University of Minnesota

Projects Summary

($ in thousands)

Project Title	Priority Ranking	Funding Source	Project Requests for State Funds 2026	2028	2030
Higher Education Asset Preservation and Replacement (HEAPR)	1	GO	$ 100,000	$ 0	$ 0
Space Consolidation and Decommissioning	2	GO	$ 40,000	$ 0	$ 0
Biomanufacturing Innovation Lab	3	GO	$ 40,000	$ 0	$ 0
Academic Health Sciences, Duluth - Design	4	GO	$ 15,000	$ 0	$ 0
Total Project Requests			$ 195,000	$ 0	$ 0
General Obligation Bonds (GO) Total			$ 195,000	$ 0	$ 0

($ in thousands)

Higher Education Asset Preservation and Replacement (HEAPR)

AT A GLANCE

2026 Request Amount:	$100,000
Priority Ranking:	1
Project Summary:	$100 million in general obligation bonds to renew existing campus facilities and infrastructure in accordance with Minnesota Statutes, section 135A.046 Asset Preservation and Replacement.

Project Description

The purpose and use of Higher Education Asset Preservation and Replacement (HEAPR) funds is defined in statute 135A.046 Asset Preservation and Replacement. Funds are intended to preserve and renew existing campus facilities by supporting five categories of projects: Accessibility, Health and Safety (e.g. hazardous material abatement, building code compliance), Building Systems (e.g. exterior envelope, mechanical, and electrical systems), Energy Efficiency, and Infrastructure. HEAPR funds are used throughout the University of Minnesota system. Funds are allocated to campuses and research stations based on facility need and overall quantity of space. The University regularly reports on the status of its HEAPR funding to Minnesota Management and Budget and the Legislature.

Project Rationale

HEAPR funds are essential in supporting the University of Minnesota's mission of teaching and learning, research and discovery, and outreach and public service. This mission will be compromised without continued, sustained reinvestment in buildings and infrastructure to extend and maximize useful life while ensuring the health, safety, and well-being of facility occupants and visitors.

Rigorous process ensures every HEAPR dollar supports the most urgent and impactful needs. Individual projects are identified and prioritized through the University's Facility Condition Assessment (FCA). The FCA is a comprehensive systemwide evaluation of the condition of campus facilities and infrastructure portfolio. FCA data is used to triage existing buildings into those that need long-term investments, those that need short-term investments, and those where no investment is required, in alignment with academic priorities.

HEAPR funds are used throughout the University of Minnesota system and are allocated to campuses and research stations based on facility need and overall space. Funds keep people safe and make the campuses accessible for all Minnesotans. Funds leverage the State's past investment in buildings and infrastructure by extending the functionality and useful life of those assets. HEAPR projects are green, since renewing an existing facility and maximizing useful life is always more sustainable than new construction. HEAPR dollars are flexible, allowing the University to respond quickly to emergencies and to respond to unique opportunities. Regulatory compliance items, e.g. elevators, storm water and building code compliance are funded with HEAPR allocations. HEAPR projects move faster, put people to work quicker, and provide different firms an opportunity to participate in design and

construction at the University of Minnesota.

Project Timeline

Timelines vary by project

Other Considerations

None

Impact on Agency Operating Budgets

No anticipated impact on operating budget.

Description of Previous Appropriations

The University includes HEAPR in each capital request. Over the previous 10 year period, the University received $60 million in 2025, $43.35 million in 2023, $38.495 million in 2020, no appropriation in 2019, $45 million in 2018, $20.6 million in 2017, and no appropriation in 2016. The Governor's recommendations for HEAPR included $84.885 million in 2025 and $102.994 million in 2024.

Project Contact Person

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($ in thousands)

Space Consolidation and Decommissioning

AT A GLANCE

2026 Request Amount:	$40,000
Priority Ranking:	2
Project Summary:	$40 million in general obligation bonds to predesign, design and renovate office spaces to enable the consolidation of workforce and programs, allowing for the decommissioning and demolition of priority buildings.

Project Description

This project will carry out the predesign, design, and renovation of office spaces to support the strategic consolidation of workforces and programs currently housed across multiple aging or underutilized facilities. By creating modern, efficient, and flexible work environments, the renovated spaces will accommodate relocated staff and functions, enabling the University to vacate, decommission, and ultimately demolish a set of priority buildings identified for removal. This approach not only supports long-term space optimization but also aligns with institutional goals to reduce operational costs, improve space utilization, and minimize deferred maintenance associated with obsolete infrastructure.

Since the 2020 pandemic, the University of Minnesota Twin Cities campus has maintained a hybrid work model for office-based use. Hybrid work provides an opportunity to consolidate multiple units who work part time on campus to targeted shared spaces, therefore reducing the amount of space assigned to each unit. The consolidation efforts will focus on aggregating office space for both staff and faculty and will allocate space by type of activity and academic priority, use technology to support efficient and shared use of space, and design flexibility within office spaces to support a variety of users over time. The end result of these investments will advance the demolition of 2-3 buildings on the Twin Cities campus. Project costs will include relocation and demolition as well as physical renovation costs for spaces that house consolidated units.

Project Rationale

Space is a major cost driver for the University. Institutionally, the cost for building, operating and maintaining facilities is a fixed cost. Without reductions in the level of service or quality of upkeep, the only way to reduce facility costs is to reduce the overall physical footprint required to support University programs and operations. Because the cost of energy, building maintenance, and custodial services for University facilities represents a significant portion of the University's operating budget, the University's stewardship responsibilities demand that its facilities be utilized efficiently. More prudent utilization of the University's space inventory will save money and move toward a more sustainable facilities model.

Project Timeline

Design for renovation of target consolidation buildings to accommodate a higher population of users is anticipated to require 6 months.

Construction timing and duration will be determined by the final scope of work and number of buildings identified.

Other Considerations

N/A

Impact on Agency Operating Budgets

Consolidation will enable decommissioning and demolition of poor quality, less adaptable buildings. Reducing the number of buildings on campus will save on recurring operating costs and avoid the need for capital renewal, both current (deferred renewal) and future (life-cycle repair and replacement).

Description of Previous Appropriations

N/A

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($ in thousands)

Biomanufacturing Innovation Lab

AT A GLANCE

2026 Request Amount:	$40,000
Priority Ranking:	3
Project Summary:	$40 million in general obligation bonds for The Biomanufacturing Innovation Lab (BIL). The BIL will create a dedicated, state-wide“Biomanufacturing Hub” to drive research innovation for the development of new industrial biotechnology processes, and advance biotechnology and biomanufacturing as drivers of America’s Next Manufacturing in Minnesota.

Project Description

The University's strategic plan, MPact 2025, calls for high-impact research and discovery, increased multidisciplinary opportunities in research, and enhanced opportunities for new start-ups and partnerships in Minnesota.

The BIL will complete construction of 24,000 GSF of first-level shell space of the recently built Microbial Cell Production Facility building on the University of Minnesota’s St. Paul campus. It will feature adaptable open lab spaces with touch-down workstations, collaboration zones, and small conference rooms, all designed to foster an innovative research environment, facilitate workforce training, and provide maximum flexibility to support the University research community and Minnesota partners.

Project Rationale

Minnesota is uniquely positioned to become a national bioeconomy hub, with distinctive resources, expertise, and a strong concentration of organizations dedicated to biomanufacturing. The Biomanufacturing Innovation Lab (BIL) will provide the UMN research community and Minnesota partners with collaborative laboratory space and state-of-the-art instrumentation and equipment not currently available at the University. Cross-disciplinary collaboration in this facility will drive innovation, facilitate workforce training and build partnerships with companies, business groups, and state and higher-education institutions for the University's biotech initiatives supporting transformational and translational research.

Project Timeline

Predesign was completed in Spring 2025. Full design will occur over a period of approximately 12 months upon funding. When design is complete, construction will occur over a period of approximately 18 months.

Other Considerations

N/A

Impact on Agency Operating Budgets

This project is anticipated to increase facility operating expenses by approximately $400,000 per year.

Description of Previous Appropriations

N/A

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($ in thousands)

Academic Health Sciences, Duluth - Design

AT A GLANCE

2026 Request Amount:	$15,000
Priority Ranking:	4
Project Summary:	$15 million in general obligation bonds for predesign, design, site acquisition, and preconstruction services for a new University of Minnesota academic health facility to be located in the Duluth Medical District.

Project Description

The University is proposing to design a new teaching and clinical research facility for the Medical School and other health sciences units including Pharmacy, Nursing and potentially Dentistry, to be co-located in downtown Duluth and to complement existing patient care, clinical research and professional training that occurs in the area today. As of June 2025, a site has not been selected.

Project Rationale

With the expansion of the downtown Medical District in Duluth as a destination for regional health care, the University proposes to expand its decades-long commitment to rural health and tribal communities by expanding its academic medicine degree curriculum from a 2 year on-site program to a 4 year on-site program.

A new building would accommodate both Pharmacy and Medical School students, providers, and clinical researchers, adjacent to patients and health care providers in the 4th Street Corridor neighborhood of downtown Duluth. Teaching spaces, clinical training and clinical research spaces will be designed and built based on the needs of the University community and be fully integrated with the amenities and features of the broader Medical District. The training, learning and clinical research opportunities offered at the new facility will support innovative ways of addressing health care systems workforce needs.

Project Timeline

Design will occur over a period of approximately 18 months. New construction of a downtown facility would likely take 24-28 months, contingent on completion of design and site selection.

Other Considerations

N/A

Impact on Agency Operating Budgets

This request is for predesign, design, site acquisition, and site preparation only. More information about the impact on operating budgets will accompany any future request for construction funding.

Description of Previous Appropriations

N/A

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