

# Fiscal Year 2024-25 Capital Construction Request

Metropolitan State University of Denver  
Classroom to Career Hub

## PROGRAM PLAN STATUS

2023-006

Approved Program Plan

Yes

Date Approved:

October 26, 2023

## PRIORITY NUMBERS

Prioritized By                      Priority

MSUD                                  1 of 2

CCHE                                  12 of 29

OSPB                                  49 of 62

Not recommended for funding.

## PRIOR APPROPRIATIONS AND REQUEST INFORMATION

<u>Fund Source</u>	<u>Prior Approp.</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>Future Requests</u>	<u>Total Costs</u>
CCF	\$0	\$9,600,000	\$0	\$0	\$9,600,000
CF	\$0	\$9,000,000	\$0	\$0	\$9,000,000
<b>Total</b>	\$0	\$18,600,000	\$0	\$0	\$18,600,000

## ITEMIZED COST INFORMATION

<u>Cost Item</u>	<u>Prior Approp.</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>Future Requests</u>	<u>Total Cost</u>
Land Acquisition	\$0	\$18,600,000	\$0	\$0	\$18,600,000
Professional Services	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	\$0	\$18,600,000	\$0	\$0	\$18,600,000

## PROJECT STATUS

This is the third request for funding. The project was initially requested for FY 2022-23. Last year's request was a joint request by Metropolitan State University of Denver (MSUD) and the Community College of Denver (CCD), and sought to renovate existing space. This year's request is by MSUD and seeks to acquire property for the same programmatic purposes.

# Fiscal Year 2024-25 Capital Construction Request

Metropolitan State University of Denver  
*Classroom to Career Hub*

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## PROJECT DESCRIPTION / SCOPE OF WORK

MSUD is requesting a combination of state funds and cash funds spending authority to acquire one floor in a newly constructed building on campus totaling 23,500 ASF to create a new, consolidated space for a cross-institutional Classroom to Career Hub (C2 Hub). The C2 Hub is part of an effort to respond to students' career goals and facilitate job and internship opportunities in a centralized manner.

The space to be acquired by MSUD is in a four-story building under construction on a vacant parcel on the Auraria Higher Education Center (AHEC) campus. The building includes 100,000 GSF in commercial space that will house the C2 Hub, the Auraria Early Learning Center, administrative spaces, and retail spaces. The building will also contain 295,000 GSF of residential space consisting of 350 units for households with 60 to 120 percent area median income, a portion of which will be reserved for faculty and staff. The project is a public-private partnership between AHEC, Columbia Ventures, and Gary Community Ventures, which was negotiated through the state's P3 office; the project was approved as an amendment to AHEC's two-year cash list by the Capital Development Committee in July 2023. Spaces in the new C2 Hub include:

- classrooms;
- meeting and collaboration spaces for students and employers;
- individual and shared work stations;
- changing rooms for students to allow them to prepare for interviews;
- a break room; and
- a reception area.

MSUD will receive the space in a completed condition and equip it themselves.

Cost assumption. The project costs \$791 per GSF. The request meets the High Performance Certification Program requirements. The project is exempt from the Art in Public Places Program requirements and the project's cost does not account for inflation because it is a property acquisition.

## PROJECT JUSTIFICATION

MSUD's existing career services spaces are divided between the Tivoli Student Union, the Jefferson Student Services Building, and the Administration Building, which dilutes the visibility of various services and poses logistical obstacles to students and industry partners. The institutions also say the current space is undersized, and the project provides programming, event, informal gathering, and work spaces that currently do not exist. Consolidating these programs and CCD's career services program in a central location will allow for greater student engagement and easier access for off-campus visitors, including alumni and industry partners, particularly considering the facility's unique location within the heart of Denver.

The C2 Hub was created from a community-informed design process to address talent pipeline development and access to career paths. It is a virtual and physical space for students to access support programs, for industry partners to access talent, and for faculty to take on career development roles. The C2 Hub will serve over 24,000 students across both institutions. Since many CCD students go on to complete degrees at MSUD, the combined center will ease the transition between institutions.

Project alternatives. The university considered three project alternatives. Alternative 1 considered a new, stand-alone structure, which was rejected due to the high cost of new construction, reduction to the campus' parking capacity, and utilities limitations. Alternative 2, which was contained in last year's request, involved renovating space in the Tivoli Student Union. This alternative was more costly than the current request. Alternative 3 considered leaning on the virtual model generated during the pandemic, which was rejected due to the anticipated increase in demand for in-person services and inefficiencies in the current operation, which limit opportunities for learners to participate in industry partnerships and access to career services.

# Fiscal Year 2024-25 Capital Construction Request

Metropolitan State University of Denver  
Classroom to Career Hub

## PROGRAM INFORMATION

The C2 Hub will house the following programs and initiatives, which support both MSUD and CCD students and alumni:

- classroom-to-career initiatives;
- industry partnerships;
- integrating micro-credential pathways; and
- faculty engagement.

The C2 Hub has recently launched programs focused on building talent pipelines in construction, finance and banking, and public service, and is aligned with the Metro Denver Economic Development Corporation's industry clusters data to support growth industries in Colorado such as marketing, sales, management, and IT.

## PROJECT SCHEDULE

	Start Date	Completion Date
Design	April 2023	December 2023
Construction	March 2024	June 2025
Equipment	May 2025	June 2025
Occupancy	July 2025	

## SOURCE OF CASH FUNDS

The source of cash funds for the project is donations, and MSUD has \$2.3 million in donations for the project thus far.

## OPERATING BUDGET

The university does not expect the project to impact its operating budget.

## STAFF QUESTIONS AND ISSUES

1. Are there any other potential buyers of the space to be occupied by the C2 Hub under the request?

No. We are the only ones being offered this space at this time.

2. If an appropriation is approved, when does MSUD expect to close on the property? What happens to the property if the sale is not made in FY 2024-25?

Closing would be at substantial completion from the developer; currently projected at spring of 2025. If the sale is not completed for whatever reason, the space would ostensibly be offered to someone else. This would require MSUD to revert to another version of this project that would likely be more costly and extend the project timeline.

# Fiscal Year 2024-25 Capital Construction Request

Metropolitan State University of Denver  
The Health Institute Tower

## PROGRAM PLAN STATUS

2024-037

Approved Program Plan

No

Date Approved:

## PRIORITY NUMBERS

<u>Prioritized By</u>	<u>Priority</u>	
MSUD	2 of 2	
CCHE	16 of 29	
OSPB	61 of 62	Not recommended for funding.

## PRIOR APPROPRIATIONS AND REQUEST INFORMATION

<u>Fund Source</u>	<u>Prior Approp.</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>Future Requests</u>	<u>Total Costs</u>
CCF	\$0	\$8,960,824	\$27,834,505	\$16,330,081	\$53,125,410
CF	\$0	\$0	\$5,903,479	\$0	\$5,903,479
<b>Total</b>	<b>\$0</b>	<b>\$8,960,824</b>	<b>\$33,737,984</b>	<b>\$16,330,081</b>	<b>\$59,028,889</b>

## ITEMIZED COST INFORMATION

<u>Cost Item</u>	<u>Prior Approp.</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>Future Requests</u>	<u>Total Cost</u>
Land Acquisition	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$4,399,606	\$1,765,643	\$579,908	\$6,745,157
Construction	\$0	\$3,581,025	\$29,848,227	\$11,106,153	\$44,535,405
Equipment	\$0	\$463,693	\$463,693	\$3,709,565	\$4,636,951
Miscellaneous	\$0	\$89,794	\$53,850	\$156,832	\$300,476
Contingency	\$0	\$426,706	\$1,606,571	\$777,623	\$2,810,900
<b>Total</b>	<b>\$0</b>	<b>\$8,960,824</b>	<b>\$33,737,984</b>	<b>\$16,330,081</b>	<b>\$59,028,889</b>

## PROJECT STATUS

This is the fifth request for funding for the project. The university first requested funding for the project for FY 2020-21 as the Health Institute. In FY 2022-23, the nursing simulation labs portion of the Health Institute project was funded on an emergency basis. The Health Institute project is now retitled the Health Institute Tower to differentiate it from the original request scope.

# Fiscal Year 2024-25 Capital Construction Request

## Metropolitan State University of Denver *The Health Institute Tower*

### PROJECT DESCRIPTION / SCOPE OF WORK

Metropolitan State University Denver (MSUD) is requesting a combination of state funds and cash funds spending authority for the first phase of a three-phase project that constructs a new, 68,229-GSF Health Institute Tower on the Auraria Higher Education Center (AHEC) campus to house health-related programs, and renovates 1,800 GSF in the West Classroom Building to connect it to the new tower. The university says the new facility will help to address growing needs in Colorado for health-related professionals.

The project will construct a six-story tower next to the West Classroom Building. The tower will be structurally separate from the West Classroom Building, but the two will be connected via a walkway. It will include 26,000 ASF for programmatic needs, 5,000 ASF of shared classroom space, and 7,500 ASF of student-focused collaborative space. The tower will be adjacent to the renovated 18,875-GSF nursing simulation labs in existing West Classroom Building space, which were funded in FY 2022-23.

Once complete, the new facility will include the following features and functions:

- immersive health education spaces;
- formal classroom space;
- two public clinics;
- an interdisciplinary workplace hub for student and faculty interaction across departments;
- administrative offices;
- student collaboration space;
- a café focused on healthy food options; and
- support services, including bike storage, changing rooms, and wellness spaces.

Cost assumption. The cost assumption was determined by a third-party design team. The project accounts for inflation at a rate of 13.7 percent. The project meets the High Performance Certification Program and Art in Public Places Program requirements. The university is targeting LEED Gold for the project.

### PROJECT JUSTIFICATION

MSUD says the new Health Institute Tower will help the university mitigate an increasing demand for health professionals in Colorado. According to the university, Colorado is experiencing a skilled health workforce crisis, with shortages in the fields of nursing, social work, addiction counseling, speech pathology, health navigation, and others. To help meet demand, MSUD says it requires additional space to train more students in these fields. The Health Institute Tower will nearly triple its space for the institute's programs, with which the university plans to grow its enrollment by 500 students. Further, the university says it will deliver health and wellness services to the Auraria Campus and surrounding communities through community-facing not-for-profit clinics. Spaces vacated by MSUD health programs in other buildings may instead be used by other MSUD departments with wait-lists.

MSUD also says bringing together programs from 30 of its health-related disciplines in one building will facilitate inter-professional education and collaboration, including collaboration with programs at the Community College of Denver. The programs in the university's Health Institute are currently distributed across several AHEC buildings, and the university says this inhibits the interdisciplinary work that is central to modern health education and the institute's mission.

Project alternatives. MSUD examined project alternatives including finding alternate space on campus and temporarily leasing space near AHEC. The university says that a minimum of 45,000 GSF is needed to fulfill the classroom, lab, and student space needs of the program and there is no space of this size readily available near the West Classroom Building, where the new simulation and skills nursing labs funded last year are being constructed. The university says this would conflict with the vision of the Health Institute Tower as a space to co-locate and share lab space across health-related programs. The university says that the costs of leasing alternative space off AHEC's campus, and once again away from the West Classroom Building, would exceed \$17 million over five years, create inefficiencies and inconveniences, and impact student and faculty recruitment and retention.

# Fiscal Year 2024-25 Capital Construction Request

Metropolitan State University of Denver  
The Health Institute Tower

## PROGRAM INFORMATION

The health sciences programs included in MSUD's Health Institute Tower project represent nearly 5,000 students and 29 percent of the university's degree-seeking population. The following programs will be impacted by the project:

- Biology and Chemistry, including pre-med and pre-dental;
- Health Professions, including integrative health care, lifestyle medicine, public health, health navigation, wellness coaching, EMT, health care management, and pre-med;
- Exercise and Sport Sciences, including exercise science, wellness coaching, pre-physical therapy, and pre-physician assistant;
- Human Services and Counseling, including certified addiction counseling, youth and mental health counseling, clinical behavioral health, and administration and emergency response;
- Nursing;
- Nutrition and Dietetics;
- Psychological Science, including clinical/counseling psychology;
- Social Work; and
- Speech Language Hearing Sciences.

MSUD says 95 percent of its students are from Colorado, and 78 percent stay in Colorado for at least ten years after graduation, the highest rate in the state. The student body is 58 percent first-generation college, 33 percent Pell-eligible, and 54 percent student-of-color. The university is a federally designated Hispanic-serving institution.

## PROJECT SCHEDULE

	Start Date	Completion Date
Design	July 2024	June 2025
Construction	July 2025	December 2026
Equipment		
Occupancy		January 2027

## SOURCE OF CASH FUNDS

The source of MSUD's cash funds for this project is donations and institutional reserves.

## OPERATING BUDGET

Operating costs are paid from institutional sources. MSUD anticipates the project to increase operating costs by \$589,500-786,000 per year plus two 0.25 FTEs starting in 2027 and assuming a 5.0 percent increase for inflation for the following years.

## STAFF QUESTIONS AND ISSUES

1. Why are the Art in Public Places costs calculated at 0.5 percent of the project's total construction costs when state law (Section 24-48.5-312 (3)(a)(I)(A) requires the figure to be not less than 1.0 percent of construction costs?

Regrettably, this was our oversight. We are fully committed and prepared to provide the 1% for public art. MSU ardently supports public art, and will also be providing public art for our state-awarded Simulation Labs project, even though the requirement was waived because the funding for that project was from a Federal source (SLFRF funds). This will be a minor adjustment to the overall budget with the funds being pulled from contingency, maintaining the same request amount.