

FISCAL YEAR 2019
CAPITAL OUTLAY PROJECT REQUEST

Institution Name: Northwestern Michigan College
Project Title: Learning Support Services Renovation Project

Project Focus: Academic Research Administrative/Support

Type of Project: Renovation Addition New Construction

Program Focus of Occupants: Administrative/Support

Approximate Square Footage: 26,000 square feet

Total Estimated Cost: \$3,000,000

Estimated Start/Completion Dates: One-year build. We have been working with architect on design drawings and would be ready for the construction project.

Is the Five-Year Plan posted on the institution’s public internet site? Yes No

Is the requested project the top priority of the Five-Year Capital Outlay Plan? Yes No

Is the requested project focused on a single, stand-alone facility? Yes No

Executive Summary
Learning Support Services Renovation Project

Describe the project purpose.

The Learning Support Services project focuses on the renovation of first floor of the Osterlin building. Transforming this space into a student services hub. The project will consolidate all of our student support services in one area. This will enhance student’s ability to access resources in one location. **The project goals for the facility include:**

- Updated technology
- Updated facility to address ADA accessibility
- Learning spaces that have the flexibility and adaptability for group and individual learning and for learning partnerships with institutions outside the region
- Breakout spaces to support services to students
- Improved operating efficiencies
- Consolidation of student support offices

The project outcomes for our learners include:

- Integrated student support services
- Holistic advising experience to help them with their student success
- Improved customer service to students
- Increased use of student support services
- Improved retention rates

Describe the scope of the project.

The scope of the project is to renovate the first level of the building - 26,000 square feet of an existing 56 year old building. The project will consolidate offices to provide a holistic approach to space and student support services. We know that students have complex needs as it relates to navigating through the completion of a degree or a certificate. We know that we have lost students due to the complexity of enrollment, financial aid and advising. Having student support departments in one space that can deliver a consistent and clear message will result in increased student success. The project outcome is to create a more uniform holistic experience for students. The student support services include:

- Admissions
- Financial Aid
- Registrar
- Advising
- Counseling
- Health Services
- Student testing center

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?

Northwestern Michigan College (NMC) is vital to the region. NMC conducted an economic impact study in 2014. The study confirms that NMC not only provides direct employment for the region but also enhances the business community. Having NMC in the region is advantageous to both employers and county residents who are potential members of the workforce. The college provides training and knowledge that enhances workers' productivity and employability. It also helps to retain workers in the region

The 2014 economic impact study conducted by the UpJohn Institute found that individuals holding an associate degree in Northern Michigan had a low 3.8 percent unemployment rate in 2012 compared to a high of 14.9 percent rate for persons with only a high school degree. Networks Northwest projects that all occupations in the region will see a 5.2% growth by 2020.

NMC provides specialty programming for bachelors, associates and certificate programs. We support the business community through the NMC Training Division. In 2014 the economic impact study showed that their activity provided 192 jobs to the region as well as \$35.2 million in total sales and \$14.7 million increase in the region's Gross Regional Product.

NMC technical programs include advanced manufacturing, manufacturing tech, engineering, electronics tech, welding and construction trades. These skills are in high demand field in the region and state.

As President Nelson has stated, NMC's purpose is to provide our communities and learners with the skills, experiences and values that help them create social and economic wealth during their lifetime.

NMC is positioned to provide both formal and informal knowledge and training for the region. Our service area covers Antrim, Benzie, Grand Traverse, Kalkaska, Leelanau and Wexford counties. It is important to the region that NMC provide state of the art facilities to accommodate learning in the region.

The Learning Support Services project will provide a space that allows engagement of our internal and external partners in servicing students. This space will be utilized by our traditional student population along with dual enrolled and early college students. Allowing for one area that can provide all services regarding enrollment, retention and student success.

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

The project is tied to the required Higher Learning Commission Accreditation Criterion category 2 "Meeting Student and other Key Stakeholder Needs". Our enrollment is approximately 4,000 students. The Admissions, Financial Aid and Student Advising departments play a key role in student success and completion. In 2017, financial aid was offered to 67% of our student population. Providing a location that helps students navigate through the complexity of enrollment, financial aid and advising in one stop will give us the ability to deliver more consistent and timely answers. Community college students have a variety of responsibilities including work, family and school. Time can be a barrier for students. Allowing them to gain access to all support needs in one location will provide better customer service. We believe this will translate to higher completion rates for our students. We see this as an essential service that helps attract and retain students.

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

The project renovates an existing 56 year old building. The building is in the center of campus and has large spaces that can be easily reconfigured. The project will allow the college to consolidate admissions, financial aid, records and registration, advising, Counseling, tutoring, student health services and testing. This will allow for some cost savings in staff positions. The project maximizes the use of an existing building to accommodate the majority of our student support services in one location.

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

The building was built in 1961 and expanded in 1984. A renovation of the building would allow us to update the building based on emergency management protocol and today's ADA requirements. In summary, some of the deficiencies addressed with a renovation include:

- Additional barrier free restrooms
- Remodel of interior of buildings to eliminate ramps that are not ADA compliant
- HVAC heating and cooling upgrades

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 current utilization support the need for additional space and infrastructure?

Northwestern Michigan College was one of the first colleges to use classroom efficiency rather than go numbers to determine enrollment decisions. Starting in 2000, NMC adopted an efficiency model whereby the college set an ambitious target to achieve an average of 90% fill rate for our classes. While not reaching that goal in every area due to the need to support smaller efficiency in some key specialty areas, the college average has reached between 82% and 85% in the last five academic years. Our classes are entirely full in a number of areas. To further our efforts in the last two years, we have over enrolled some of our classes so that after some attrition in the first week, the remaining class remains at 100%.

The college analyzes the utilization of our current buildings using our scheduling software. Our current utilization reports show that our adaptive learning spaces are at maximum use. These spaces are scheduled for large and small student study groups. Additionally, our reports show that simulation space is at capacity. These adaptive rooms are used by both credit and certificate programs. NMC was at capacity for our residential students and added an additional 150 new beds in 2017. Our residential halls are currently at 90% occupancy.

The project would improve an over 50 year old building providing a more holistic space for student support service activity. With more students living on campus, we believe areas such as counseling and health services will see more activity. Both of these departments are strained for space in their current location. Offices that are currently being used by these departments will be able to be repurposed as additional classrooms or needed office space.

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

NMC is committed to sustainable design. NMC self-funded the purchase and renovation of a former manufacturing facility in 2010 that has led to LEED certification. The new facility is used to teach our sustainable energy programs, construction trade and other technical programs that relate to the sustainable design fields. In 2009, NMC conducted an energy audit to identify areas of improvement in current building. Each year the College commits to projects that will result in energy efficiencies. We have converted exterior and interior lighting to LED efficient lighting, installed occupancy sensors in classrooms, hallways and restrooms.

The proposed project will include:

- Upgraded lighting
- Occupancy sensors
- Improved building envelope design around exterior doors

NMC has shown a commitment to sustainable design principles in construction of both new buildings and renovation projects. Although this is a small renovation project we will incorporate facility efficiencies wherever appropriate. This project will see the same level of commitment to integrate sustainable design principles to enhance operating efficiency as all of our building and renovation projects have seen.

7. Are match 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. The college has the resources to fund the match for this project. The college has set aside reserves for capital projects. These reserves could be used for this project. The college also has a current debt capacity of \$44 million dollars. NMC's credit rating by Standard & Poor's is AA and Moody's rating is AA2. The college refinanced a bond in January, 2015 receiving an interest rate of 1.38% and saving \$1.2 million dollars for the taxpayers over a five-year period. If this project were funded, we would provide the college's match with:

- The college's current plant fund reserves
- Private contributions from NMC Foundation

The NMC Foundation is one of Michigan's most successful community college foundations. Since its established in 1981, NMC Foundation, has raised over \$55 million to support the college in the area of scholarships, programs and new construction. Either one or a combination of the sources listed above would provide the College's match.

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?

NMC is committed to the 50% match that is required for the project. We would be able to exceed the 50% match requirement by delaying other capital projects. This may effect timing of other deferred maintenance projects but, if the committee feels this would be advantageous and allow for funding by the State, we would work to arrange above the 50% match requirement.

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 has identified available funds to support the additional cost.

We do not estimate a significant increase in operating costs if this project was funded. Improvements to the building should yield operating efficiencies in electrical and heating costs. With the combining of multiple departments, the college will be able to reduce some personnel costs.

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

The project should not have any impact on tuition costs. We expect to fund our match from a combination of current reserves and/or private donations as stated in question number 7. The college historically includes in its operating budget over \$1 million dollars annually toward plant fund projects and increased an additional \$200,000 for capital improvement for fiscal year 2018. These transfers can be used to offset college capital projects. These are already built into our budget model for the next 4 years so we do not expect any additional increase to tuition due to this project being funded.

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

If this project is not authorized it will be a detriment to our current and future students. The space would provide a more robust student support services area that will give students the ability to access a multitude of student support services in one location. This will be a more efficient way for student to access these services which translates to more use and less time constraints for the student.

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

The project allows for us to consolidate student support service in one area. This will result in a more holistic approach for our students and a more efficient delivery system for staff. We expect this to result in time savings for students with greater results.

The alternative would only allow for us to make limited changes based on space capacity. This does not allow for the unified holistic experience for our students. Additionally, the alternative would not address many of the ADA compliance concerns we have with this dated facility.

Based on the age of the facility and the need for a unified student support service center we believe that this project will best meet all of the objectives for the Learning Support Services Renovation Project.