



**FY 2015-16 & FY 2016-17
CAPITAL OUTLAY BUDGET**

February 2016

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INTRODUCTION

The Legislature enacted several reforms to the capital outlay process in 2012. The Governor began the implementation of these reforms with his fiscal year (FY) 2014-15 budget recommendation, which included new capital outlay planning authorizations. The Legislature enacted the Governors' FY 2014-15 recommendation in an FY 2015-16 supplemental appropriation bill, Public Act 241 of 2015. The Governor also made recommendations for new planning authorizations in his FY 2015-16 budget, but as of this date, those projects have not been acted upon by the Legislature.

The Governor's FY 2016-17 budget recommendations include additional capital outlay planning authorizations, again developed based on criteria contained in the 2012 capital outlay reforms. With the new FY 2016-17 project recommendation, the Governor submitted a letter stating his continued support for planning authorizations included in his FY 2015-16 budget. The following provides an overview of the 2012 reforms and the Governor's capital outlay recommendations for both FY 2015-16 and FY 2016-17. Table 1 provides a summary of the Governor's FY 2015-16 and FY 2016-17 recommendations.

BACKGROUND

Public Act 430 of 2012 amended the Management and Budget Act to provide reforms to the State's capital outlay process. New to the process was a requirement that the Department of Technology, Management, and Budget (DTMB) and the Joint Capital Outlay Subcommittee (JCOS) chairperson and vice-chairperson review and evaluate capital outlay project requests from State agencies, universities, and community colleges considering specific criteria by March 1 of each year. Pursuant to MCL 18.1242, the review is required to include:

- investment in existing facilities and infrastructure;
- life and safety deficiencies;
- occupancy and use of existing facilities;
- integration of sustainable design to enhance the efficiency and operation of the facility;
- estimated cost;
- institutional support;
- operating costs;
- impact on tuition, if any;
- impact on job creation in Michigan; and
- history of State appropriations to the institutions through the capital outlay process.

The DTMB reviewed capital outlay project requests since FY 2014-15 based on the above criteria, and the following additional criteria:

- impact on core mission of the institution;
- whether the project is focused on a single, stand-alone facility; and
- history of compliance with JCOS and DTMB project requirements.

The DTMB scored each of the criteria based on a point system weighting certain criteria more than others. Points ranged from 10 to 30 by criteria in FY 2014-15. In FY 2015-16, changes to the DTMB evaluation process for project requests included increasing the weight to 40 points for the criteria of "Impact on Job Creation" and "Impact on Core Mission of the Institution," and reducing the weight given to the "Life and Safety Deficiencies" criteria. For the FY 2016-17 evaluation process, the DTMB eliminated all points for the "Life and Safety Deficiencies" criteria. Details regarding the review process conducted by the DTMB and scoring are available at the following DTMB website:

http://www.michigan.gov/documents/budget/FY17_Capital_Outlay_Proj_Req_Review_and_Evals_514253_7.pdf

Table 1

CAPITAL OUTLAY - FY 2015-16 AND FY 2016-17 GOVERNOR'S RECOMMENDATION FOR UNIVERSITIES AND COMMUNITY COLLEGES			
Project	Total Cost	State Share	Institution Share
<u>FY 2015-16 Recommendation</u>			
Universities			
Lake Superior State University - Center for Freshwater Research & Education	\$11,800,000	\$8,850,000	\$2,950,000
U of M-Ann Arbor - School of Dentistry Renovation & Addition	122,000,000	30,000,000	92,000,000
U of M-Dearborn - Engineering Laboratory Building Replacement	90,000,000	30,000,000	60,000,000
Community Colleges			
Delta College - Saginaw Center	\$12,739,000	\$6,369,500	\$6,369,500
Mott - Southern Lakes Branch Center Rehabilitation/Renovation	4,045,600	2,022,800	2,022,800
FY 2015-16 Recommendation Subtotal.....	\$240,584,600	\$77,242,300	\$163,342,300
<u>FY 2016-17 Recommendation</u>			
Universities			
U of M-Flint - Murchie Science Building Addition.....	39,000,000	29,250,000	9,750,000
Saginaw Valley - College of Business & Management Expansion	17,500,000	9,800,000	7,700,000
Wayne State - STEM Innovation Learning Center....	29,500,000	14,750,000	14,750,000
Eastern - Strong Hall Renovation	39,536,000	29,652,000	9,884,000
Community Colleges			
Kellogg - Regional Manufacturing Technology Center Renovation & Addition	4,300,000	2,150,000	2,150,000
Wayne County - Eastern Campus Repurposing & Upgrading	18,000,000	9,000,000	9,000,000
Northwestern - West Hall Innovation Center Renovation & Expansion	14,499,400	7,249,700	7,249,700
State Agencies			
DNR- Coolwater Rearing Hatchery Improvements ...	12,242,500	12,242,500	N/A
DTMB - Jackson State Office Building Renovation ..	9,450,000	9,450,000	N/A
FY 2016-17 Subtotal	\$184,027,900	\$123,544,200	\$60,483,700
TOTAL FY 2015-16 & FY 2016-17 REC.	\$424,612,500	\$200,786,500	\$223,826,000
Notes: Projects and costs are based on institution submissions to the Department of Technology, Management, and Budget (DTMB) pursuant to requirements of Section 242 of the Management and Budget Act. State share assumes \$30.0 million maximum consistent with Capital Outlay appropriations since 2010. The DTMB is continuing to support projects recommended in the FY 2015-16 budget, as stated in the letter included with the FY 2016-17 budget recommendation on February 10, 2016.			

FY 2015-16 AND FY 2016-17 GOVERNOR'S RECOMMENDATION

Appendix 1 provides a summary of requested projects and the Governor's recommendation for FY 2015-16 and FY 2016-17. Requests from fourteen universities and twenty community colleges totaled \$947.6 million, with an estimated State share of \$439.4 million.¹⁾ The "Gov Rank" column includes the ranking that the DTMB assigned to each project, based on the review pursuant to Section 242 of Management and Budget Act. Projects that were recommended in FY 2015-16 were not scored again in the FY 2016-17 round. Two projects, Bay de Noc and Gogebic, were not scored due to concerns regarding the SBA being able to bond for those projects. The top four university projects and the top three community college projects were recommended for planning authorizations in the Governor's FY 2016-17 budget recommendation. The two highest scoring State agency projects were also recommended by the Governor. If the Governor's FY 2015-16 and FY 2016-17 recommendations eventually receive construction authorizations, project costs would total \$424.6 million, with a State share of \$200.8 million.

Appendix 2 to this paper provides a summary of current university and community college priority requests as they were submitted to the DTMB in November 2015. It also includes a summary of the two State agency requests included in the Governor's FY 2016-17 recommendation. (The Legislature did not receive a listing of all State agency projects and their respective DTMB scores.)

STATE FUNDING

The State Building Authority (SBA) is the mechanism the State uses to fund its share of costs for State agency, university, and community college capital outlay projects. Bonds are issued by the SBA. The State share of project costs for universities traditionally has been based on a 75/25 State/institution match. However, this match has been limited to a maximum State share of \$30 million since 2010. Community college projects traditionally have a 50/50 State/institution match. The SBA funds 100% of the cost of State agency projects. To enable the SBA to bond to finance the State share of a project's costs, the property is conveyed to the SBA and leased back to the State. Pursuant to the SBA Act (Public Act 183 of 1964), the conveyance and lease are subject to prior approval by the State Administrative Board, the Attorney General, the governing body of the institution of higher education, and the Legislature. While the SBA holds title to the property, the State, through annual appropriations, pays rent to the SBA to fund annual debt service costs of SBA bonds. After the bonds are paid off, the property is transferred back to the State (in the case of State agency projects) or the institution (in the case of university and community college projects). Pursuant to Section 8(15) of the SBA Act, the SBA may not at any one time have obligations outstanding in a principal amount totaling more than \$2.7 billion. Interest and costs of borrowing are not included in this limit. Based on the \$2.7 billion bond cap, the SBA estimates that the remaining available bond capacity in FY 2016-17 will be \$966.7 million.

The SBA has been a major source of funding for State agency, university and community college construction projects. The SBA reports that since 1979 it has financed \$5.2 billion for construction projects. Table 2 provides a summary of SBA financing by sector.

¹⁾ This amount reflects requests submitted in November 2015 to DTMB pursuant to Section 242 of the Management and Budget Act.

Table 2

State Building Authority Financed Projects			
	Number of Projects	SBA Project Costs	Percent of Total Costs
Universities	126	\$2,457,195,200	46.8%
Community Colleges	82	407,292,759	7.8%
Department of Corrections	50	1,134,011,469	21.6%
Other State Agencies	56	1,247,306,682	23.8%
Total:	314	\$5,245,806,110	100.0%

Source: State Building Authority FY 2014 Project Cost Summary Report, March 2015.

CONCLUSION

While the statutory limits regarding the bond cap would allow for State funding of all currently requested university and community college projects, the real issue for the State is debt costs related to the bond issue and its impact on future fiscal years. Funding all of the FY 2016-17 requests from colleges and universities, assuming a \$30.0 million maximum State share per project, would result in a State cost of \$439.4 million.²⁾ Annual SBA rent payments to retire the debt would total between \$30.6 million and \$39.5 million for approximately 17 years. The Governor's recommendation includes fourteen of those projects (five in FY 2015-16 and nine in FY 2016-17, including two State agency projects). The cost of the recommended projects totals \$424.6 million, with a State share of \$200.8 million. Annual SBA rent payments to retire the debt would total between \$14.1 million and \$18.1 million for approximately 17 years.

²⁾ This amount does not include the two State agency projects recommended by the Governor.



Appendix 1

PROJECT	Gov Rank	Institution Request		Governor	
		TOTAL COST	STATE SHARE	TOTAL COST	STATE SHARE
Central - Center for Integrated Health Studies	7	\$26,000,000	19,500,000		
Eastern - Strong Hall Renovation	4	39,536,000	29,652,000	39,536,000	29,652,000
Ferris - Current Planning Authorization in Process		0	0		
Grand Valley - Health & Medical Sciences Laboratory & Classroom Building	6	70,000,000	29,000,000		
Lake Superior - Center for Freshwater Research and Education	N/A	11,800,000	8,850,000	11,800,000	8,850,000
Michigan State - STEM Teaching & Learning Facility	5	70,000,000	30,000,000		
Michigan Tech - Health Sciences and Medical Engineering Building	11	52,000,000	30,000,000		
Northern - Learning Resources Center Renovation	9	40,000,000	30,000,000		
Oakland - Varner Hall Expansion	10	111,300,000	30,000,000		
Saginaw Valley - College of Business & Management Expansion	2	17,500,000	9,800,000	17,500,000	9,800,000
U of M - Ann Arbor - School of Dentistry Renovation and Addition	N/A	122,000,000	30,000,000	122,000,000	30,000,000
U of M - Dearborn - Engineering Laboratory Building Replacement	N/A	90,000,000	30,000,000	90,000,000	30,000,000
U of M Flint - Murchie Science Building Addition	1	39,000,000	29,250,000	39,000,000	29,250,000
Wayne State - STEM Innovation Learning Center	3	29,500,000	14,750,000	29,500,000	14,750,000
Western - College of Aviation Renovation & Addition	8	20,000,000	15,000,000		
SUBTOTAL - UNIVERSITIES		\$738,636,000	\$335,802,000	\$349,336,000	\$152,302,000
Alpena - Center for Health & Student Success	4	\$6,700,000	\$3,350,000		
Bay de Noc - Outdoor Learning Environment & Sustainability Center	N/S	929,600	464,800		
Delta - Saginaw Center	N/A	12,739,000	6,369,500	12,739,000	6,369,500
Glen Oaks - Library Repairs, Renovation & Upgrades	10	2,500,000	1,250,000		
Gogebic - Lindquist Center Exterior Cladding	N/S	1,100,000	1,100,000		
Grand Rapids - Exercise Science Facility Renovation	12	8,500,000	4,250,000		
Henry Ford - Center for Innovative Manufacturing Education	16	33,000,000	16,500,000		
Jackson - no request submitted to DTMB		0	0		
Kalamazoo Valley - no request submitted to DTMB		0	0		
Kellogg - Regional Manufacturing Technology Center Renovation & Addition	1	4,300,000	2,150,000	4,300,000	2,150,000
Kirtland - No request submitted to DTMB		0	0		
Lake Michigan - Current Planning Authorization in Process		0	0		
Lansing - 505 N. Capitol Avenue Building Renovation	7	6,000,000	3,000,000		
Macomb - South Campus - Turner Advanced Technology Center	9	20,699,500	10,349,750		
Mid Michigan - Library Learning Services & Career/Technical Education	11	12,658,400	6,329,200		
Monroe - Renovation of East & West Technology Buildings	14	12,000,000	6,000,000		
Montcalm - no request submitted to DTMB		0	0		
Mott - Southern Lakes Branch Center: Rehabilitation/Renovation	N/A	4,045,600	2,022,800	4,045,600	2,022,800
Muskegon - Health and Wellness Center	14	14,100,000	5,640,000		
North Central - Administration Classroom Building Renovation & Addition	13	6,500,000	3,250,000		
Northwestern - West Hall Innovation Center Renovation & Expansion	3	14,499,400	7,249,700	14,499,400	7,249,700
Oakland - no request submitted to DTMB		0	0		
St. Clair - no request submitted to DTMB		0	0		
Schoolcraft - Applied Sciences Renovation & Expansion	8	10,150,000	5,075,000		
Southwestern - Nursing & Health Education Building Renovation & Expansion	6	8,000,000	4,000,000		
Washtenaw - Center for Advanced Transportation Addition/Renovation	5	12,500,000	6,250,000		
Wayne - Eastern Campus Repurposing & Upgrading	2	18,000,000	9,000,000	18,000,000	9,000,000
West Shore - Current Planning Authorization in Process		0	0		
SUBTOTAL - COMMUNITY COLLEGES:		\$208,921,500	\$103,600,750	\$53,584,000	\$26,792,000
DNR- Coolwater Rearing Hatchery Improvements		12,242,500	12,242,500	12,242,500	12,242,500
DTMB - Jackson State Office Building Renovation		9,450,000	9,450,000	9,450,000	9,450,000
SUBTOTAL - STATE AGENCIES		\$21,692,500	\$21,692,500	\$21,692,500	\$21,692,500
TOTAL SBA PROJECTS:		\$969,250,000	\$461,095,250	\$424,612,500	\$200,786,500

NOTES

Projects based on institution submissions to DTMB in November 2015 pursuant to Section 242 of the Management and Budget Act (1984 PA 431).

Rankings are based on DTMB's review and scoring of capital outlay requests pursuant to 2012 capital outlay reform legislation.

N/A: Included in Governor's FY 2015-16 budget based on FY 2015-16 scoring, therefore not scored in the FY 2016-17 round and still supported by DTMB..

N/S: Bay de Noc and Gogebic not scored by DTMB due to bondability issues.

Match variations: GVSU, SVSU, WSU, Muskegon Community College, are funding more than the standard match requirement, thereby reducing the State Share.

Muskegon and Monroe each scored 73.6 points, tying at ranking 14.

APPENDIX 2

FY 2016-17 PRIORITY PROJECT REQUESTS			
Project	Total Cost	State Share	Institution Share
Universities:			
<p>Central Michigan University: Center for Integrated Health Studies. The project consists of a 62,000-square-foot new structure. Central states that the facility would allow the university to address its needs for classroom and laboratory space, enabling CMU to train more health professionals (physician assistants, physical therapists, audiologists, etc.) as well as bring in students from the College of Business with logistics, information technology and economics majors to better connect these related professions to health care professions and patient care. The building would include mediated classrooms, dry laboratory space, at least one lecture hall, and designated student collaboration space. The DTMB ranked the project Number 7 among FY 2016-17 university capital outlay priority project requests. (FY 2015-16 DTMB Ranking: Number 5.)</p>	<p>\$26,000,000</p>	<p>\$19,500,000</p>	<p>\$6,500,000</p>
<p>Eastern Michigan University: Strong Hall Renovation. Strong Hall was constructed in 1957. The project would replace outdated building systems (building envelope, mechanical, plumbing, electrical, interior systems, ADA accessibility, equipment, and update fire suppression systems). The 80,713-square-foot proposed renovation project also would provide additional instructional and research laboratories for Physics and Astronomy, Geography and Geology, Global Mapping/GIS, and Geo-tourism. The DTMB ranked the project Number 4 among FY 2016-17 university capital outlay priority project requests. (FY 2015-16 DTMB Ranking: Number 4, then submitted as an 87,500 sq. ft. project with a cost of \$47.0 million.)</p>	<p>39,536,000</p>	<p>29,652,000</p>	<p>9,884,000</p>
<p>Grand Valley State University: Health Medical Sciences Laboratory and Classroom Building. The project would provide for the construction of a new 160,000-square-foot laboratory, classroom and faculty office building on the Pew Grand Rapids campus, on university property adjacent to the GVSU Cook-DeVos Center for Health Sciences on Michigan Street NE. (This area is the city's "Medical Mile" and hosts numerous hospital, medical, and research activities, including Spectrum Health.) The facility would address capacity issues and provide space for the health sciences, nursing, medical engineering, and computer-based analysis programs. The DTMB ranked the project Number 6 among FY 2016-17 university capital outlay priority project requests. (FY 2015-16 DTMB Ranking: Number 8, when the request was for a 95,000- square-foot \$50.0 million project.)</p>	<p>70,000,000</p>	<p>29,000,000</p>	<p>41,000,000</p>

FY 2016-17 PRIORITY PROJECT REQUESTS			
Project	Total Cost	State Share	Institution Share
<p>Lake Superior: Center for Freshwater Research and Education (CFRE). The renovation and expansion would provide 16,000 sq. ft. compared to the current location (3,500 sq. ft.). The CFRE Building would have three floors that would be renovated in one phase at a cost of \$11.8 million. The building would include a visitor center, classroom space for K-12 groups, modern research space, a fish health laboratory, additional hatchery space, office space for visiting scientists, space to expand community outreach programs, ADA compliance, and high-speed data capabilities. (The project was ranked Number 1 among FY 2015-16 university requests by the DTMB, at that time a \$10.5 million project, and included in the Governor's FY 2015-16 budget recommendation and therefore was not scored in FY 2016-17.)</p>	11,800,000	8,850,000	2,950,000
<p>Michigan State University: STEM Teaching and Learning Facility. The new facility would support laboratory based instruction associated with courses in science, technology, engineering and mathematics. The project consists of the construction of an approximate 120,000-gross-square-foot facility that would house undergraduate teaching laboratories for biological related sciences, chemistry, neuroscience, physics, and engineering disciplines in a central campus location. In addition to wet bench teaching laboratories, the facility will include computer labs, informal study areas, break-out spaces, and potentially a campus-wide computerized testing center. The DTMB ranked the project Number 5 among FY 2016-17 university capital outlay priority project requests.</p>	70,000,000	30,000,000	40,000,000
<p>Michigan Tech: Health Sciences and Medical Engineering Building. The project includes construction of a new facility with approximately 100,000-sq.-ft. of new space and the renovation of approximately 25,000-sq.-ft. of existing space to accommodate health-related science and engineering activities. The building would bring together key faculty primarily from Biomedical Engineering, Kinesiology and Integrated Physiology, Chemistry, and other appropriate disciplines. The DTMB ranked the project Number 11 among FY 2016-17 university capital outlay priority project requests. (FY 2015-16 DTMB Ranking: Number 13.)</p>	52,000,000	30,000,000	22,000,000
<p>Northern Michigan University: Learning Resources Center Renovation. The \$40.0 million project includes renovation of a 198,000-sq.-ft. library built in 1966 into a state-of-the-art high-tech instructional support hub and learning resources center. The project includes improvements for the Olson Library, the Central Upper Peninsula and NMU Archives, public broadcasting stations (WNMU-TV, WNMU-FM), Audio-Visual Services, and instructional and student support areas. It also includes merging academic broadcasting program</p>	40,000,000	30,000,000	10,000,000

FY 2016-17 PRIORITY PROJECT REQUESTS			
Project	Total Cost	State Share	Institution Share
operations with NMU's public television and radio broadcasting stations to enhance sharing of equipment and staffing. The project's technology would support a new digital teaching/learning center, expanded regional emergency broadcasting capabilities, as well as individual and small-group advanced video studios and conference areas available for both university and community long-distance communication needs. The project also addresses \$1.7 million of life/safety issues including improved fire suppression, exit and emergency lighting, and over \$16.0 million of deferred maintenance. The DTMB ranked the project Number 9 among FY 2016-17 university capital outlay priority project requests. (FY 2015-16 DTMB Ranking: Number 11 .)			
Oakland University: Varner Hall Expansion. The \$111.3 million project would provide for a 258,000-gross-square-foot addition to Varner Hall to address space shortages and to support the projected growth in enrollment for the College of Arts and Sciences. The building addition would house digital classrooms, technology-enabled learning studios, and student-centered laboratories, as well as expansion of space for faculty-student interaction. When complete and fully occupied, the project would create space on campus for use and re-purposing by other campus departments. The DTMB ranked the project Number 10 among FY 2016-17 university capital outlay priority project requests. (FY 2015-16 DTMB Ranking: Number 10.)	111,300,000	30,000,000	81,300,000
Saginaw Valley: College of Business and Management Expansion. The project consists of a 40,000-sq.-ft. addition to the 236,000-sq.-ft Business & Professional Development Center. The project includes creating various experiential and active learning labs, gathering space, academic centers and offices. It will facilitate the consolidation of programs and services serving the regional business community into one multifunctional space. The university is not requesting the customary 75% State match and is instead using university resources to fund approximately 44.6 % of the project cost. The DTMB ranked the project Number 2 among FY 2016-17 university capital outlay priority project requests.	17,500,000	9,800,000	7,700,000
University of Michigan-Ann Arbor: School of Dentistry Renovation & Addition. The project includes the renovation of 120,000-gross-square-feet (30% of existing space) in the Dental Building and W.K. Kellogg Foundation Institute, and a 31,000-gross-square-foot addition to ameliorate crowded and outdated lab space, provide adaptable and flexible space for research, create a special needs clinic, and provide appropriate space for clinical education, while expanding the statewide patient care services (182,000 patient appointments in FY 2014-15). (The project was ranked Number 3 among FY 2015-16 university requests by the DTMB and recommended	122,000,000	30,000,000	92,000,000

FY 2016-17 PRIORITY PROJECT REQUESTS			
Project	Total Cost	State Share	Institution Share
by the Governor in FY 2015-16. Therefore, the project was not scored again in the FY 2016-17 round.)			
University of Michigan-Dearborn: Engineering Laboratory Building Replacement. The project would replace the existing 92,125-sq.-ft. building that was constructed in 1959 with a new 108,000-sq.-ft. facility. The current facility provides support for degrees in the fields of electrical and computer engineering, industrial and manufacturing systems engineering, and mechanical engineering. The university maintains that the project would allow for the doubling of Engineering and other STEM graduates, while providing a state-of-the-art facility to increase capacity for programmatic and research growth. (The project was ranked Number 2 among FY 2015-16 university requests by the DTMB and recommended by the Governor in FY 2015-16. Therefore, the project was not scored again in the FY 2016-17 round.)	90,000,000	30,000,000	60,000,000
University of Michigan-Flint: Murchie Science Building Addition. The project includes an 80,000-sq.-ft. addition to the Murchie Science Building. The additions will include innovative learning spaces, flexible spaces specifically designed to support interactive learning, facilitate interdisciplinary collaboration, meet evolving needs, and free up needed space to support laboratory preparation staff and supplies. The building expansion would address growth patterns that have occurred in physics/engineering, biology, earth and resource sciences, mathematics, computer science/information systems, and chemistry programs. The DTMB ranked the project Number 1 among FY 2016-17 university capital outlay priority project requests.	39,000,000	29,250,000	9,750,000
Wayne State: STEM Innovation Learning Center. The \$29.5 million project consists of the renovation of the eight-floor/100,000-sq.-ft. Science and Engineering Library that was closed in January 2014. The renovated facility would allow for new technology and teaching methodologies, and the integration and re-assignment of existing and redesigned STEM courses that are currently housed in dated facilities and teaching labs. The university is pledging to fund 50.0% of the project cost instead of the customary 75/25 State/university match. The DTMB ranked the project Number 3 among FY 2016-17 university capital outlay priority project requests. (FY 2015-16 DTMB Ranking: Number 6 [tied with University of Michigan - Flint that year], when it was a \$30.0 million request with a standard 75.0% State match.)	29,500,000	14,750,000	14,750,000
Western: College of Aviation Renovation and Addition. The \$20.0 million project (16,000-sq.-ft. renovation, 51,000-sq.-ft. new construction) would renovate and add to existing space at the College of Aviation to address current and future enrollment needs,	20,000,000	15,000,000	5,000,000

FY 2016-17 PRIORITY PROJECT REQUESTS			
Project	Total Cost	State Share	Institution Share
energy deficiencies and space appropriateness, and safety concerns. The Aviation Education Center building is located on the WMU College of Aviation campus in Battle Creek. The project includes classrooms, composites/paint labs, simulation center, research center, student briefing rooms, office space, and bringing the building up to current energy, life safety, and accessibility codes. The DTMB ranked the project Number 8 among FY 2016-17 university capital outlay priority project requests. (FY 2015-16 DTMB Ranking: Number 9.)			
Subtotal - Universities:	\$738,636,000	\$335,802,000	\$402,834,000
Community Colleges:			
Alpena Community College: Nursing Expansion. The project includes the renovation and repurposing of 36,000-sq.-ft. and 7,500-sq.-ft. of new construction. The project will provide space and updated technology to house an enhanced nursing program, centralize critical student support services in a center for student success, and include a second floor Foundation-Alumni community gathering space. The DTMB ranked the project Number 4 among FY 2016-17 community college capital outlay priority project requests.	\$6,700,000	\$3,350,000	\$3,350,000
Bay de Noc Community College: Outdoor Learning Environment and Sustainability Center. The \$929,600 would fund a Sustainability Center that will be constructed from recycled and repurposed materials, and timber and sand. The college plans to acquire ninety acres of mature forest and a 20-acre lake that will serve as an outdoor classroom for existing and newly developed academic programs. The project was not scored by the DTMB due to concerns regarding the ability to bond for the project.	\$929,600	\$464,800	\$464,800
Delta: Saginaw Center Project. The \$12.7 million/ 35,000-sq.-ft. proposed new construction project would support the delivery of educational programs to the City of Saginaw and southeastern Saginaw County. Delta currently leases a 21,500-sq.-ft. 1950s era elementary school in the Buena Vista area. The proposed new facility would be designed to be flexible to teach general education, skilled trades, health care, and classes offering an entry point to career options. It would include high-level technology, special use training rooms, eight to 10 classrooms, and basic science and computer labs. It also would provide multipurpose rooms/labs, student services and administrative support spaces. (The project was ranked Number 1 among community college requests in FY 2015-16 by the DTMB, included in the Governor's FY 2015-16 budget recommendation, and therefore not scored in the FY 2016-17 round.)	12,739,000	6,369,500	6,369,500

FY 2016-17 PRIORITY PROJECT REQUESTS			
Project	Total Cost	State Share	Institution Share
Glen Oaks: Library Repairs, Renovation and Upgrades. The \$2.5 million 12,000-sq.-ft. renovation project includes the renovation of the library to include the testing and tutoring center. Renovations would provide for increased electrical capacity, installation of insulation, and construction of student study meeting areas. The renovation would address preexisting problems of walls separating, insufficient electrical supply, inadequate lighting and traffic flow through the library. . The project was ranked Number 10 among FY 2016-17 community college capital outlay priority requests by the DTMB. (FY 2015-16 DTMB Ranking: Number 12.)	2,500,000	1,250,000	1,250,000
Gogebic: Lindquist Student and Conference Center Exterior Cladding. The request consists of replacing the exterior cladding on the Lindquist Student Center to create a weatherproof shell on the building. The current building exterior is cracking and allowing water to penetrate the interior of the building. The college states that replacing the exterior cladding would reduce energy costs, protect the building structure, and extend the useful life of the facility. The college does not have funds available to provide for the 50% match normally required for a community college project. Therefore, the college is requesting a special maintenance grant from the State for the entire amount. The DTMB did not score and rank Gogebic's request in FY 2015-16 or FY 2016-17 due to concerns regarding the ability to bond for the project.	1,100,000	1,100,000	0
Grand Rapids: Exercise Science Facility Renovation. Plans call for renovations (74,319-sq.-ft.) within the Ford Field house to convert under-utilized space into functional classrooms and to accomplish HVAC, electrical, plumbing and code compliance updates and ADA compliance. The renovations will support the Exercise Science Department and the Police Academy. The project was ranked Number 12 among FY 2016-17 community college capital outlay priority requests by the DTMB.	8,500,000	4,250,000	4,250,000
Henry Ford: Center for Innovative Manufacturing Education. The \$30.0 million to \$33.0 million project would fund the renovation and addition to the existing technology facility. The new flexible learning environment combines the e-learning, flipped classroom, in-class instruction, and open lab environment to create a new learning environment for students. The facility would include learning/lab stations that are in visual view of each other and the instructor desk, equipment would be organized as "Centers of Technology" to create an environment of collaboration and teamwork, learning and lab stations are designed for open-flexible use with appropriate course learning module, common instructor desk area, testing area, resource area, and lab facility support area. The project was ranked Number 16 among FY 2016-17 community college capital outlay priority requests by the DTMB. (FY 2015-16 DTMB Ranking: 17, then a \$25.0 million request.)	33,000,000	16,500,000	16,500,000

FY 2016-17 PRIORITY PROJECT REQUESTS			
Project	Total Cost	State Share	Institution Share
<p>Kellogg: Regional Manufacturing Technology Center (RMTC) Renovation and Addition. The 48,790-sq.-ft. renovation/addition project would update the plumbing, mechanical and electrical systems, address deficiencies in the facility's envelope and security, and expand student classroom and training lab areas. The 8,400-sq.-ft. addition would provide classroom space for the Workforce Solutions/Customized Training Department. The project also would address lifecycle issues with building finishes (e.g., flooring and wall coverings). The project was ranked Number 1 among FY 2016-17 community college capital outlay priority requests by the DTMB. (FY 2015-16 DTMB Ranking: Number 7.)</p>	4,300,000	2,150,000	2,150,000
<p>Lansing: 505 N. Capitol Avenue Building Renovation Project. The \$6.0 million/19,500-sq.-ft. renovation project would repurpose the space from its current use as commercial offices to space for instruction on technology, math, and engineering; and create a Center for Veterans Services. The architectural design would include offices, classrooms, and lecture halls, and address energy efficiency issues with the building envelope. The project was ranked Number 7 among FY 2016-17 community college capital outlay priority requests by the DTMB. (FY 2015-16 DTMB Ranking: Number 9.)</p>	6,000,000	3,000,000	3,000,000
<p>Macomb: South Campus - Robert E. Turner Advanced Technology Complex. The 123,550-sq.-ft. project includes improving instruction areas for skilled trades, allowing for the enhanced use of technology and equipment systems to increase productivity, efficiency, and safety for the students and faculty. Renovations would include LED lighting, lighting controls, insulated exterior windows, new exterior doors, low-flow plumbing fixtures, new HVAC equipment and controls, replacement of leaking ductwork, replacement of nonfunctioning dampers, and calibration of equipment. The project was ranked Number 9 among FY 2016-17 community college capital outlay priority requests by the DTMB. (FY 2015-16 DTMB Ranking: Number 11, which was at that time a \$36.5 million and 168,731 sq.-ft.).</p>	20,699,500	10,349,750	10,349,750
<p>Mid Michigan: Library Learning Services & Bookstore. The project includes 54,500-sq.-ft. (8,600-sq.-ft. expansion/45,900-sq.-ft. renovation). The 8,600-sq. ft. of new construction includes 5,000-sq.-ft. on the ground level and 3,600-sq.-ft. on the second level. The existing library and surrounding areas would be combined for Library Learning Services and would enable students to effectively access academic support. The Student Services Department, including Financial Aid, Registration, and Advising, would be aligned in a centrally located area. Renovations to the second floor would include renovating some existing classrooms, lecture halls and faculty offices and consolidate Career Technical Education space for students at the high</p>	12,658,400	6,329,200	6,329,200

FY 2016-17 PRIORITY PROJECT REQUESTS			
Project	Total Cost	State Share	Institution Share
school level and for MMCC's current and alumni population. The project also contemplates moving the College Bookstore from the second floor to an area on the first floor, adjacent to the Library and Learning Services in order to create additional faculty/student interaction areas. The project was ranked Number 11 among FY 2016-17 community college capital outlay priority requests by the DTMB. (FY 2015-16 DTMB Ranking: Number 3, then a \$4,996,000 project.)			
Monroe: Renovation of East & West Technology Buildings. The 60,000-sq.-ft. renovation project includes repurposing of 1960s space previously used for industrial technology instructional facilities to usable classroom and laboratory space for high-growth, high-demand instructional programs and expansion of student support services. The project would include relocation of the Learning Assistance Lab, Writing Center, and Math Lab to an accessible and visible location, renovation of space to accommodate the Information Assurance and Security Program, renovation of space to support the expansion of the Viticulture and Enology Program, renovation of two existing computer labs that are used for multiple programs, renovation of six traditional classrooms and creation of a lecture hall, and the addition of student collaborative work spaces and commons area. The project was ranked Number 14 among FY 2016-17 community college capital outlay priority requests by the DTMB. (FY 2015-16 DTMB Ranking: Number 16.)	12,000,000	6,000,000	6,000,000
Mott: Southern Lakes Branch Center: Rehabilitation/Renovation (SLBC). The SLBC is a facility consisting of three wings totaling 57,575-net square-feet. The Center houses general education academic classrooms, academic occupational therapy and physical therapy programs, continuing education programs, police training, EMT and fire safety training, and the Institute for Medical Simulation. Renovations would include replacement of exterior wall panels, doors and windows on two wings; boiler and chiller replacements with complete controls replacements; replacement of the fire suppression pump and all controls; replacement of the fire alarm system; replacement of the water well and water treatment system; replacement/addition of emergency generators; replacement of HVAC systems and re-flooring; addition of shower/locker facilities and muster room; renovations and upgrades to classroom and training laboratories; and site modifications and improvements including repaving of driver training area, construction of a shooting range and obstacle course, and site safety lighting replacements. (The project was ranked Number 2 among FY 2015-16 community college requests by the DTMB and included in the Governor's FY 2015-16	4,045,600	2,022,800	2,022,800

FY 2016-17 PRIORITY PROJECT REQUESTS			
Project	Total Cost	State Share	Institution Share
budget recommendation. Therefore, it was not scored in the FY 2016-17 round.)			
Muskegon: Health and Wellness Center. The \$14.1 million sq. ft. project includes the construction of a 60,000 sq. ft. facility and the renovation of approximately 17,000 square feet of an existing facility. The science laboratory addition and renovation would replace outdated facilities and equipment for students in several academic programs including the allied health program, nursing programs, recreation programs, and criminal justice. The college is pledging to fund 60.0% of the project cost instead of the normal 50/50 State/college match. The project was ranked Number 14 among FY 2016-17 community college capital outlay priority requests by the DTMB, tied with Monroe. (FY 2015-16 DTMB Ranking: Number 15, as a then \$9.5 million project.)	14,100,000	5,640,000	8,460,000
North Central: Administration/Classroom Renovation and Collaboration Center. The project includes the renovation of 15,000-sq.-ft. and the construction of a 3,000-sq.-ft. addition. Two existing classrooms will be renovated into one state-of-the-art computer lab, and four state-of-the-art classrooms will be created. Along with instructional space, the project will include space for students and faculty to meet and collaborate and also provide students with access to support services that are centrally located. Renovations will include significant maintenance and repair, including mechanical and plumbing upgrades. The request also includes a New Emergency Notification System. The project was ranked Number 13 among FY 2016-17 community college capital outlay priority requests by the DTMB.	6,500,000	3,250,000	3,250,000
Northwestern: West Hall Innovation Center Renovation and Expansion. The project includes renovation of 20,000-sq. ft. of the current West Hall building on campus and an expansion of 18,000-sq.-ft. to provide space for learning and collaboration. The project will create 13 additional learning spaces in a variety of configuration levels for adaptive learning spaces designed to promote interactive learning experiences; simulation-based experiential learning; and dynamic teaching. The project was ranked Number 3 among FY 2016-17 community college capital outlay priority requests by the DTMB. (FY 2015-16 DTMB Ranking: Number 14, at that time proposed as a \$20.0 million project.)	14,499,400	7,249,700	7,249,700
Schoolcraft: Applied Sciences Renovation and Expansion. The \$10.1 million project includes an addition of approximately 20,000-sq.-ft. and the renovation of 37,600-sq.-ft. (of the existing 74,109-sq.-ft. building) to upgrade the Applied Science building. The addition would allow for relocation of the existing labs to larger, adjacent spaces; several computer labs for expanding the Biomedical Information Technology programs; and five additional technology classrooms	10,150,000	5,075,000	5,075,000

FY 2016-17 PRIORITY PROJECT REQUESTS			
Project	Total Cost	State Share	Institution Share
and labs to support the growing Additive Manufacturing curriculum. Existing lab space would be renovated and repurposed to allow for the update and expansion of the college's welding program. Existing classroom, lab, and office space would be renovated and brought up to modern-day technology standards. The DTMB ranked the project Number 8 among FY 2016-17 community college capital outlay priority requests. (FY 2015-16 DTMB Ranking: Number 8.)			
Southwestern: Nursing and Health Education Building Renovation and Expansion. The 22,000-sq.-ft. project (12,000-sq.-ft. renovation; 10,000-sq.-ft. addition includes; replacement of exterior cladding, windows, and roofing. Other improvements will include energy efficiency upgrades, reallocation of interior spaces, handicap accessible restrooms, interior finishes, mechanical, plumbing, and electrical systems, and site improvements. The project includes new instructional equipment for nursing and related health fields, new state-of-the-art simulation labs and other instructional spaces. The DTMB ranked the project Number 6 among FY 2016-17 community college capital outlay priority requests.	8,000,000	4,000,000	4,000,000
Washtenaw: Center for Advanced Transportation Addition/Renovation. The project includes the construction of a 30,000-sq.-ft. addition to the Whitworth Occupational Education Building along with renovations to the existing building. The addition would be reserved for Science, Technology, Engineering and Mathematics; and Genetics, Robotics, Information Technology and Nano-Technology-related advanced manufacturing technology courses in a laboratory setting. The addition would include 15 instructional laboratories, classrooms and support spaces CAD-CAM, CAE, Non-Destructive Testing, and Computer Measurement. The DTMB ranked the project Number 5 among FY 2016-17 community college capital outlay priority requests. (FY 2015-16 DTMB Ranking: Number 6.)	12,500,000	6,250,000	6,250,000
Wayne: Eastern Campus Repurposing & Upgrading Project. The project consists of upgrading 50,000-gross square feet of a 192,635-sq.-ft. building that was constructed in 1982, and a 20,000-sq.-ft. building addition. Renovations would include electrical and mechanical systems, equipment security systems, restrooms, and other improvements. The addition would house a new welcome center, library, classrooms, laboratories, and a small auditorium/lecture hall. Project costs eligible for State participation total \$18.0 million. In addition, the college would spend \$5.0 million for land acquisition, relocation of St. Jean Street, and redesign/reconfiguration of parking lots; resulting in a total project cost of \$23.0 million. The DTMB ranked the project Number 2 among FY 2016-17 community college	18,000,000	9,000,000	9,000,000

FY 2016-17 PRIORITY PROJECT REQUESTS			
Project	Total Cost	State Share	Institution Share
capital outlay priority requests. (FY 2015-16 DTMB Ranking: Number 5.)			
Subtotal Community Colleges	\$208,921,500	\$103,600,750	\$105,320,750
State Agencies:			
DNR- Coolwater Rearing Hatchery Improvements. The proposed project will address needs at Thompson State Fish Hatchery and Little Manistee Weir. It includes the construction of a 2,000 sq. ft. fully-outfitted coolwater fish production facility at Thompson State Fish Hatchery as well as new rearing ponds to improve and consolidate walleye fingerling production. Completion of this project will result in an increase of 250,000 walleye spring fingerlings, the ability to produce millions of additional walleye fry, and increases in the production of other coolwater species (e.g. increasing fall fingerling muskellunge production by 15,000). A series of improvements will also be made at the Thompson hatchery to upgrade critical life support systems (e.g. replacing failing automated fish feeders, upgrading water supplies, improving water heating capabilities). The project also includes large-scale maintenance needs that will be addressed at the Little Manistee River Weir (e.g. replacing the backup generator, replacing concrete holding ponds, renovating the spawn building). These actions are projected to collectively sustain and increase steelhead production by 150,000, bringing production closer to demand.	\$12,242,500	\$12,242,500	N/A
DTMB - Jackson State Office Building Renovation. The Jackson State Office Building was constructed in 1982. Upgrades will include the electrical motor control centers, electrical distribution systems, VAV and HVAC control systems, lighting and plumbing systems and the life safety systems. Floor-by-floor renovations including carpet, plumbing systems and restrooms, boilers and public space being brought up to ADA compliance are also included. The estimated project cost includes an allowance for modular furniture and state of the art IT and communication system. The roof was replaced in 2000 and will not be included in this project. Windows, passenger/freight elevators and main electrical gear are also not included in the scope of the project.	9,450,000	9,450,000	N/A
Subtotal State Agency Projects	\$21,692,500	\$21,692,500	-----
Total Capital Outlay Requests:	\$969,250,000	\$461,095,250	\$508,154,750