



Campus Planning Committee

Facilities Planning & Management

December 16, 2021



Agenda

1. Welcome & Introductions

2. Old Business

- a) Approval of December 2, 2021, meeting minutes (**Action**)
- b) Status report on the 2023-25 Biennial Capital Budget

3. New Business

- a) UW-Madison Future Facilities Planning Strategy
- b) UW-Madison Revenue Innovation Initiative Overview & Discussion

4. Announcements

- a) Spring 2022 meeting dates

5. Adjournment

Transforming the Built Environment

UW-Madison Future Facilities Planning Strategy

Campus Planning Committee Meeting | December 16, 2021





Agenda

1. Understanding the Total Challenge
2. Capital Projects History and Trends
3. Current Facilities Review
4. Charting a New Strategy

An aerial photograph of a city, likely Pittsburgh, showing a mix of urban buildings and green spaces. A large black rectangle is superimposed over the center of the image, containing the title text in white. The city features a variety of architectural styles, from modern high-rises to older, more traditional buildings. The surrounding landscape includes hills with trees showing autumn foliage.

Understanding the Total Challenge





UW-Madison: A Great Time to be a Badger



Education

- Commitment to Wisconsin students
- Time to degree at 3.92 years
- ~11,000 degrees awarded (2019)



Research

- #8 in national rankings
- \$1.3 billion annual research expenditures
- ~365 new patents and other intellectual property disclosures per year



Economic Development

- \$30 billion annual state economic impact
- Create jobs and attract talent to the state
 - 232,000 state jobs
 - >400 startups since 1980s

Built Environment: Crucial to the Mission

- Faculty recruitment and retention
- Student life
- Academic excellence
- World-class research
- Community resource
- Economic driver
- Serving Wisconsin



SERF and The Nick

Risks to Mission



Moser Hydration Building
> Van Hise Hall

Radio Hall



A large concrete slab that was part of the facade on Van Hise Hall fell on Sunday, April 4, 2021, on the UW-Madison campus. No one was injured. Photo courtesy of Laura Guse

Large Concrete Slab Falls Off UW-Madison Building As UW System Grapples With Aging Facilities

System Says 'Similar Exterior Issues' Plague University Buildings Statewide

By Laurel White

Published: Monday, April 5, 2021, 1:50pm

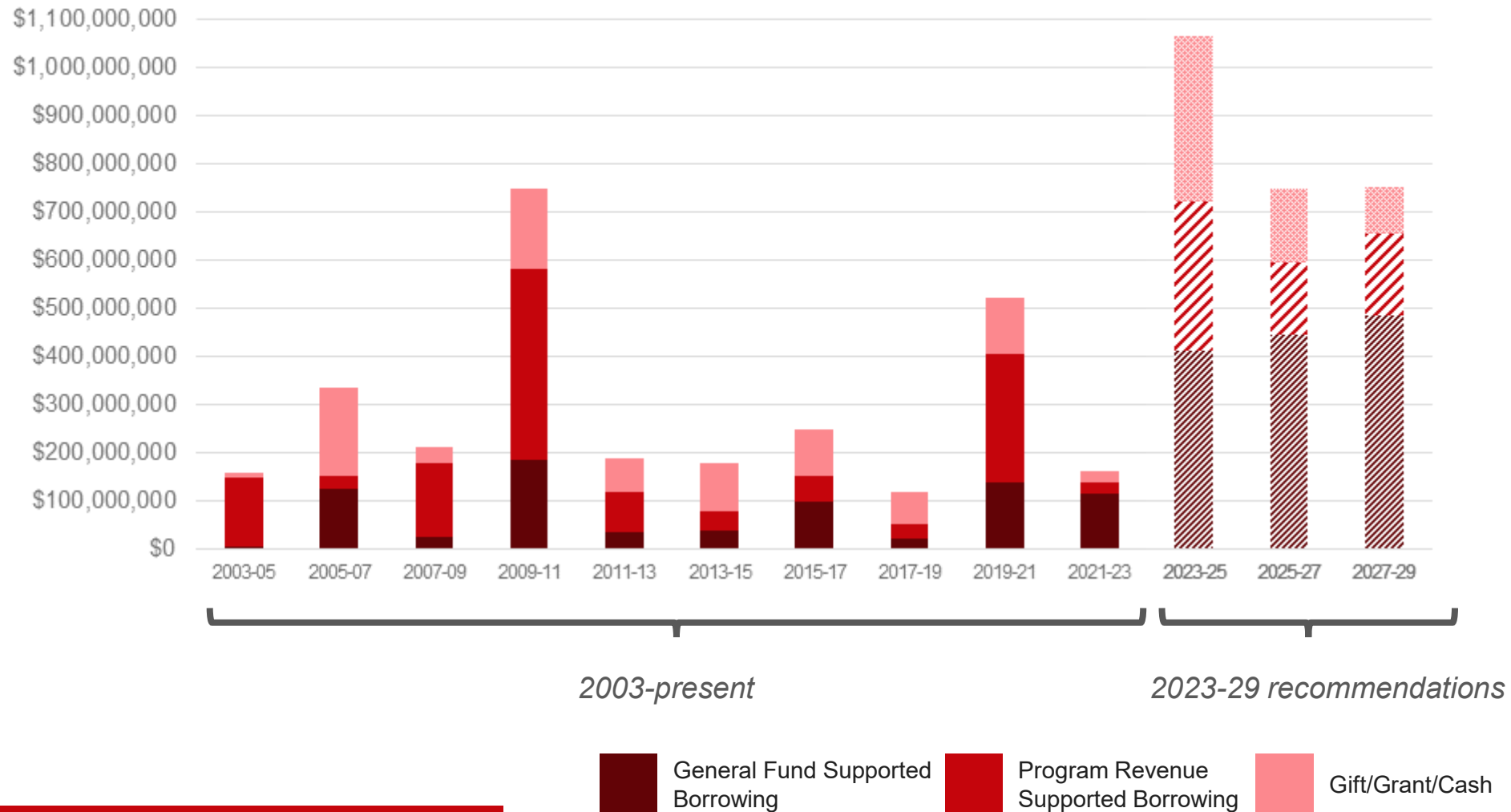


Capital Projects History and Trends



Capital Projects Funding History and Future Needs

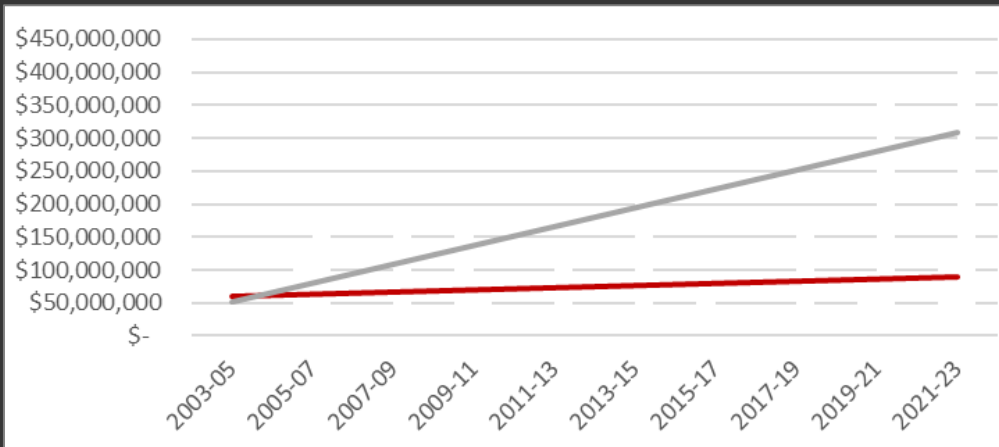
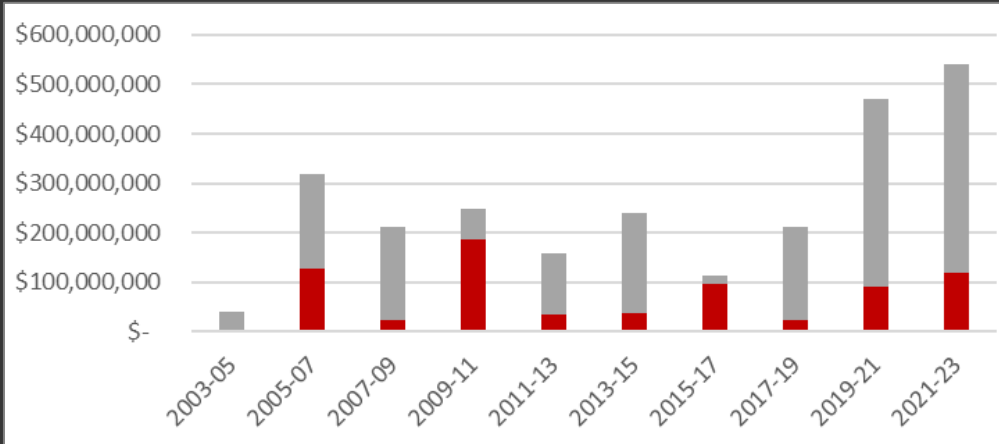
Total UW-Madison Enumerated Project Funding



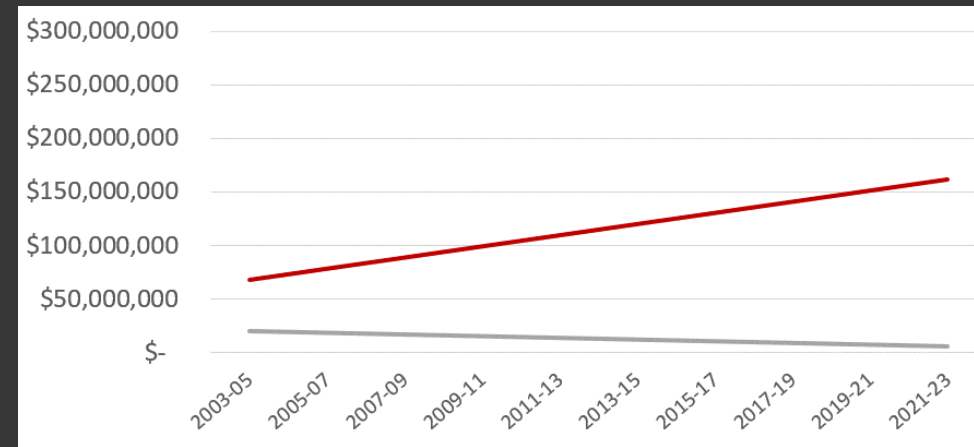
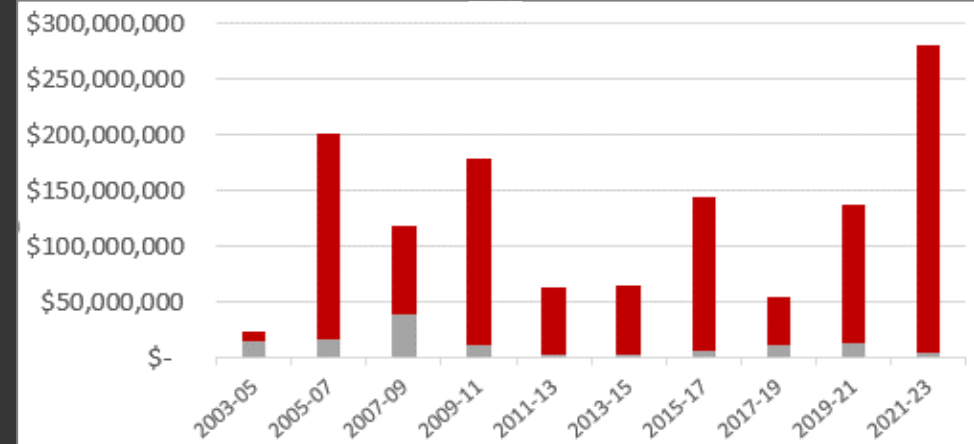


Funding Trends, 2003-present

General Fund Supported Borrowing



Gift/Grant



 UW-Madison  Other UW System Campuses

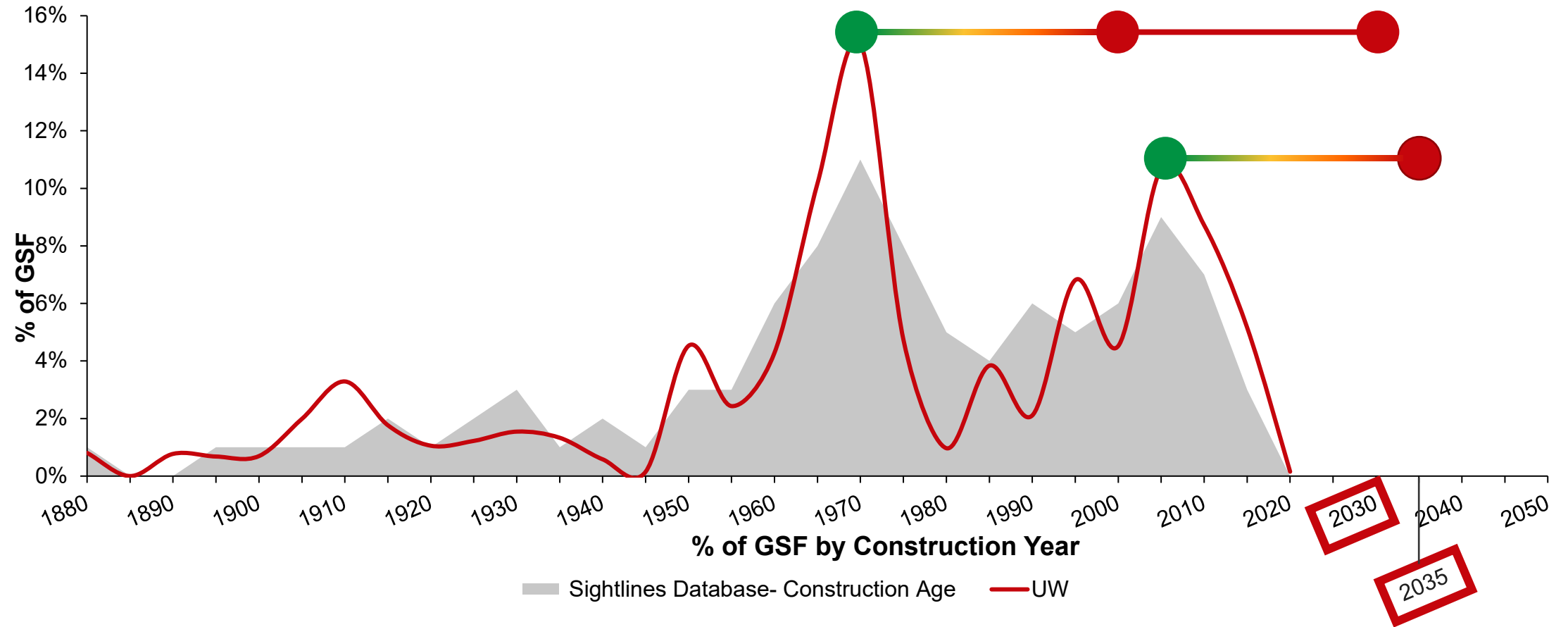
An aerial photograph of a city, likely Pittsburgh, showing various buildings, streets, and green spaces. A large black rectangle is superimposed over the center of the image, containing the title text in white. The background image shows a mix of urban architecture and natural elements like trees and hills.

Current Facilities Review





When Built ... Predicts When Reinvestment Is Due





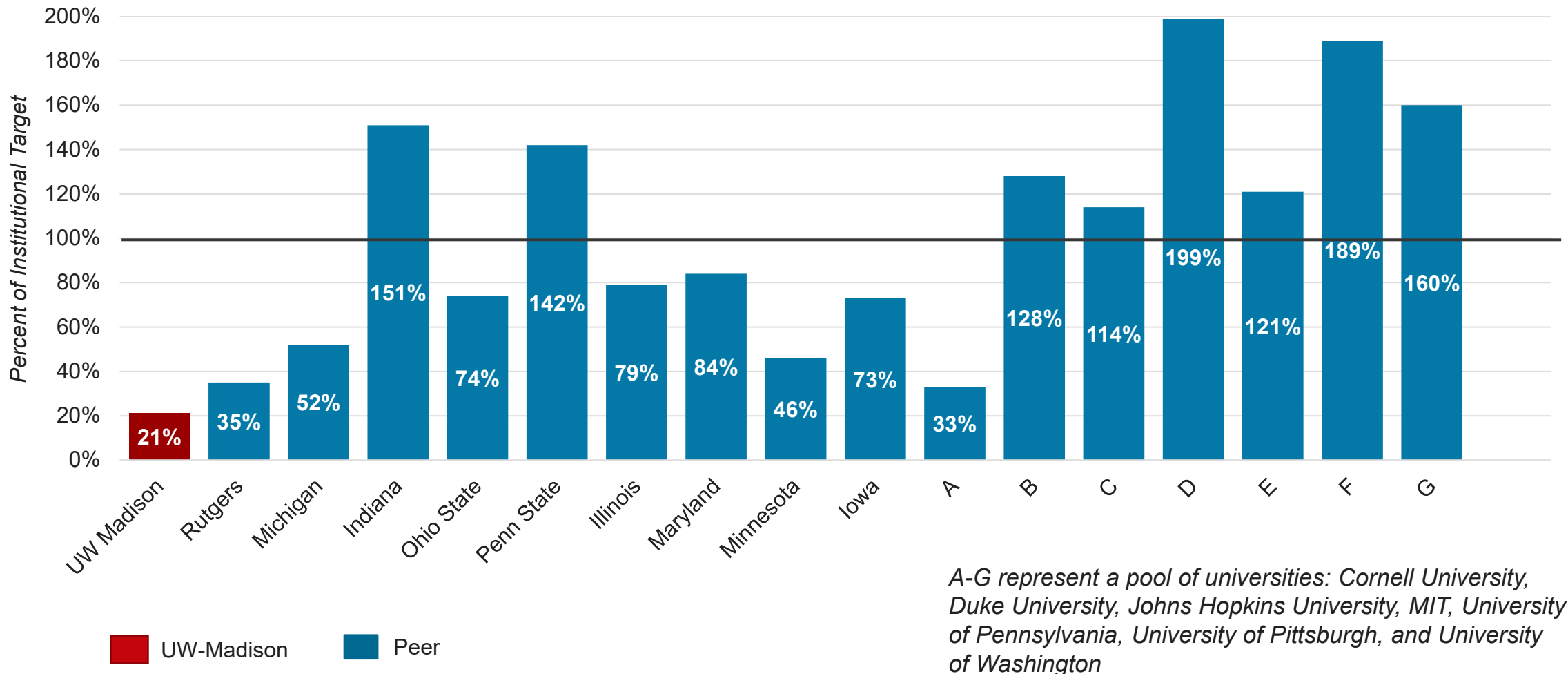
Significant Risk in Older UW-Madison Buildings





Reinvestments Falling Behind Peer Institutions

Average Annual Spend Over 5 Years to Recurring and Capital Reinvestment Target



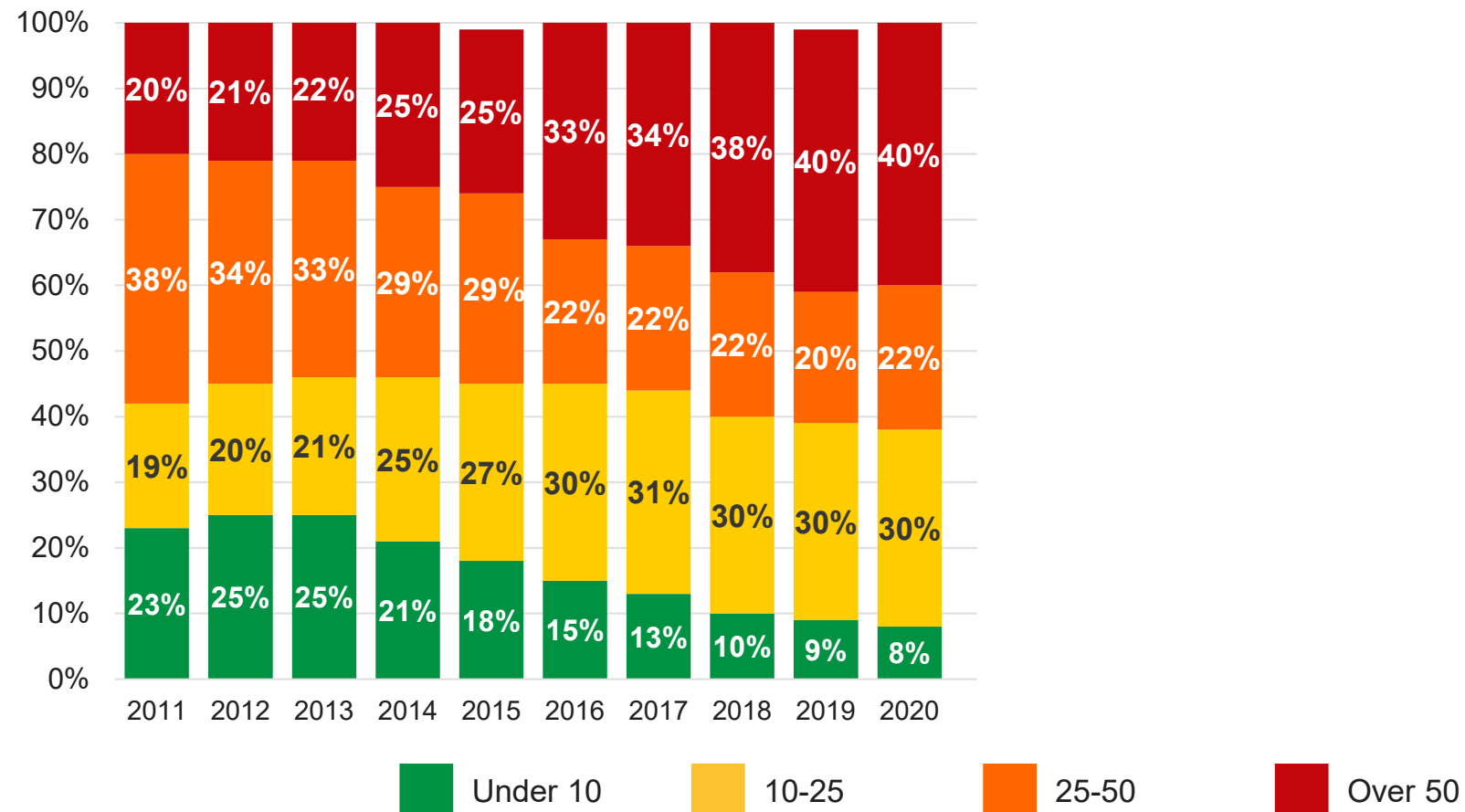


Increasing Age of Buildings and Risk

Campus Breakout by Renovation Age

2011-2020

Possible Future



An aerial photograph of a city, likely Pittsburgh, showing a mix of urban buildings and green spaces. A large, solid black rectangle is positioned in the center of the image, serving as a background for the title text. The city features a variety of architectural styles, from modern high-rises to older, more traditional buildings. The lighting suggests a late afternoon or early morning setting, with warm tones on the buildings and trees.

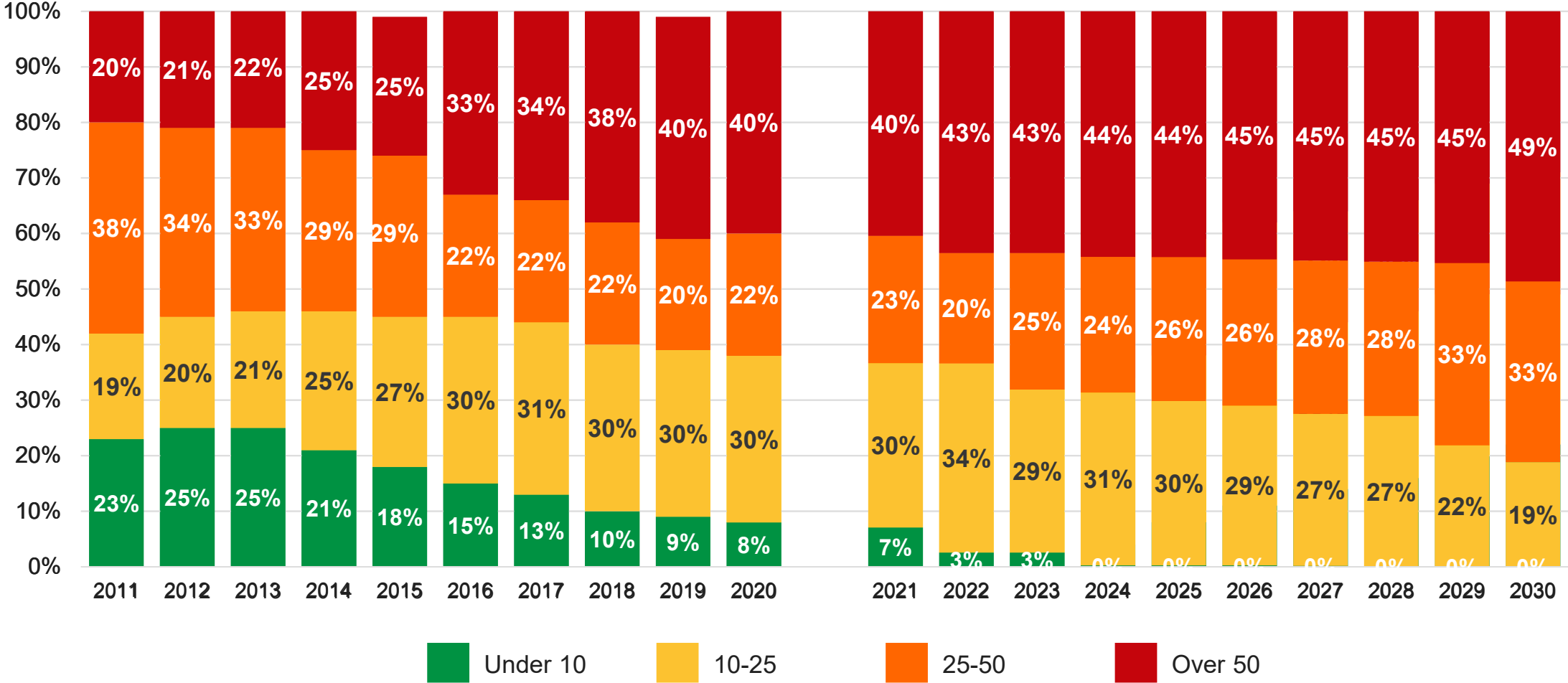
Charting a New Strategy





Changing The Trend

Competition by Age



Facilities Lifecycle



Hamel Music Center

Acquire

Operate & Maintain



Dispose

Modify & Modernize



SERF



Witte Hall



A New Strategy to Solve the Challenge

Understand the Current Portfolio

Use Common Sense Financial Strategies

Leverage Existing Delivery Options

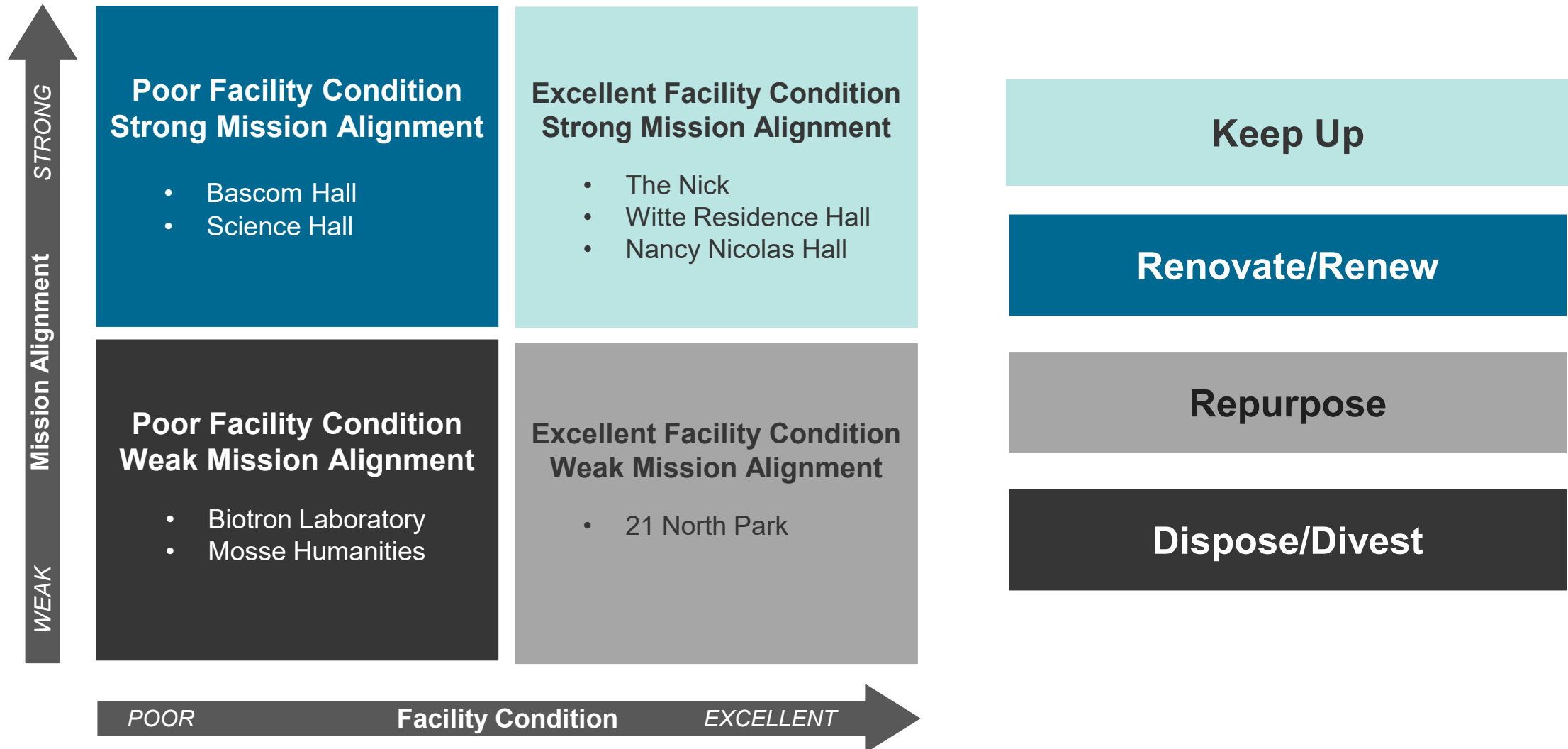
Pursue Targeted Demolition

Understand the Current Portfolio

- Conduct facility condition assessments.
- Analyze space utilization.
- Ensure programmatic alignment.



Understand the Current Portfolio





Use Common Sense Financial Strategies

Current

Enumerated Projects

Gifts

Grants

Cash

Public-Private Partnerships

Future

Enumerated Projects

Gifts

Grants

Cash

Public-Private Partnerships

Real Estate

UW-Supported Bonding

Leverage Existing Delivery Options

- Advocate for enumerated projects.
- Emphasize All Agency and Minor Facility Renovation Programs.
- Grow in-house and Small Projects programs.
- Expand UW Managed projects.
- Launch lab renovation program.
- Proceed with URP partnership.
- Increase other public-private partnerships.

Pursue Targeted Demolition

- Determine *the right* candidates for demolition.
- Limit investments to life safety needs.
- Create occupancy plans to vacate.
- Utilize delivery options to relocate occupants.
- Ensure programs have facilities that fit needs.



Tying It Together in a New Framework

Understand the Current Portfolio



Use Common Sense Financial Strategies

Leverage Existing Delivery Options

Pursue Targeted Demolition

Pursue
Targeted
Demolition

Framework in Action



^ Computer Sciences Building



^ Future Computer, Data and Information Sciences Building



^ Old Hill Farms/DOT building



^ New State of Wisconsin Hill Farms Building



Next Steps

- Conduct facility condition assessments.
- Proceed with utilization and facility portfolio mapping.
- Expand use of common-sense funding solutions.
- Move forward with URP and other partnerships.

Transforming the Built Environment

UW-Madison Future Facilities Planning Strategy

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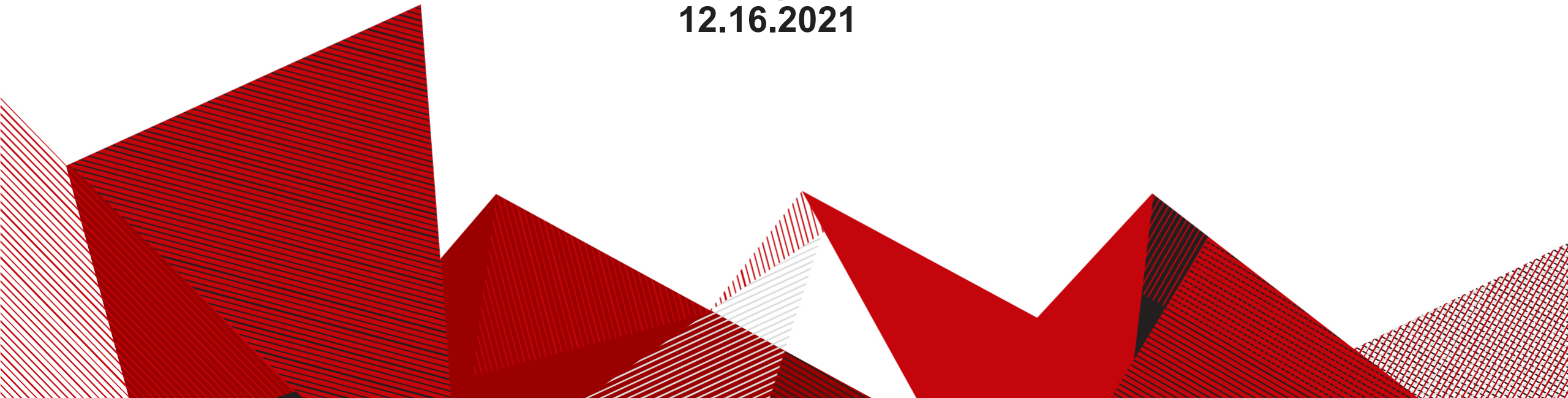




Resources for Excellence: Real Estate Initiative

Leveraging new tools to transform our built environment.

**CPC Update
12.16.2021**

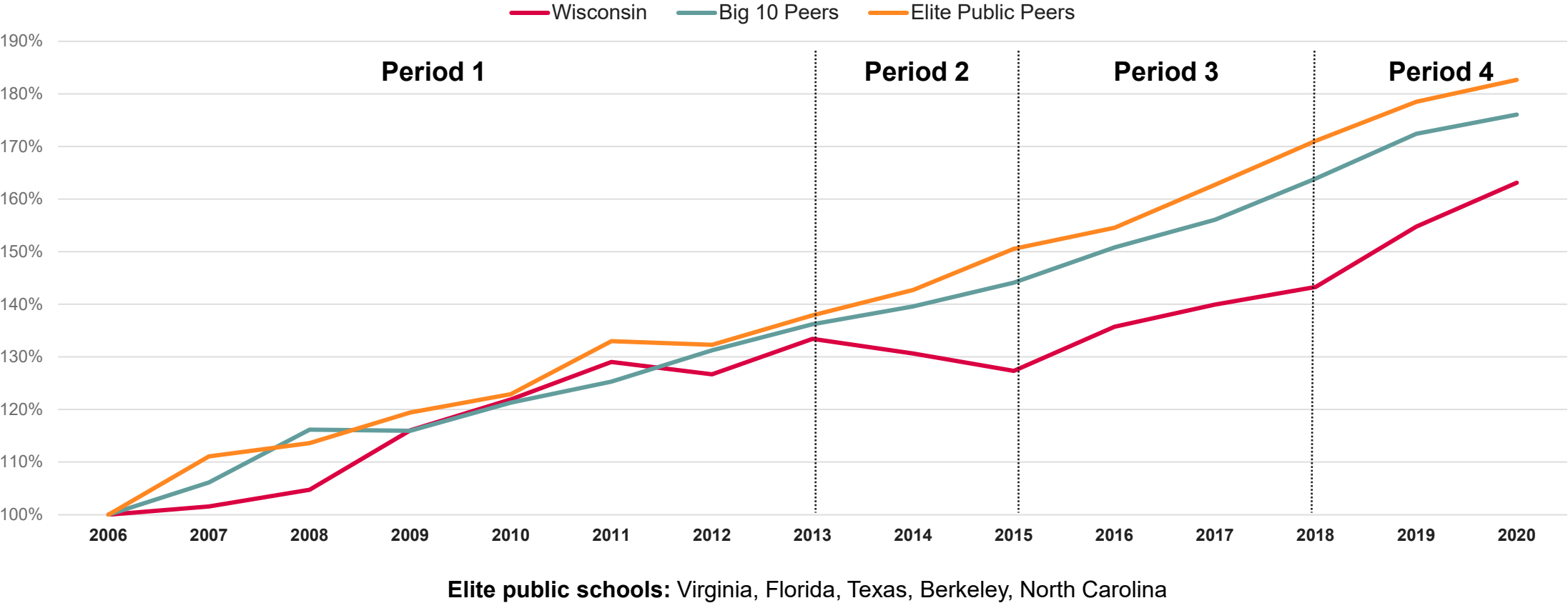


Agenda

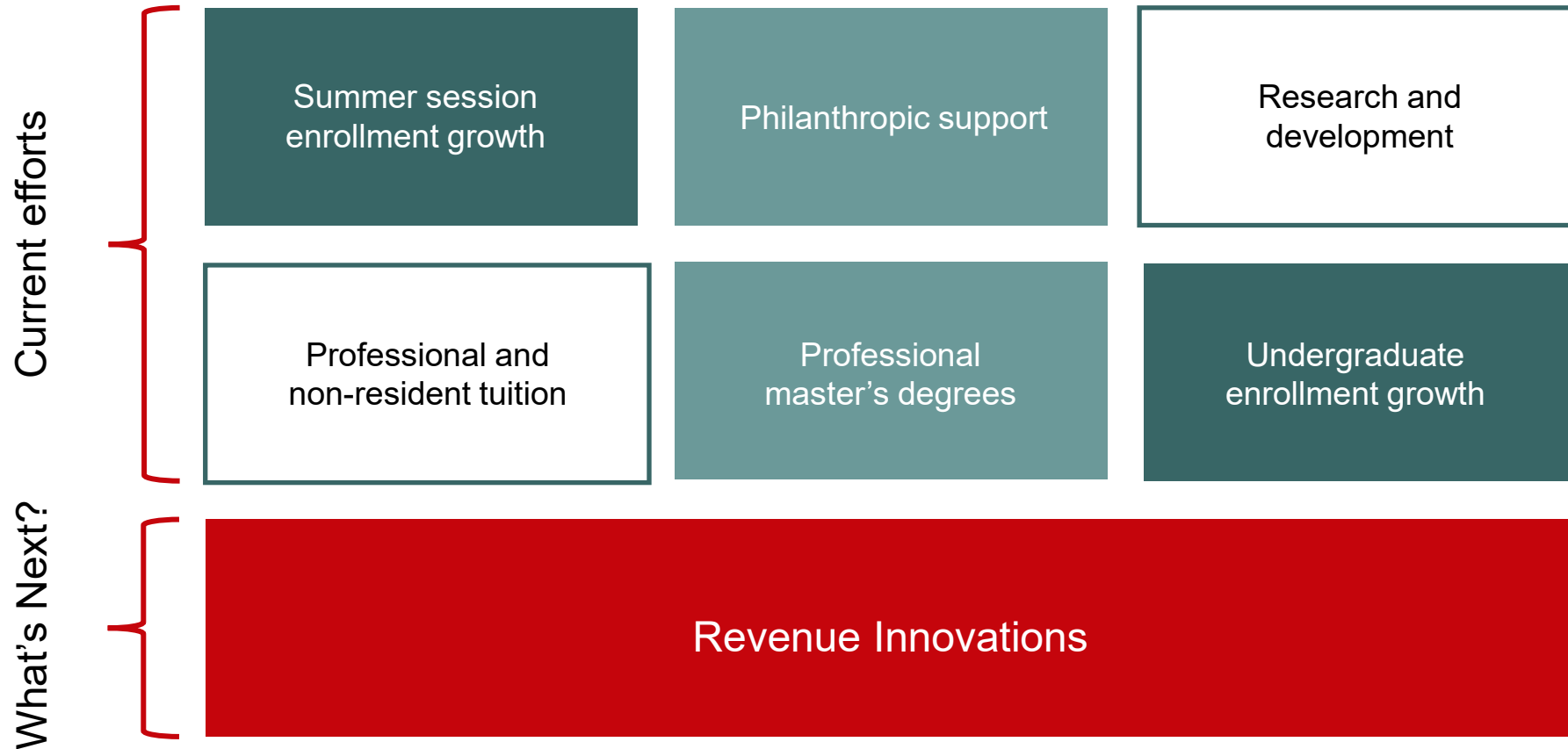
- Revenue innovations
- Real estate strategy
- Stakeholder engagement
- What's coming

Growth strategies to close the resource gap

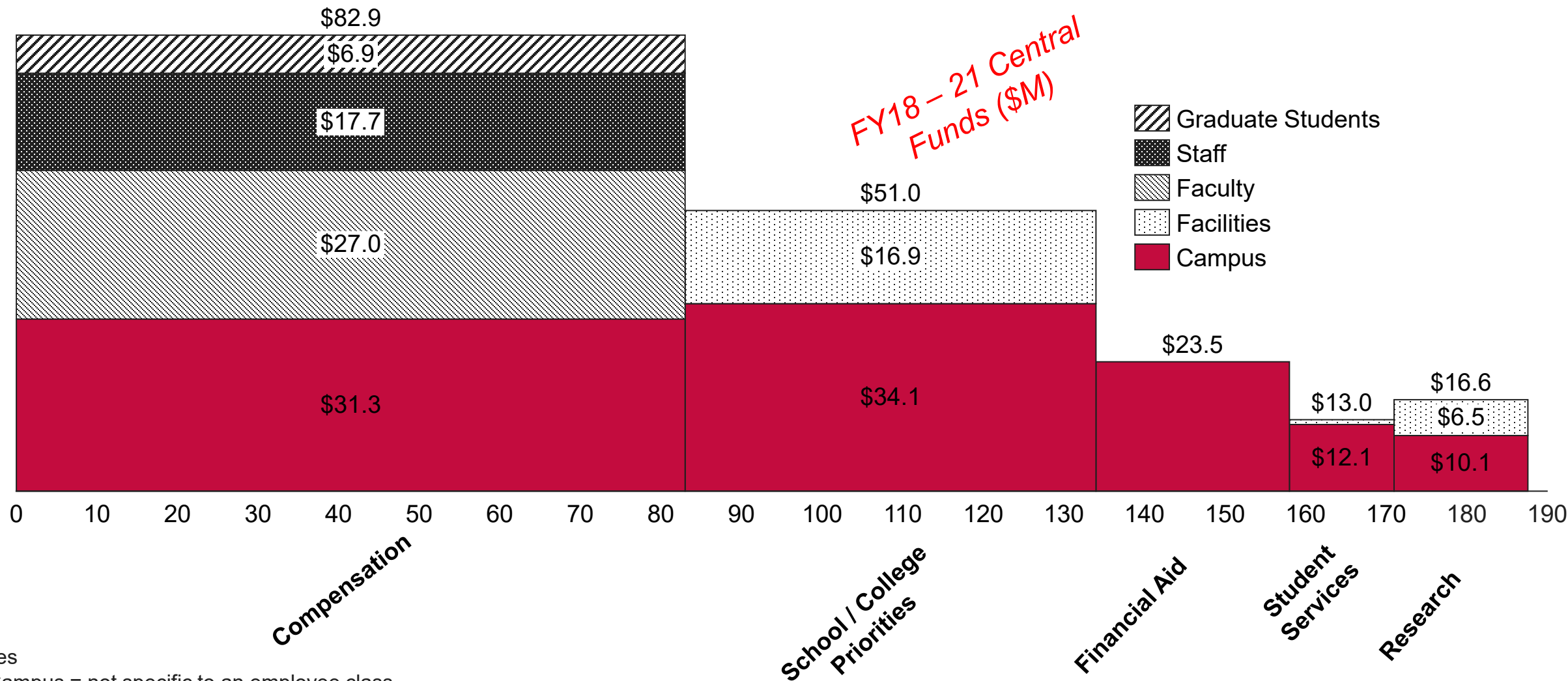
Total growth in operating revenue and state support (FY06 as baseline)



Recent strategies for funding our public mission



Impact of the revenue strategies – \$175M+ to fund critical campus investments in the mission



Notes

- Campus = not specific to an employee class
- Compensation programs complemented by division funds
- Facilities funded by campus share of cost recovery

Revenue innovations framework

Study Group Recommendations:

Corporate and industry
partnerships

Auxiliary and asset
optimization

Real estate

Guiding Principles

1. Generate substantial new streams of revenue to support the mission.
2. Recognize UW-Madison's history of placing value on the medium- to long term.
3. Align with the campus strategic framework.
4. Support agenda to enhance diversity, equity, and inclusion; healthy communities; and our obligation to sovereign Native Nations.
5. Respect principles of shared governance.
6. Enhance the student learning and growth experiences on and off campus.
7. Protect the overall wages and benefits of employees.
8. Trial potentially scalable innovations in new technologies and technology transfer, performance and operations, campus design, transactions and procurement, partnerships, governance, and regulation.
9. Improve the accessibility, livability, sustainability, and quality of the campus environment, and city-region more generally.
10. Support and build positive relations and ties with the community, the nonprofit and business sector, and the public sector.

Real estate strategy – critical observations

- A long-term strategy (think decades)
- Building endowments, not plugging operating needs
- Initiative will respect existing campus / master plan agreements
- University maintains long-term control of the land (through affiliate) with reversion explicitly addressed in MOU
- Endowment returns will fund key campus priorities – specifics to follow

Transformative impact of innovation zones

Kendall Square
MIT



Innovation Square
Georgia Tech



Ongoing stakeholder engagement



Campus

Executive Group
Deans and directors
Administrative Council
Shared governance groups
Chancellor's Advisory Council
Student groups
Other stakeholders



External

City of Madison
City Alders
State and county agencies
Legislators
WFAA Board
UW-Madison alumni
Other stakeholders

Early themes from stakeholder conversations

AUDIENCES >>>		Shared Governance	Deans / Research	Campus Leadership	Board of Regents	Government / Community	Industry Partners
THEMES / FOCUS AREAS	Innovation and collaboration space	●	●	●	●	●	●
	Native Nations engagement	●		●	●	●	
	Consistent with Campus Culture	●	●	●	●	●	●
	Multi-use spaces (live / work / play)	●	●	●			●
	Alignment with master plan / zoning	●	●	●	●	●	●
	Fund Strategic / Mission Initiatives	●	●	●	●		
	Economic Impact		●	●	●	●	●



SAMPLE
CAMPUS DEVELOPMENT PARCEL

LOT 45

Current Use

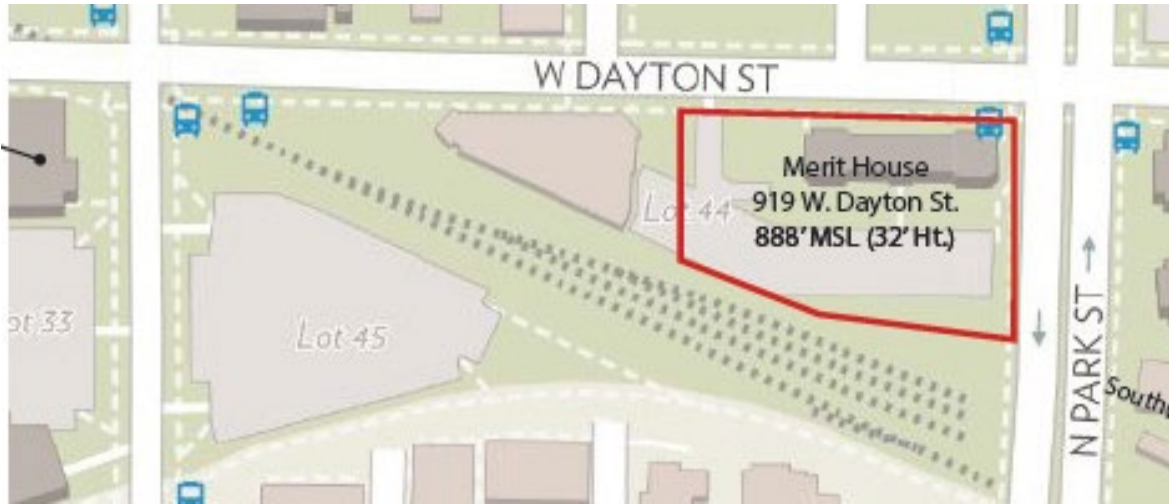
- Surface parking lot (~100 spaces)
- Master Plan calls for academic/research facility

Goal Use

- Ground lease to private developer for multi-family housing
- **Alternative: Student Housing Lease Development**

Impact

- Creates more housing for our community
- Generates near- and long-term economic impact for the campus and community
- Student Housing massing suggests ~500 beds



SAMPLE
CAMPUS DEVELOPMENT PARCEL

Merit Hall / Lot 44

Current Use

- Surface parking lot (~60 spaces)
- Student housing (~70 beds in Merit Hall)

Goal Use

- Ground lease to private developer for multi-family housing
- **Alternative: Student Housing Lease Development**

Impact

- Creates more housing for our community
- Generates near- and long-term economic impact for the campus and community
- Student Housing massing use suggests 750 beds
- Need to consider impact on gender inclusive housing



SAMPLE
NON-CONTIGUOUS PARCEL

VETERINARY DIAGNOSTIC LAB

Current Use

- Master Plan calls for sale to URP
- Old VDL currently vacant

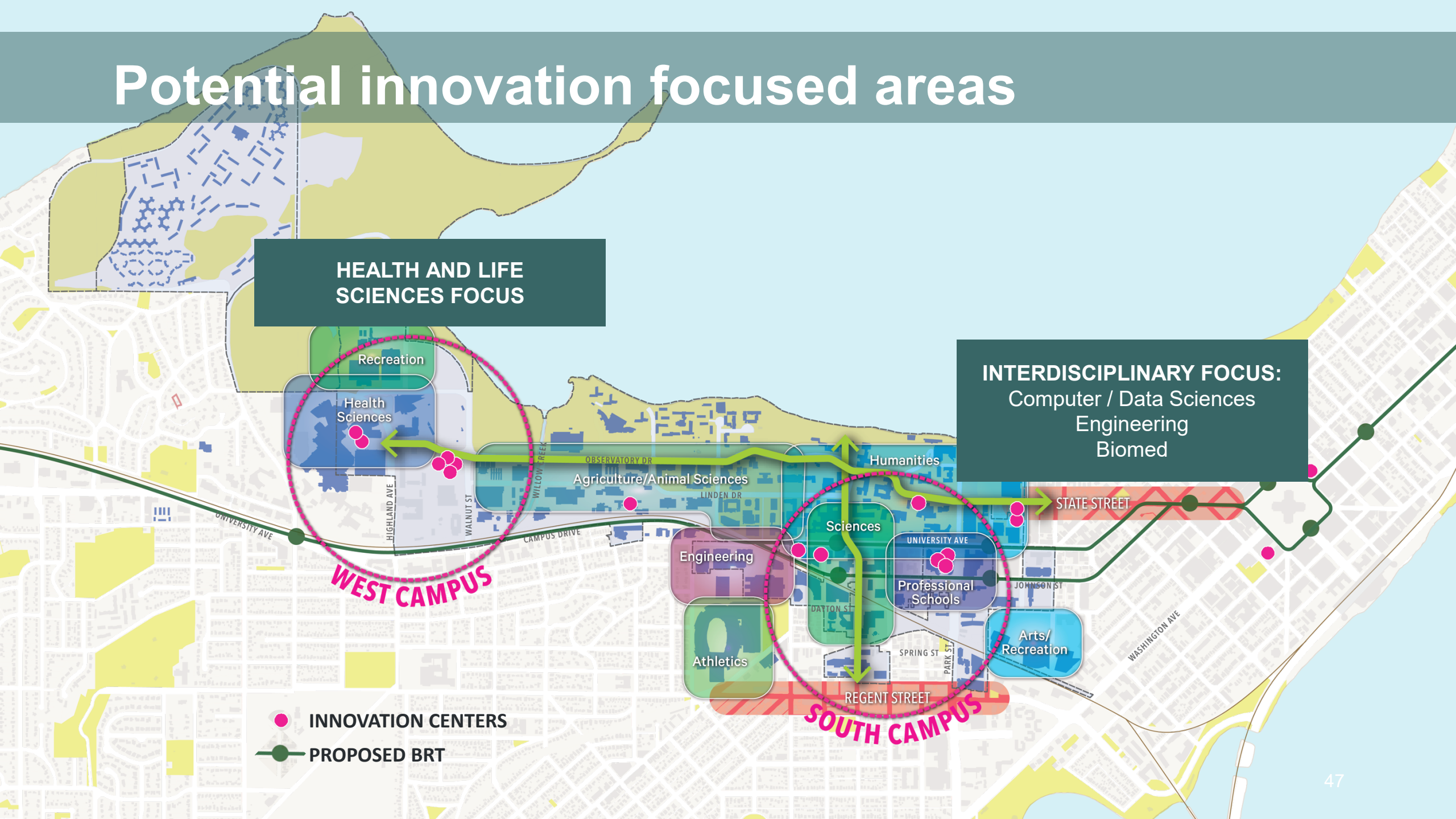
Goal

- Sell to URP for integration into University Research Park One
- Potential retirement development, in partnership with Oakwood

Impact

- Generate revenue and advance economics

Potential innovation focused areas



2022: Develop area plans for innovation districts

Innovation District Process

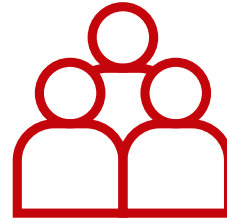
- Initial areas / districts for Campus Master Plan updates
 - West Campus Innovation District
 - Mosse / East Campus
- Develop RFP for area or district plan, including goals, campus objectives, and deliverables
- Select partner and develop area plan
- Review with Board of Regents
- Bring parcels forward under MOU process

Illustrative objectives / deliverables

The West Campus Innovation District Master Plan (WCID) is intended to be an inspirational working document to facilitate public-private partnerships (P3) that support executive decision-making with key deliverables that include:

- Create a compelling and actionable vision for an Innovation District
- Provide a roadmap for a place for learning, research, innovation and economic development
- Ensure the vision and strategy align to the University's economic and mission goals
- Rendered West Campus Innovation District Master Plan summarizing recommended configurations
- Identification of phased construction projects and an overall Capital Improvement Plan

Next steps



Build stakeholder engagement

- Campus Planning Committee & governance
- Community partners/leaders, City/State officials



Develop area plans for innovation districts

- Frame deliverables
- Develop timelines



Return to Board of Regents in February 2021 to:

- Provide progress updates
- Request approval of initial parcel transfers



Questions?

Announcements



Date	Tentative Agenda Topic(s)	Location
February 17, 2022	TBD	Hybrid In-Person + Webex Bascom Hall Room 260
March 17, 2022	TBD	Hybrid In-Person + Webex Bascom Hall Room 260
April 14, 2022	TBD	Hybrid In-Person + Webex Bascom Hall Room 260
May 12, 2022	TBD	Hybrid In-Person + Webex Bascom Hall Room 260



ADJOURN

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December 16, 2021