuter III, Vice President for Finance and CFO
E. Thomas Sullivan, Senior Vice President for Academic Affairs and Provost
Kathleen O’Brieh, Vice President for University Services
10,890 Square Foot Parcel
at 1506 4th Street SE