Senate Capital Budget Committee
USNH Capital Budget Request

May 10, 2019
4-Year College-Going NH High School Grads Enrolled in NH

**Percent of 4-year college-goers enrolled in state**

Current 4-year-college in-state enrollment of NH high school grads = 38.9%

A goal of 45% would mean keeping an additional 350 NH high school grads in state, beyond the ~3,000 actually retained each year (goal of 50% ≈ additional 700)

Data from U.S. Department of Education, National Center for Education Statistics, IPEDS, biennial data collection. Fall 2016 provisional data, most recent publicly available for comparability. Students graduating from high school within 12 months prior to fall enrollment. Goal calculations based on fall 2014 final data.
USNH Capital Funding Sources FY13-FY18
Total = $535 Million

- USNH Funds: $369 (69%)
- State Capital Appropriations: $23 (4%)
- New Debt: $114 (21%)
- Gifts & Grants: $29 (6%)

Data from USNH Controller’s Office.
Twenty Years of State Capital Support for USNH

USNH Biennial Capital Appropriation per State Budget

State capital appropriations for USNH from chaptered law.
Capital Appropriations Request FY20-21
USNH FY 20-21 State Capital Budget Request

### Six year capital plan for projects requesting State funding

*in millions*

<table>
<thead>
<tr>
<th>Project</th>
<th>Prior to FY 20</th>
<th>FY 20-21</th>
<th>FY 22-23</th>
<th>FY 24-25</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNH Biological Sciences</td>
<td>$3.4</td>
<td>$10.0</td>
<td>$20.0</td>
<td>$15.0</td>
</tr>
<tr>
<td>PSU Hyde Hall Classroom</td>
<td>$0.5</td>
<td>$2.0</td>
<td>$4.0</td>
<td>$4.0</td>
</tr>
<tr>
<td>KSC Elliott Student Services Ctr</td>
<td>$2.7</td>
<td>$2.5</td>
<td>$8.0</td>
<td>$4.8</td>
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<tr>
<td>Totals</td>
<td>$3.9</td>
<td>$12.0</td>
<td>$26.7</td>
<td>$17.0</td>
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# USNH Request, Governor Recommended, House Adopted

## Six Year Capital Plan for Projects Requesting State Funding

<table>
<thead>
<tr>
<th>Project</th>
<th>FY 20-21</th>
<th>FY 22-23</th>
<th>FY 24-25</th>
<th>Six Year Total</th>
</tr>
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<tbody>
<tr>
<td>UNH Biological Sciences</td>
<td>$10.0</td>
<td>$10.0</td>
<td>$10.0</td>
<td>$35.0</td>
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<td>See note</td>
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<tr>
<td>Totals</td>
<td>$12.0</td>
<td>$15.0</td>
<td>$15.0</td>
<td>$44.0</td>
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**NOTE**: Governor included this request in HB 2
Considerations for Capital Budget

• USNH included $19 million in capital-related one time strategic funding in its operating budget request. The Governor included this and another $6 million for the Child Development Center in HB 2.
• These requests could be included in the capital budget and funded with excess reserves to the extent the State has capacity.
## Capital Related One-Time Funding Requests

<table>
<thead>
<tr>
<th></th>
<th>Amount (in thousands)</th>
</tr>
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<tbody>
<tr>
<td><strong>UNH</strong></td>
<td></td>
</tr>
<tr>
<td>Significantly increasing nursing capacity included in Governor's budget</td>
<td>$9,000</td>
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<td><strong>PSU</strong></td>
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<td>Capital Portion of PSU Request for FY 20-21 Strategic State Investment</td>
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<td><strong>KSC</strong></td>
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<tr>
<td>Business Partnership Hub</td>
<td>$7,500</td>
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<tr>
<td><strong>Total</strong></td>
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<tr>
<td>Total capital portion of USNH one-time strategic requests</td>
<td>$18,975</td>
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<tr>
<td>UNH Child Development Center funded by Governor in HB 2</td>
<td>$6,000</td>
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<tr>
<td>Total Capital Related in HB 2</td>
<td>$24,975</td>
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# Combined Capital Related Request

FY 20-21 Biennium

<table>
<thead>
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<th>Description</th>
<th>Amount</th>
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<tr>
<td>Capital Budget (HB 25) Request</td>
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<tr>
<td>Capital-Related Strategic</td>
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<td>One Time Funding Requests</td>
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<td><strong>Total</strong></td>
<td><strong>$36,975,000</strong></td>
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</table>
UNH Biological Sciences Initiative
Completion of the renovation and addition to Spaulding Hall will:

- Address urgent facility needs in the life science area and reduce deferred maintenance by $30 million
- Create capacity to increase enrollments and attract faculty in high demand science fields
- Upgrade laboratory and teaching spaces that no longer meet contemporary teaching and research needs
- Increase workforce supply of qualified graduates in areas critical to the State’s economy
NH’s Bioscience Workforce Need

• By 2024, NH will need:
  – 25% more bioengineers
  – 17% more biochemists & biophysicists
  – 13% more biological technicians
  – 18.5% more employees in the health care industry

• Avg. NH biological scientist salary: $93,561
• Avg. NH annual salary, all sectors: $48,146

Source, NH Employment Security
Competition for students, workforce, partnerships

• Comparator projects at New England public research universities
  – Univ. Rhode Island, $80 million, $563/sq ft, completed 2011
  – Univ. Mass, $165 million, $532/sq ft, completed 2013
  – Univ. Vermont, $104 million, $445/sq ft, complete 2019
  – Univ. Conn., $160 million, $561/sq ft, complete 2021

• UNH Biological Sciences Initiative
  – $86 million, $514/sq ft, target completion 2023
    • $51 million, USNH; $35 million, State
    • 83,000 sq ft renovation + 47,500 sq ft addition
Spaulding Hall 1960 and 2018
Biological Sciences Initiative

• Adds 250 STEM graduates a year
  – Following the last two sector-specific facility renovations, enrollment increased 90% (engineering) and 49% (business) in five years.
• Increase student instruction in labs by 850 students/year
• Creates 11 new and renovated instructional labs fitted with modern equipment
• Helps address behavioral health and opioid challenges
• Helps address the nursing shortage
• Supports interdisciplinary research in collaboration with ARMI
Support
Spaulding Hall Renovation & Expansion

1st Floor Plan

Floor 1
Spaulding Hall Renovation & Expansion

2nd Floor Plan

Existing that will be full renovated
New addition

Floor 2
## Costs by Phase

<table>
<thead>
<tr>
<th>Phase</th>
<th>Cost</th>
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</thead>
<tbody>
<tr>
<td>Phase 1 - New Addition</td>
<td>$53m project cost</td>
</tr>
<tr>
<td>Phase 2 - Renovate Spaulding South</td>
<td>$16.5m project cost</td>
</tr>
<tr>
<td>Phase 3 - Renovate Spaulding North</td>
<td>$16.5m project cost</td>
</tr>
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</table>

### Diagram

[Diagram of Spaulding Hall Biosciences Project Phasing]
Spaulding Hall Renovation & Expansion

Project Schedule

Phase
- Design Development
- Construction Documents
- Bidding
- Construct Addition
- Renovate Spaulding South
- Renovate Spaulding North
Summary

**Driving the State’s Highly Skilled Economy**

- Attract and retain the next generation of employees
- Enable cutting edge research and instruction to support existing firms and create patents and startups
- Strengthen the state’s tax base through growth in businesses, employees, and property owners

Spaulding renovation, architectural rendering
Hyde Hall Innovation Center
PSU Hyde Hall Innovation Center

• Hyde Hall was constructed in 1974 and houses critical PSU academic programs.

• The facility is an integral component of Plymouth State University’s (PSU) transformative “Cluster Learning Model”, which is reimagining the University and its buildings in ways that will benefit student education but also expand the economy of the State and region.

• The project would create the home for the Innovation and Entrepreneurship Cluster key to Economic and Entrepreneurial workforce development in the North Country and Lakes Region of New Hampshire.

• In the 2017 Facilities Conditions Analysis, Hyde Hall was identified as one of PSU’s highest need buildings with a significant backlog of maintenance required.
PSU Hyde Hall Innovation Center

The 81,000 square foot building is one of the heaviest utilized academic buildings in the core of the PSU campus. In the nearly 45 years there have been minimal major renovation projects and several of the major building components have exceeded their life expectancy.
PSU is planning a $17 million project over the next 6 years, which will address $15 million in deferred maintenance, classroom modernization, improve the building’s energy performance and enhance the education environment.
PSU Hyde Hall Innovation Center

The project will address critical building components, including:

• life safety;
• code compliance issues;
• mechanical, plumbing and electrical infrastructure
• building envelope; and,
• window systems.

There will be a significant improvement in energy efficiency and reduction of energy costs.
Phased construction will occur during the summer months to minimize impact to student and campus activity.

A total of $4.5 million in State support is sought for this project, with $2 million in the 2020-2021 biennium.
Appendix
Request for Strategic Capital-Related State Support
To Address Workforce Needs
Request for Strategic Capital-Related State Support
To Address Workforce Needs

UNH
UNH Nursing and Health Sciences Initiative

UNH Nursing and Health Sciences Initiative: $9 million in one-time State funding to support this $12.3 million project

Expand nursing and health sciences facilities to accommodate 125 new students per year across health sciences programs, including renovating 20,000-30,000 square feet of space on or near the Durham campus.

– Add nurse practitioner programs with additional specializations in acute care and psychiatric mental health.

– Expand B.S. Nursing and Direct Entry Master’s in Nursing programs while exploring addition of a second degree option in nursing.

– Add an occupational therapy assistant program with a 2021 targeted launch.
State Work Force Needs
The Outlook

“The Healthcare and social assistance sector is expected to grow the fastest, with employment increasing by 15.7 percent (14,189 new jobs) by 2026; followed by the Professional, Scientific, and technical services sector, with an employment gain of 13.7 percent (4,634 new jobs).”

Source: New Hampshire Employment Projections by Industry and Occupation 2016-2026

**Growth Rate 2016-2026 for selected occupations**

Biochemists and Biophysicists 16.5%  UNH Biological Sciences Initiative
Registered Nurses 13.8%
Nurse Practitioners 34.9%
LPN/LVN 10.0%
Substance Abuse and Behavioral Disorder Counselors 24.3%

Source: New Hampshire Job Outlook and Locator by Industry and Occupation
UNH: Nursing and Health Sciences Initiative

UNH Nursing and Health Sciences Initiative $12.3 million

- Investment from State $9M
- Investment from UNH $3.3M
- Total Investment in Health Sciences Initiative $12.3M

Return on Investment

- Expansion of Nursing facilities to accommodate a total of 125 new students per year across Health Sciences programs including renovation of 20,000-30,000 sq ft of space on or near the Durham campus.
  - Expand B.S. Nursing, Direct Entry Master’s in Nursing (DEMN), and explore adding nursing as a 2nd degree.
  - Create 2 additional nurse practitioner (NP) programs in Psychiatric NP and Acute Care NP
  - Develop state-of-the-art nursing simulation laboratory

This initiative will double the number of students graduating in Health Sciences occupations including Nursing in 4 years.
Health and Biosciences Corridor
Additional Capital Needs Funded In HB 2
As Introduced by Governor

Early Childhood Education Center of Excellence at UNH
Early Childhood Education Center of Excellence at UNH

New Hampshire is positioned to take a leading role in the education of our nation’s children. We will work in partnership with NH DOE and NH HHS to translate science-based information into best-practice for early childhood services.

• Mission: To bring together state leaders, local partners, world class researchers, and funders at the national and local level to transform the lives of children in New Hampshire and across the country while supporting the families, teachers, and communities that play pivotal roles in their early years.

• Impact:
  – In collaboration with the State, develop standards for ECE and promote qualified teachers on all preschool rooms.
  – Develop comprehensive data collection systems and assessment tools, creating a gold-standard to facilitate better policy decisions.
  – Leverage nearly $4 million in state and federal grant funding to pilot a preschool teacher-coaching program throughout NH.
  – Prepare NH to receive further federal funding to increase ECE access for children at or below the poverty threshold
UNH
Child Study and Development Center (CSDC)

Founded in 1929, CSDC staff provides more than 56,000 hours a year training UNH students CSDC and Center of Excellence will work hand in hand to train current leaders and future leaders in early childhood

- CSDC is the leading early childhood education and research laboratory in New Hampshire CSDC serves approximately 100 children (6 wks-6 yrs) and their families
- CSDC is nationally accredited by the National Association for the Education of Young Children (NAEYC) and licensed by the NH Child Care Licensing Unit (NHCCLU).
- Serves and as educational laboratory for students to gain teaching experience.
- Increase UNH student enrollment in the early childhood program by 66% and will provide in-service teacher education training to over 100 NH teachers per year.
- In addition we are working with NH DOE, NH HHS, Spark, Endowment of Health, NH Charitable Foundation, and Childcare Aware.
The existing CSDC facility was built in 1988. Unfortunately the design and construction quality of this building at that time was below campus standards. This “warehouse style” building has now outlived it’s useful life. This project will replace the existing facility with a building that meets or exceeds current standards.

**CSDC Project Summary**

- Replace the existing 30 year old substandard building with a new facility of similar size. (Approx. 10,000sqft)
- New facility will meet or exceed current standards and licensing requirements for early childhood education facilities.
- Address over $600,000 in existing deferred maintenance needs
- Proposed project budget $6M State, $1M UNH, Total project budget $7M

Proposed schedule: Project completion 18 months after receipt of state funding.
Request for Strategic Capital-Related State Support
To Address Workforce Needs
PSU
**PSU: Building Capacity to Educate NH Students & Creating a 21st Century Workforce**

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*In thousands*

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Build Robotics and Electromechanical Technology Program

One-of-a-kind program providing students with a career-focused technical application of robotics and electromechanical technology. Positions PSU as a Robotics Gateway for the North Country. Target of 120 students as the program grows. Focus on working closely with North Country businesses, communities, and manufacturing companies that have suffered as the manufacturing employment base has eroded and must become more focused on technology and automation.

Build a Cluster-based curriculum and focused programs in Life Sciences, Innovation and Entrepreneurship, and Health and Human Enrichment (Allied Health)

Including a Center for Excellence in Health Sciences that will double the size of our undergraduate and graduate Nursing program while adding a track for a Nurse Practitioner program that will train medical professionals to work and stay in NH.
Request for Strategic Capital-Related State Support
To Address Workforce Needs

KSC
One-Time Strategic Investment in Keene State College creating the Monadnock Business Hub
Keene State College’s One-Time Request  
(Capital and Programmatic Requests)

**Monadnock Business Hub - Capital Needs**

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>State contribution</th>
<th>Keene State College</th>
<th>Business Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Costs</td>
<td>$ 7,348,365</td>
<td>$ 7,348,365</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technology Enhanced Classroom upgrades (2)</td>
<td>300,000</td>
<td></td>
<td>300,000</td>
<td></td>
</tr>
<tr>
<td>Precision optics design, engineering and machining lab</td>
<td>600,000</td>
<td></td>
<td></td>
<td>600,000</td>
</tr>
<tr>
<td>Additional design, engineering classrooms</td>
<td>1,500,000</td>
<td>151,635</td>
<td>300,000</td>
<td>1,048,365</td>
</tr>
<tr>
<td>Furnishings</td>
<td>125,000</td>
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<td></td>
<td>125,000</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td><strong>$ 9,873,365</strong></td>
<td><strong>$ 7,500,000</strong></td>
<td><strong>$ 725,000</strong></td>
<td><strong>$ 1,648,365</strong></td>
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**Monadnock Business Hub - Programmatic Start up costs**

<table>
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<th>States contribution</th>
<th>Keene State College</th>
<th>Business Partners</th>
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<tr>
<td>2-year Start up:</td>
<td>$ 820,350</td>
<td>$ 500,000</td>
<td>$ 320,350</td>
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**Development of LADC, MLADAC and other counseling credentials**

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<tbody>
<tr>
<td>2-year program development costs:</td>
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<td>$ 1,000,000</td>
<td>$ 396,250</td>
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<tr>
<td><strong>TOTAL One Time Costs:</strong></td>
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<td><strong>$ 9,000,000</strong></td>
<td><strong>$ 1,441,600</strong></td>
<td><strong>$ 1,648,365</strong></td>
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Keene State College’s One-Time Request  
(Capital Only)  

The Monadnock Business Hub will serve as a center for innovative programs developed by local industry and the College. Our initial focus is on precision optics. Located on Winchester Street in Keene, the Hub will have excellent visibility as well as adjacency to other campus facilities. The Department of Business as well as the Technology Design and Safety Center (TDS Center) and the Community College System of New Hampshire are nearby neighbors of this site. It will create a STEM corridor on campus as well as a business enterprise zone that is easily accessible by the College, the City and the business community.

**Monadnock Business Hub - Capital Needs**

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Keene State College’s One-Time Request for Strategic Investment