



## Introduction

The foundation of any facilities implementation plan is a well developed, comprehensive Master Plan. In 2019, the university completed a comprehensive update of their existing Campus Master Plan. The 2019 Campus Master Plan represents a new vision that aligns the university's academic mission, strategic plan, and physical planning goals into a single document which will help guide the future development of the campus. The Campus Master Plan builds upon many of the bold initiatives of the 2015 Strategic Plan, creating a new vision that is achievable yet flexible to accommodate future challenges. The master plan provides a 10-15 year framework for campus facilities and infrastructure that includes recommendations for building opportunities and additions, building demolition candidates, pedestrian and open space enhancements, roadway realignments, and new or reconfigured parking facilities. Master Plan projects will be pursued dependent upon available funding from a combination of donors, state funding, and university resources.

Other criteria that determines the capital project priority ranking are the condition of building and grounds operational systems; the appearance of the physical plant as it affects recruitment; compliance with safety, building, and accessibility codes; opportunities for energy savings and carbon footprint reduction; comfort of building occupants; and opportunities provided through donors, government funding, grants, and joint ventures with other nonprofits or private sector entities.





## Fiscal Year 2025 Capital Outlay Project Priority

### Northern Enterprise Center (College of Business)

**Project Budget: \$19,100,000**

The Northern Enterprise Center (College of Business Building Addition) project at Northern Michigan University (NMU) is an exciting facility initiative designed to create a thriving hub for the business, cyber security, and entrepreneurship programs. With a budget of \$19.1 million, this project represents NMU's top priority, as it aims to catalyze the College of Business' continued growth and provide students with a collaborative, high-tech learning environment that aligns with Michigan's Hot 50 jobs.

The project has been driven by the impressive growth of the College of Business, which is now NMU's largest program by major and one of its fastest-growing, having grown by 8.3% over the past two years. By relocating the College of Business to the central academic mall, the project will foster continued program growth by helping meet the space needs for the College's new and high-demand programs including cyber security, sustainable businesses and enterprise creation, financial management, and human resource management which grew by 57% from 2021 to 2022 and another 46% from 2022 to 2023. It will also assist in creating greater interdisciplinary collaboration and provide the tools to ensure student success. The project also enhances retention efforts by bringing faculty offices closer to students for access outside the classroom and integrates the College in the same facility as NMU's student advisers and first-generation student services.

The facility will provide a new, high-tech learning environment for students to master skills in programs such as cyber security and business analytics as well as develop the soft skills critical to future success - effective communication, ability to analyze complex problems, make sound/ethical decisions, and work as a team. Additionally, the project aims to cater to non-traditional and first-generation college students, contributing to a more prosperous and vibrant community in line with NMU's mission as a catalyst for regional economic development.

### Project Goals

- Create a new 30,000-square-foot (20,000 new-square-feet), state-of-the-art teaching, business-creation, and innovation center, including active and distance learning classrooms, content creation space, and a cyber security laboratory.
- Repurpose 14,000 underutilized square feet of space in the C.B. Hedgcock Building, providing more efficient building use and, by utilizing newly adopted design standards, creating 33% more efficient spaces than traditional design practices.
- Centralizes two remotely located academic programs to NMU's academic mall, which is a goal of the university's Campus Master Plan enhancing student learning and collaboration with faculty, their peers, and community business leaders.



## Fiscal Year 2025 Capital Outlay Project Priority

### Northern Enterprise Center (College of Business)

#### Project Goals (continued):

- Enhances retention efforts by bringing faculty offices closer to students in the center of campus for greater student access outside the classroom and integrates them in in the same facility as NMU's student advisers and first-generation student services.
- Increase opportunities for multidisciplinary collaboration and strengthening programs and student learning.
- Meet facility demand for high-growth programs – combined growth in the past year of 57% in Cyber Security, Financial Management, Human Resources Management, and Sustainable Businesses and Enterprise Creation.
- Enhance collaboration between faculty, students, and the entrepreneur community, and stimulate research in business administration, entrepreneurship, and marketing.
- Complete a 2008 campus initiative to eliminate over 225,000 gross square feet of underutilized/unadaptable building space resulting in an annual operating savings of \$1.27 million.
- Physically link new COBBA facility to John X Jamrich Hall (2014 Capital Outlay Project) completing the connection of all academic buildings in the core of campus greatly improving student access during northern Michigan's harsh winters.
- Stimulate the local construction workforce and employ between 100 and 140 trade workers over a 24-month period.



## Summary

### Fiscal Year 2025 Capital Outlay Project Priority

<b><i>Career</i></b>	<b><i>Total Project Cost (in thousands)</i></b>
Northern Enterprise Center (College of Business)	\$19,100



## FISCAL YEAR 2025 CAPITAL OUTLAY PROJECT REQUEST

<i>Institution Name:</i>	Northern Michigan University		
<i>Project Title:</i>	<i>Northern Enterprise Center (College of Business)</i>		
<i>Project Focus:</i>	<input checked="" type="checkbox"/> Academic	<input type="checkbox"/> Research	<input checked="" type="checkbox"/> Administrative/Support
<i>Type of Project:</i>	<input checked="" type="checkbox"/> Renovation	<input checked="" type="checkbox"/> Addition	<input type="checkbox"/> New Construction
<i>Program Focus of Occupants:</i>	<i>General Classrooms, Laboratories and Academic Office Space</i>		
<i>Approximate Square Footage:</i>	<i>34,000</i>		
<i>Total Estimated Cost:</i>	<i>\$19,100,000</i>		
<i>Estimated Duration of Project:</i>	<i>24 Months</i>		
<i>Is the Five-Year Plan posted on the institution’s public internet site?</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
<i>Is the requested project included in the Five-Year Capital Outlay Plan?</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
<i>Is the requested project focused on a single, stand-alone facility?</i>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	

### ***Describe the project purpose:***

The Northern Enterprise Center (College of Business Building Addition) project at Northern Michigan University (NMU) is an exciting facility initiative designed to create a thriving hub for the business, cyber security, and entrepreneurship programs. With a budget of \$19.1 million, this project represents NMU's top priority, as it aims to catalyze the College of Business' continued growth and provide students with a collaborative, high-tech learning environment that aligns with Michigan's Hot 50 jobs.

The project has been driven by the impressive growth of the College of Business, which is now NMU's largest program by major and one of its fastest-growing, having grown by 8.3% over the past two years. By relocating the College of Business to the central academic mall, the project will foster continued program growth by helping meet the space needs for the College's new and high-demand programs including cyber security, sustainable businesses and enterprise creation, financial management, and human resource management which grew by 57% from 2021 to 2022 and another 46% from 2022 to 2023. It will also assist in creating greater interdisciplinary collaboration and provide the tools to ensure student success. The project also enhances retention efforts by bringing faculty offices closer to students for access outside the classroom and integrates the College in the same facility as NMU's student advisers and first-generation student services.



## FISCAL YEAR 2025 CAPITAL OUTLAY PROJECT REQUEST

### **Northern Enterprise Center (College of Business) *(continued)***

#### **Instructional Impact**

The facility will provide a new, high-tech learning environment for students to master skills in programs such as cyber security and business analytics as well as develop the soft skills critical to future success - effective communication, ability to analyze complex problems, make sound/ethical decisions, and work as a team. Additionally, the project aims to cater to non-traditional and first-generation college students, contributing to a more prosperous and vibrant community in line with NMU's mission as a catalyst for regional economic development.

#### **Campus Planning Impact**

The Northern Enterprise Center (College of Business Building Addition) project achieves three goals in the NMU's Campus Master Plan – relocating all remaining academics to the core of campus; minimizing new construction and demolishing underutilized facilities, greatly reducing the campus' overall square footage; and completing the physical link between the buildings within the academic mall improving student access during northern Michigan's harsh winters.

#### **Regional Impact**

The Northern Enterprise Center (College of Business Building Addition) project will strengthen connections with rural and regional communities and businesses, making it a launch-pad for new ventures. It will serve as a primary resource for businesses, entrepreneurs, and townships throughout the Upper Peninsula for education, internships, training, and business planning. More than 25% of College of Business students have internships with businesses, local governments, and associations in the Upper Peninsula. Providing space that is easily accessible and promotes greater collaboration between education, businesses, and economic development agencies is critical for building the region's future workforce.

#### **Project Goals**

- Create a new 30,000 square-foot state-of-the-art teaching, business-creation, and innovation center to include active and distance learning classrooms, content creation space, and a cyber security laboratory.
- Relocate the Department of Military Science to adapted 4,000 square foot space within the existing complex.
- Meet facility demand for high-growth programs – combined growth in the past year of 46% in Cyber Security, Financial Management, Human Resources Management, and Sustainable Businesses and Enterprise Creation.



## FISCAL YEAR 2025 CAPITAL OUTLAY PROJECT REQUEST

### Northern Enterprise Center (College of Business) *(continued)*

- Enhance retention efforts by bringing faculty offices closer to students in the center of campus for greater student access outside the classroom and integrates them in in the same facility as NMU's student advisers and first-generation student services.
- Enhance collaboration between faculty, students, and the entrepreneur community, and stimulate research in business administration, entrepreneurship, and marketing.
- Increase opportunities for multidisciplinary collaboration and strengthening programs and student learning.
- Centralizes two remotely located academic programs to NMU's academic mall, which is a goal of the university's Campus Master Plan enhancing student learning and collaboration with faculty, their peers, and community business leaders.
- Repurpose **14,000** underutilized square feet of space in the C.B. Hedgcock Building, providing more efficient building use and, by utilizing newly adopted design standards, creating 33% more efficient spaces than traditional design practices.
- Help facilitate a 2008 campus initiative to eliminate over 225,000 gross square feet of underutilized/unadaptable building space resulting in an annual operating savings of \$1.27 million and supporting NMU's goal of reducing carbon emissions by 25% by 2030 and achieving carbon neutrality by 2050.
- Physically link the new facility to John X Jamrich Hall (2014 Capital Outlay Project) completing the connection of all academic buildings in the core of campus greatly improving student access during northern Michigan's harsh winters.



## FISCAL YEAR 2025 CAPITAL OUTLAY PROJECT REQUEST

### Northern Enterprise Center (College of Business) *(continued)*

#### Describe the scope of the project:

The Northern Enterprise Center will create a new 30,000 square foot (sf) center (20,000 sf building addition and 10,000 sf adapted space) with state-of-the-art teaching, business-creation, and innovation space to include:

- New high-flex/high-tech classrooms.
- New Cyber Security and Content Creation Labs to develop resume and social media content, record presentation content, and interview room for both on-site and remote interviews.
- High-tech conference rooms for engaging business partners, community leaders, and economic development organizations.
- Dedicated informal learning spaces/student collaboration rooms; flexible spaces for face-to-face meetings between students or for student/faculty/business collaboration.
- Pre-function and presentation space for events, seminars, and guest speakers.
- A physical link between John X. Jamrich Hall and the new center enabling students to traverse the entire academic mall indoors, improving student access to facilities during the U.P.'s harsh winter months.
- Centralizes academic programs in the academic mall and facilitates NMU's Campus Master Plan initiative to reduce facilities gross square feet (GSF) by 225,000 GSF, reducing the university's carbon footprint and producing \$1.27 million annual operational savings.







## FISCAL YEAR 2025 CAPITAL OUTLAY PROJECT REQUEST

### **Northern Enterprise Center (College of Business) *(continued)***

#### **1. How does the project support Michigan's talent enhancement, job creation, and economic growth initiatives on a local, regional and/or statewide basis?**

The project will support, enhance, and catalyze the College of Business' continued growth by providing students with a collaborative, high-tech learning environment that aligns with Michigan's Hot 50 jobs. Since 2021 the College of Business has increased first major enrollment by 8.3% with a total of 741 majors. This project will help sustain this growth as well as meet the facility demand for the College's high-growth programs including a 35% increase in Cyber Security/Defense, a 58% increase in Sustainable Business/Enterprise Creation and a 67% increase in Human Resources Management.

It will improve the instruction tools to train many of the students that remain in the region after graduation. The College has placed over 175 interns regionally supporting both businesses and student learning; many receive offers for full-time employment and stay in the area upon graduation. Upon graduation nearly 90% of program graduates move onto full-time employment earning between \$42,000 and \$72,000, wages comparable to Michigan's median income level, in rural environments according to alumni surveys. The realization of a new Northern Enterprise Center, through this capital outlay request, will enable NMU to expand these opportunities, increase economic growth and, most importantly, significantly enhance the learning and growth opportunities for our students – the future business leaders for our region and State of Michigan.

This bold, multi-faceted approach will make the Northern Enterprise Center an epicenter of forward-looking education and entrepreneurship. By powering both academic excellence and business development, and by promoting perpetual innovation, the NEC will become the driving force behind a sustained economic renaissance for the Upper Peninsula and surrounding areas. Specific opportunities created by this new facility that serve regional economic growth include:

- Serving as a functioning “collaboratory” that brings together intellectual capital and educational programming into a state-of-the-art center. Within this dynamic setting, students and faculty will learn, research, and interact directly with business owners, investors, developers, entrepreneurs, and economic development organizations to foster innovation, test boundary-breaking ideas, and launch new ventures.
- Facilitating success for existing and future businesses by serving as a central location for entrepreneurial education, training, activities, business development, capital investment, and technology transfer in the central U.P.



## FISCAL YEAR 2025 CAPITAL OUTLAY PROJECT REQUEST

### **Northern Enterprise Center (College of Business) *(continued)***

- Giving students increased access to on-campus internships, mentorships, consulting projects, part-time jobs, and active learning experiences that reinforce classroom instruction and prepare them to excel in their future business-related careers.
- Providing faculty and student with the facilities and advanced technology (Hyflex) to enhance the distance/online learning so vital for connecting constituents across the entire Upper Peninsula, including the most rural areas.
- Supporting entrepreneurs, start-ups, and established businesses and agencies with an array of essential educational and training resources and services—from financing to coaching, and from business launch boot camps to market assessments.
- Better serving a large number non-traditional, first generation college students, who are place bound by virtue of family or economics and, by placing these graduates in their local area, helps strengthen the regional economy.
- Serving as THE place for innovative exchanges, knowledge sharing, and development of effective and strategic business practices. This will begin with the launch of the Information Assurance/Cyber Defense Center of Academic Excellence (CAE). As the only CAE in Michigan north of Grand Rapids, the Center will provide academic training and experiential learning focused on strengthening information security, assessing organizational risk, and mitigating informational breeches.

In addition, this project will provide economic benefit to Marquette and the surrounding counties s for approximately two years and is estimated to employ a total of 100 to 140 trades workers and result in over 51,000 labor hours for local trades workers.



## FISCAL YEAR 2025 CAPITAL OUTLAY PROJECT REQUEST

### ***2. How does the project enhance the core academic, development of critical skill degrees, and/or research mission of the institution?***

The College of Business is housed in a building that was constructed in 1975 and utilizes instructional labs that have had little update since being built in 1969. Because of the age of these existing facilities, the classrooms and labs lack many of the amenities of modern instructional spaces. The new facility will correct these shortcomings and enhance the core academic mission by providing a new, high-tech learning environment for NMU's students to master skills in programs such as cyber security and business analytics as well as develop the soft skills critical to future success - effective communication, ability to analyze complex problems, make sound/ethical decisions, and work as a team. The project will create an environment that maximizes interaction with businesses and industry, keeps students up to date with the latest trends and practices, and promotes innovation and entrepreneurship, ultimately benefiting the regional economy.

New spaces having a direct impact on student learning and high tech/high demand programs include:

- New high-flex classrooms enabling faculty to delivery instruction both in person and remote simultaneously enabling NMU to expand our instructional reach.
- New state-of-the-art Cyber Security and Content Creation Labs providing proper instruction spaces and tools for student learning.
- High-tech conference rooms for engaging with business partners, community leaders, and economic development organizations.
- Dedicated informal learning spaces/student collaboration rooms providing the opportunity for face-to-face meetings between students or for student/faculty/business collaboration.
- Pre-function and presentation space for events, seminars, and guest speakers enabling guest speakers, symposiums of student lead presentations.

Not only does this project support the continued growth of NMU's fastest-growing academic programs, it enhances retention efforts, achieves a final piece of the university's campus master plan goal of centralizing all remaining academic programs to the core of campus, and enables the demolition of an outdated residence hall that was adapted for academic department offices.



## FISCAL YEAR 2025 CAPITAL OUTLAY PROJECT REQUEST

### Northern Enterprise Center (College of Business) *(continued)*

#### **3. How does the project support investment in or adaptive re-purposing of existing facilities and infrastructure?**

This project will repurpose 14,000 underutilized square feet located in the C.B. Hedgcock Building for College of Business and Department of Military Science. This repurposed space will be designed using NMU's newly adopted space standards, creating 33% more efficient spaces than areas currently occupied by both programs. By adapting existing space for these two programs, NMU will vacate and demolish a 58,000 square foot residence hall that was built in 1961 and adapted in the mid 1990s for academic and instructional use.

#### **4. Does the project address or mitigate any current health/safety deficiencies relative to existing facilities? If yes, please explain.**

Some of the spaces currently occupied by the programs being relocated with this project are housed in buildings with antiquated HVAC system and do not meet current mechanical or ASHRAE (American Society of Heating, Refrigerating and Air-Conditioning Engineer) standards. The new center will provide a teaching and learning environment for faculty, students and area business community members that will meet and/or exceed current health and safety codes.

#### **5. How does the institution measure utilization of its existing facilities, and how does it compare relative to established benchmarks for educational facilities? How does the project help to improve the utilization of existing space and infrastructure, or conversely how does the current utilization support the need for additional space and infrastructure?**

##### **A. Utilization Measurement:**

Northern Michigan University recognizes that our buildings are our largest physical asset and the efficient utilization of these spaces is essential to the success of the university. As such, NMU has taken a very aggressive approach to evaluating and improving space utilization. In 2011 NMU commissioned, completed and adopted the recommendation of a comprehensive classroom study. By formally adopting these guidelines the university has been able to meet new programmatic space needs within its existing campus footprint. This has been accomplished through the implementation of space scheduling and optimization software allowing NMU to continually track space utilization. These reports identify opportunities for scheduling improvement by academic departments and are provided and reviewed by all academic deans and department heads. Current average classroom utilization Monday through Friday is 71%, exceeding the University's adopted standard. Utilization increases substantially to 84% for the same time period Monday through Thursday.



## FISCAL YEAR 2025 CAPITAL OUTLAY PROJECT REQUEST

### Northern Enterprise Center (College of Business) *(continued)*

#### **B. Comparative Utilization Data:**

In 2019, as part of the Campus Master Plan update, the university classified all of its existing space based on the *U.S. Department of Education's National Center for Education Statistics Post Secondary Education Facilities Inventory and Classification Manual* and then benchmarked its spatial distribution with the *Society of College and University Planning Campus Facilities Inventory*. This effort allowed the university to benchmark its space inventory against national averages by comparing total square footage by type (classroom, laboratory, office, etc.) against total enrollment.

In addition to space distribution, the University continually evaluates space utilization. Since 2011, the University has established a target utilization rate for all classroom space between 62% to 72% based on 45 available hours per week. Space utilization targets are evaluated with every new space request to help identify opportunities to re-purpose underutilized space in lieu of building new. Since the adoption of these standards, NMU has been able to increase instructional space utilization, in some buildings in excess of 80%, while accommodating new program needs through the adaptive reuse of existing space

#### **C. Project Improvement on Space/Infrastructure Utilization:**

The new center will directly enhance instructional delivery for faculty and students occupying this center, and will compliment the active learning classroom facility, John X. Jamrich Hall. The new center will improve space utilization by relocating faculty from old, large offices into modern office suites that support both open work areas and efficient private office. These offices will be on average 33% more efficient than existing. By adapting existing space in C.B Hedgcock, NMU will vacate and demolish a 58,000 square feet residence hall that was built in 1961 and adapted in the mid 1990s for academic and instructional use.

### ***6. How does the institution intend to integrate sustainable design principles to enhance the efficiency and operations of the facility?***

This project will be designed and constructed consistence with NMU's newly created sustainable design principles developed as part of the university's commitment to carbon neutrality. This criteria will not only ensure NMU capital projects qualify for LEED certification, it will ensure each project is designed and constructed in a way that is most beneficial to the university for the life of a building and reduce the university's carbon footprint. This commitment emphasizes increased space efficiencies of up to 33% for certain building uses and incorporating specific building technologies to include high, energy efficiency systems, new LED lighting, rooftop solar (producing up to 25% of the electrical load) and exploring renewable building material to include the incorporation of mass timber. The project is also part of a much broader goal of right-sizing the entire campus and reducing overall campus square footage by 225,000 by 2030.



## FISCAL YEAR 2025 CAPITAL OUTLAY PROJECT REQUEST

### Northern Enterprise Center (College of Business) *(continued)*

**7. Are matching resources currently available for the project? If yes, what is the source of the match resources? If no, identify the intended source and the estimated timeline for securing said resources?**

Yes, from the NMU Foundation, industry contributions, and capital bonding.

**8. If authorized for construction, the state typically provides a maximum of 75% of the total cost for university projects and 50% of the total cost for community college projects. Does the institution intend to commit additional resources that would reduce the state share from the amounts indicated? If so, by what amount?**

Yes, the university will match an additional five percent (5%) which will reduce the State's share to seventy percent (70%) or \$13,370,000.

**9. Will the completed project increase operating costs to the institution? If yes, please indicate an estimate cost (annually, and over a five-year period) and indicate whether the institution has identified available funds to support the additional cost.**

No, although this project will adapt 14,000 square feet (sf) of existing space and add 20,000 sf of new space it will enable the demolition of a 58,000 sf obsolete facility. This will reduce on campus square footage by 38,000. The estimated savings for this reduction is \$190,000 annually and a five-year cost savings of \$950,000.

**10. What impact, if any, will the project have on tuition costs?**

The project will have no impact on tuition.

**11. If this project is not authorized, what are the impacts to the institution and its students?**

Northern Michigan University seeks to provide the best academic experience for its students, faculty and region. Without authorization, an opportunity for collaboration and interest will be missed. If state funding is not authorized for this project, the potential gains in academic synergy as described in question 12 below would be lost.



## FISCAL YEAR 2025 CAPITAL OUTLAY PROJECT REQUEST

### Northern Enterprise Center (College of Business) *(continued)*

#### **12. What alternatives to this project were considered? Why is the requested project preferable to those alternatives?**

A renovation and addition onto the McClintock Building was considered. However, with the update to the university's Campus Master Plan in 2019, the McClintock Building location did not provide the level of synergy between academic programs that could be achieved with the new center located in the academic mall. The renovation of the McClintock Building wasn't sufficient to meet the needs of the university, its programs or goals for the College of Business and related departments. Furthermore, a state-of-the-art center built with sustainable practices aligns with the core values of the university.



