



**WAYNE STATE
UNIVERSITY**

**FY2021: Capital Outlay Project Request
State Hall Renovation**



Submitted to the Office of the State Budget
October 31, 2019

Attachment B

**Fiscal Year 2019
Capital Outlay Project Request
State Hall Renovation**

Institution Name: Wayne State University

Project Title: State Hall Renovation

Project Focus: Academic

Type of Project: Renovation

Program Focus of Occupants: General Purpose

Approximate Square Footage: Approximately 163,530 gross square feet

Total Estimated Cost: \$85 million

Estimated Start/Completion Dates: Summer 2020 to Fall 2022

Is the Five-Year Plan posted on the institution's public internet site? Yes

Is the requested project the top priority in the Five-Year Capital Outlay Plan? Yes

Is the requested project focused on a single, stand-alone facility? Yes

Wayne State University requests \$30 million in State Capital Outlay support to fully renovate State Hall, a critically important classroom building that is centrally located on campus. The total project budget is \$85 million, and the university plans to fund its 50 percent match plus any additional costs with philanthropic gifts and/or through debt financing.

Built in 1948 and expanded in 1957, State Hall is one of the university's most widely used instructional facilities with 75 classrooms and 163,530 gross square feet. State Hall provides three full floors and one partial basement floor of traditional general purpose classrooms and a fourth floor, modified in 2012 to add active learning capabilities. It is one of the most intensely scheduled lecture buildings on campus and supports almost every academic program offered at Wayne State University. Faculty teach classes ranging in size from 20 to 300 in classrooms that are not necessarily right-sized for pedagogical needs. The building is essential to our missions of student success and teaching excellence, but it suffers from aging mechanical systems, lack of collaborative student study spaces and faculty meeting spaces, and classrooms that lack modern technology and equipment suitable for the variety of classes that are taught in the building.

Student complaints about the inadequacies of State Hall classrooms abound. They are increasingly frustrated by their inability to use their laptops efficiently or move chairs and tables to participate in team projects or better participate when a faculty member "flips" the classroom to put students in the leadership role. Faculty who teach in the current State Hall classrooms are hindered by inadequate lighting, poor ventilation, and insufficient electrical outlets for student computers, lack of appropriate technology like smartboards and whiteboards, and furniture that is not readily moved and unsuited to team projects. Unsurprisingly, renovating State Hall has been a top priority of our teaching faculty for the last decade, as shown by the overwhelming support of the university's Academic Senate and the Senate's Policy Committee and Facilities Committee for this project. In fact, the Academic Senate has put State Hall at the top of the list of needed improvements because it is so vital to the teaching mission of the university.

Renovation of State Hall offers several significant advantages over new construction which are discussed in detail in our 5-Year Capital Outlay Plan and in the following pages of this Project Request.

Planned space components for the building include:

- Flexible and convertible general-purpose classrooms that include updated technology such as smartboards and appropriate seating and desk arrangements to permit both traditional lectures and participatory, team, and project-based learning;
- Improvement of flow through the building to ensure ease of access and use for students and faculty, including those with disabilities; and
- Collaboration or "collision" spaces in otherwise underutilized spaces such as corridors where students and faculty can gather before and after class for study, continuation of an interdisciplinary discussion, or a follow-up conversation about items of interest that arose in a class.

This State Hall renovation project represents an enormous step forward in the university's instructional mission of building human capital. It will add value to the State of Michigan by

ensuring that the university's teaching of students is being carried out in an environment that will help students succeed and become entrepreneurs, teachers, scientists, social workers or any number of other professionals in the State of Michigan, thus driving the southeastern Michigan region's and the state's positive economic performance.

Please provide detailed, yet appropriately concise responses to the following questions that will enhance our understanding of the requested project:

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

Renovating State Hall will permit students and faculty to work together in a rich learning environment that supports innovative teaching and collaborative student work and provides accessible kiosk monitors with frequently updated information about research opportunities, faculty lectures, and other events taking place. Having that classroom and collaboration environment will help our student success efforts continue to increase the university's retention and graduation rates. Because 89% of our students come from Michigan (69% from the tri-county area around the city of Detroit) and 86% of those students remain in Michigan after completing their undergraduate education, this means that those students will be better prepared and better engaged as educated citizens armed with job competencies. Improving the learning environment by creating a modern classroom building that serves almost every academic program should help in recruitment of new students, retention of existing enrolled students, and graduation of all student cohorts. Because the vast majority of Wayne State University's students remain in Michigan, students who benefit from this improved learning environment will likely undertake jobs within the urban and tri-county region, in particular, as well as throughout the state, thus contributing to the revitalization of Detroit and southeastern Michigan and to the State of Michigan's overall economic growth. Wayne State University graduates serve the citizens of Michigan with advanced professional training in business; engineering; education; law; pharmacy and health sciences; medicine; nursing; social work; fine, performing and communication arts; liberal arts; and the basic sciences. Every day, Wayne State graduates play a critical role in Michigan life, from local physicians and teachers to scientists and engineers working in the latest high-tech spin-off companies.

State Hall is located on Cass Avenue and so sits along a strategic urban corridor where the university and city blend and merge. Landscaping enhancements undertaken along with the interior infrastructure improvements have the potential to make State Hall a showcase classroom building for the campus at that location that will invite parents and potential students to consider enrolling at Wayne State. The resulting impact on enrollment growth will also benefit the region and the State. As one of the city's largest employers, Wayne State already has a nearly \$2.5 billion impact in Detroit — a driving force behind the city's resurgence and key to the State's continued interest in expanding and vital growth of the southeastern Michigan economy.

A state of the art classroom facility that meets and exceeds the needs of tomorrow's students will allow Wayne State University to continue to be a significant and influential force in metropolitan Detroit's educational and cultural landscape. Further, the impact of our students is felt on local,

regional, state and national levels, elevating the State of Michigan as a hub of innovation and talent creation.

2. How does the project enhance the core academic and/or research mission of the institution?

State Hall is critical to this university's mission to create and advance knowledge by preparing a diverse student body to thrive and positively impact local and global communities, as stated in the Distinctively Wayne State University Strategic Plan 2016-2021. To achieve our mission, our strategic objectives and tactical action plans center around our key educational functions of student success, teaching excellence, and research, in addition to focusing on important operational factors of diversity and inclusion, entrepreneurship, financial sustainability and operational excellence, and community engagement.

The core of this university is the classroom encounter between our graduate and undergraduate students and our excellent faculty, most of whom are engaged in cutting-edge research within their fields. In State Hall's classrooms and in discussions at classroom doors and along the corridors after class, faculty inspire and challenge their students to reach for new goals and to achieve those goals through hard work and deep engagement in learning. Renovation of State Hall will make that interaction simpler, by taking away the frustrations created by current aging infrastructure problems. It will also make that interaction more meaningful, by offering innovative collaboration and meeting spaces for small groups of students and faculty before and after classes where students can engage in free-flowing conversations with each other and with faculty about the materials discussed in class. Faculty and students value this kind of interaction—it is the value-added component of in-class courses where a diverse group of students participating with a faculty member often introduce exciting new ideas to topics that were not necessarily envisioned as part of the day's assignments.

These interactions with faculty in the context of a classroom building like State Hall are vitally important. As one of the 50 largest public universities in the nation with the Carnegie Foundation's highest classifications for research (with annual research expenditures of more than \$221 million) and community engagement, Wayne State University offers students incredible opportunities, even as undergraduates, to conduct research and to explore new ideas. We're also a member of the University Research Corridor along with the University of Michigan and Michigan State University, generating 95 percent of research in the state and supporting economic growth throughout Michigan.

From medicine and mechanical engineering to graphic design and geology, our faculty members are renowned for innovation and expertise in their fields, crafting hands-on curricula to take students from the classroom into real-world situations of observation and research. We're increasingly known for our interdisciplinary research in areas such as health sciences and disparities, the environment, entrepreneurship and data analytics, human services and education, manufacturing, language and the arts. Students who will be more able to interact with faculty both formally and informally in the renovated State Hall classroom building, with more efficient classrooms and discussion spaces, will also get to know more about these research endeavors—research in which even undergraduate students can become active participants through our Undergraduate Research Opportunity Program (UROP).

The university has recently completed a new master plan, The Wayne Framework which recognizes the importance of the State Hall building to our instructional mission and future directions. The Framework firmly establishes the necessity of implementing a full renovation of State Hall as the university's top Capital Outlay Project Request for fiscal year 2021.

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

State Hall came into being as a key part of the growth of Detroit and the plan for a campus in the heart of the city. The early 20th century marked a transformative era for Detroit as the city's population grew from less than 300,000 at the turn of the century to almost two million in 1950. Wayne State University's enrollment also surged and the need for more space to accommodate academic and research functions followed suit.

In 1942, Wayne State University and the Detroit Board of Education held a master planning competition to envision a bold new urban university campus. The competition was won by Suren Pilafian, a little-known Armenian architect. State Hall when it became the first building on Wayne State's campus to be built explicitly for the university.

Pilafian designed State Hall and several classroom buildings on campus in the German Bauhaus style, a modernist design movement that operated on the principle of "form follows function." Under this philosophy, designers opted out of the grandiose tendency of traditionalist styles and instead condensed the form of a design to an idiom of lines, planes, solids, and voids. Although modest in architectural composition, State Hall is both unique for its prominent location on the Cass Avenue civic corridor and symbolic of the university's collection of mid-century modern buildings. The building is both structurally sound and historically significant; it is worthy of the necessary investment to retain and renovate in order to suit the needs of today's students.

A comprehensive renovation of State Hall would honor the university's history as told by its collection of buildings and strengthen the future of Wayne State University's learning environment. The university intends to focus instructional activity in a renovated State Hall that caters to a wide-range of pedagogies and provides excellent facilities for general purpose teaching and learning. Renovating this building would retain its existing load of scheduled instruction and accommodate that which takes place in other buildings. By focusing investment on core educational buildings and deactivating a subset of outmoded buildings, the university can make better use of its existing resources.

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

Although the existing 1948 facility complies with the building codes from the time the building was constructed and limited renovation thereafter, the State Hall facility does not meet the current life safety code for new construction pertaining to fire sprinkler coverage, fire rating of building components, emergency lighting levels, door hardware and ramp slopes along a path of egress. This project will address these life safety deficiencies for the entire building, along with other code deficiencies such as current ADA requirements and energy code requirements.

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

State Hall is currently being under-utilized from two perspectives, the average seat count and the demand for certain classroom sizes. According to the Master Plan the average seat fill per classroom hovers around 50%. This means that most classes are not being taught in right-sized spaces. In terms of direct classroom utilization, the average classroom utilization is less than 40% on Monday through Thursday, indicating an oversupply of classroom space according to the Master Plan. This oversupply, however, is likely due to crunch and surplus times due to scheduling around particular key times, wrongly sized classroom availability that pushes smaller classes into larger rooms, and a surplus of inadequate and inappropriately sized rooms in some of the oldest classroom facilities. Our renovation plan addresses these weaknesses and will allow a decidedly more efficient use of State Hall while permitting us to consolidate classroom space and increase utilization across the campus.

This renovation of State hall will be designed according to the weekly room hour demand per classroom size outlined in the Master Plan. This approach anchors our plan in data identifying the most useful distribution of classroom sizes. The facility will also include larger classrooms that can be separated into two smaller classrooms with partition walls. This will allow State Hall to stay effective and efficient should classroom size demands change in the future.

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

All Wayne State University new construction and major renovation projects built in recent years have been designed to achieve Leadership in Energy and Environmental Design (LEED) silver certification or higher. Completed in 2016, our Advanced Technology Education Center (ATEC) earned the University's first LEED Gold ranking. Likewise, our Integrative Biosciences Building (IBio) was also awarded LEED Gold in 2016. The recently completed Mike Ilitch School of Business building, completed in 2018, is currently awaiting final confirmation of an anticipated LEED Silver ranking and our STEM Innovation Learning Center, currently in construction, is also tracking toward LEED Silver.

State Hall is a frequently used classroom building that offers the opportunity to engage thousands of students in sustainability initiatives on a weekly basis. The sustainability plan calls for use of

the campus as a learning laboratory while integrating environmentally-based learning into a broad cross-section of the academic curriculum. The multi-disciplinary nature of the State Hall classroom building fulfills this goal by providing innovative sustainability features integrated into the building environment. Sustainability-focused buildings enhance the learning environment by providing a clean, healthy, collaborative, productive space that helps students to perform at higher levels.

The WSU Sustainability Plan calls for a 25% reduction in greenhouse gas emissions by using energy innovation, energy conservation measures and improving the building envelope to help reduce the university's carbon footprint. This project will incorporate LED lighting, daylight harvesting, and replacement of older materials such as single pane windows to a multi-pane window to improve energy efficiency and savings.

Renovating an existing building to be more flexible and versatile is in and of itself a sustainable concept. In an ever-changing pedagogical landscape, the university must refrain from designing rooms that support a narrow set of functions. Anytime the university sinks capital into altering a classroom to meet whatever best practice exists for that particular time, it commits itself to unnecessarily spending more resources down the road. Under the ethos of "future-proofing" State Hall, Wayne State can reinvent and equip classrooms in a way that adapt to a variety of teaching activities and learning styles. Having one space that is capable of performing the same tasks of a variety of particular types of spaces saves the university materials, operational costs, and other scarce resources.

7. Are match resources currently available for this 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?

No, matching funds are not presently available for this project. In conjunction with the University's capital master plan, a debt capacity study is currently underway that will result in a multi-year capital financing plan. It is anticipated that the additional funding for this project will be provided by a future bond issuance.

8. If authorized for construction, the state typically provides a maximum of 75 percent of the total cost for university projects and 50 percent 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?

The total project cost to design and construct the State Hall Renovation project is estimated at \$85 million. As part of the FY21 funding cycle, Wayne State University is requesting State Capital Outlay funding support in the amount of \$30 million or 35 percent of the estimated project cost. We expect to fund the balance by philanthropic gifts and debt financing.

9. Will the completed project increase operating costs to the institution? If yes, please provide an estimated cost (annually, and over a five-year period) and

indicate whether the institution had identified available funds to support the additional cost.

The table below outlines current operating costs compared to potential future operating costs as previously estimated. As we move into the programming and schematic design phase of the project, these anticipated costs will be tested against potential energy cost savings identified via the design process.

Operational Cost Type	Current Cost (\$) / GSF	Current Costs (\$)	Potential Future Cost (\$) / GSF	Potential Future Costs (\$)
Custodial Cleaning	1.29	211,248	6.17	1,008,162
Grounds Maintenance	0.13	21,259	0.13	21,259
Plant Maintenance	1.20	196,494	1.20	196,494
Utilities	1.22	199,474	1.22	199,474
Security	0.72	117,742	0.72	117,742
Communications	0.28	45,788	0.28	45,788
Insurance	0.16	26,165	0.16	26,165
Service Contracts	0.08	13,082	0.08	13,082
Total Costs		831,252		1,928,166

Specifically, the largest financial impact anticipated is with custodial cleaning. Currently there are 6.5 FTE assigned to clean State Hall, meeting an APPA Level 5 of cleanliness. As the university pursues a plan of consolidation and better utilization of our campus resources, we will be looking to increase our expectations of cleanliness, especially in our heaviest-used facilities. We anticipate increasing the expectation for State Hall to be an APPA Level 2 which would increase our custodial FTE to 27, thus significantly increasing the cost to clean the facility.

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

This project will not have any direct impact on tuition costs.

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

Student success and teaching excellence are critical components of the university’s mission. Educational excellence can only be achieved if appropriate instructional facilities exist to support pedagogical innovation and needs. The university campus is currently equipped primarily with traditional classrooms, many of which lack adequate technology and electrical components to support contemporary learning modes, including student laptops and smartboards. A few active and experiential learning classrooms are available, but these limited facilities cannot keep up with instructional demand. Renovation of our primary instructional facility will provide our students with up-to-date, flexible classrooms that are equipped with enabling active learning technologies. If this project is not authorized and advanced, faculty will be limited in their ability to teach using

a variety of pedagogical modes and their students will risk falling behind their peers regionally and nationally, simply due to aging, obsolete and deficient facilities.

Students and their parents have become sophisticated consumers of education and understand that facilities are important to their choices of institution. State Hall's current shortcomings are a constant frustration to faculty and students, but also a deterrent to recruitment of students because parents are looking for modern facilities that they consider safe and efficient. In addition to supporting general purpose classroom space, State Hall contributes to prospective student engagement. In the last year, the university's admissions staff hosted more than 4,500 prospective students with 8,400 guests at individual or recruitment events and gave approximately 1,500 student-attended group tours. Without this renovation, the university faces an increasingly unusable structure that is not designed to suit either student demands or faculty needs.

If State Hall is not fully renovated now, there will also be future financial consequences for performing urgent work in a piecemeal fashion. Code deficiencies relating to accessibility and life safety must be rectified holistically or else the building becomes a patchwork of inconsistent systems that cannot be depended upon. Refurbishing classrooms without also repairing or replacing vital systems serving the whole building can lead to a range of issues that are integral to building safety and comfort.

State Hall is also heavily used for kindergarten through twelfth grade (K-12) summer programs. In 2019 alone, the university saw more than 2,800 K-12 students attend these programs. This number includes 1,012 students who participated in our C2 Pipeline programming. Without the academic spaces provided in State Hall, K-12 programs on campus struggle to find appropriate facilities to host camps, meetings and events.

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

The university's recently completed master plan, the Wayne Framework, focuses on instructional activity in a renovated State Hall that caters to a wide range of pedagogies and provides excellent facilities for general purpose teaching and learning. Adjacencies are key to academic collaboration. They promote interaction, communication, and connection. From a physical perspective, they are also more sustainable, shortening line lengths and limiting initial and ongoing infrastructure costs. A key idea of the master plan is therefore to focus as much energy and activity as possible in an enhanced academic core, and to reverse the university's recent trend to dispersal. A renovated State Hall is central to this idea and supports the creation of enhanced learning environments for Wayne State's students.

There is no feasible alternative to State Hall modernization. Given the historical architectural value of State Hall as well as the amounts already expended on the top floor update several years ago, it would be unreasonably costly and environmentally destructive to demolish the architecturally significant building and build anew. Continuing to use State Hall without renovations is similarly unsatisfactory, as the building needs mechanical and electrical systems updating and technological improvements throughout. The renovation of State Hall is at this time a "must do" endeavor, for both student academic success and faculty teaching needs.