

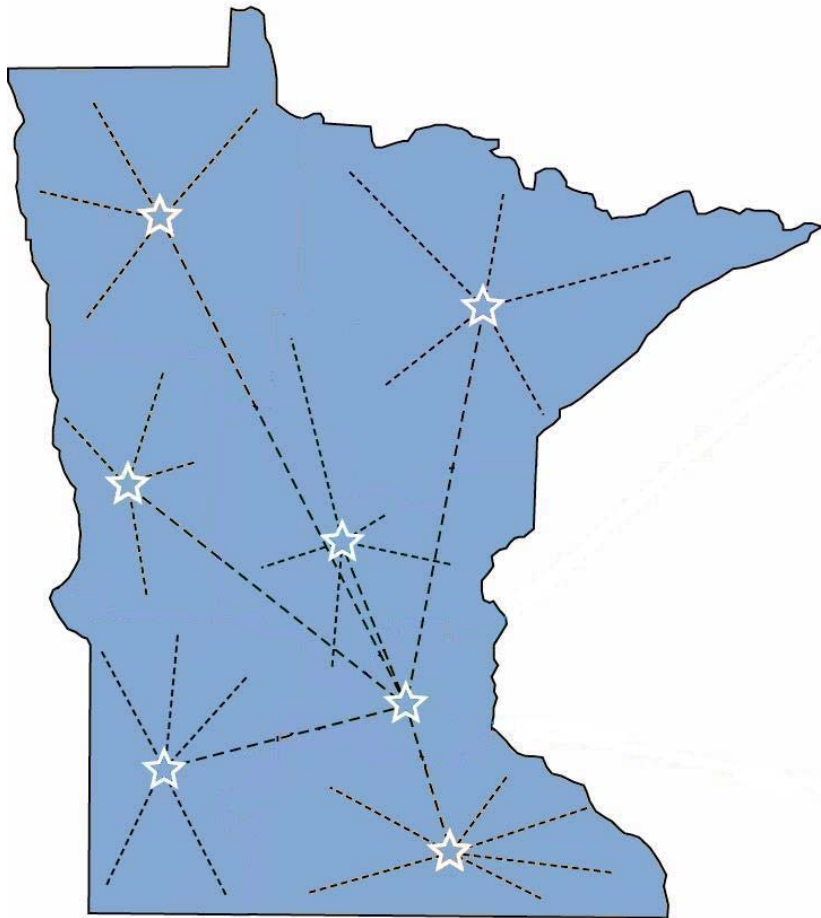
# **The University and Minnesota's Biomedical Research Future**

A presentation to the Board of Regents

9 July 2008

# Minnesota Life Science Community

Mission: Drive growth of a knowledge based economy

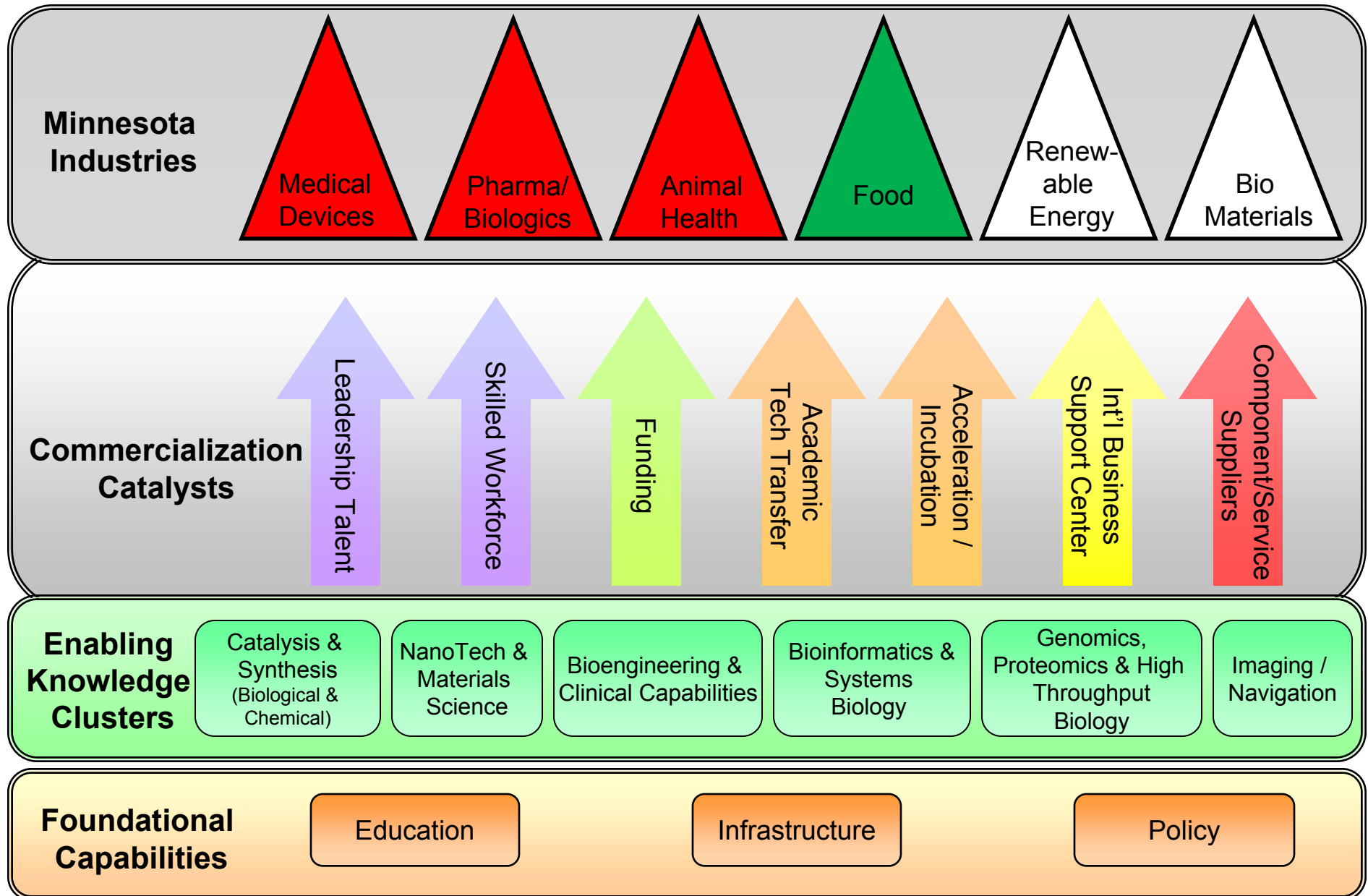


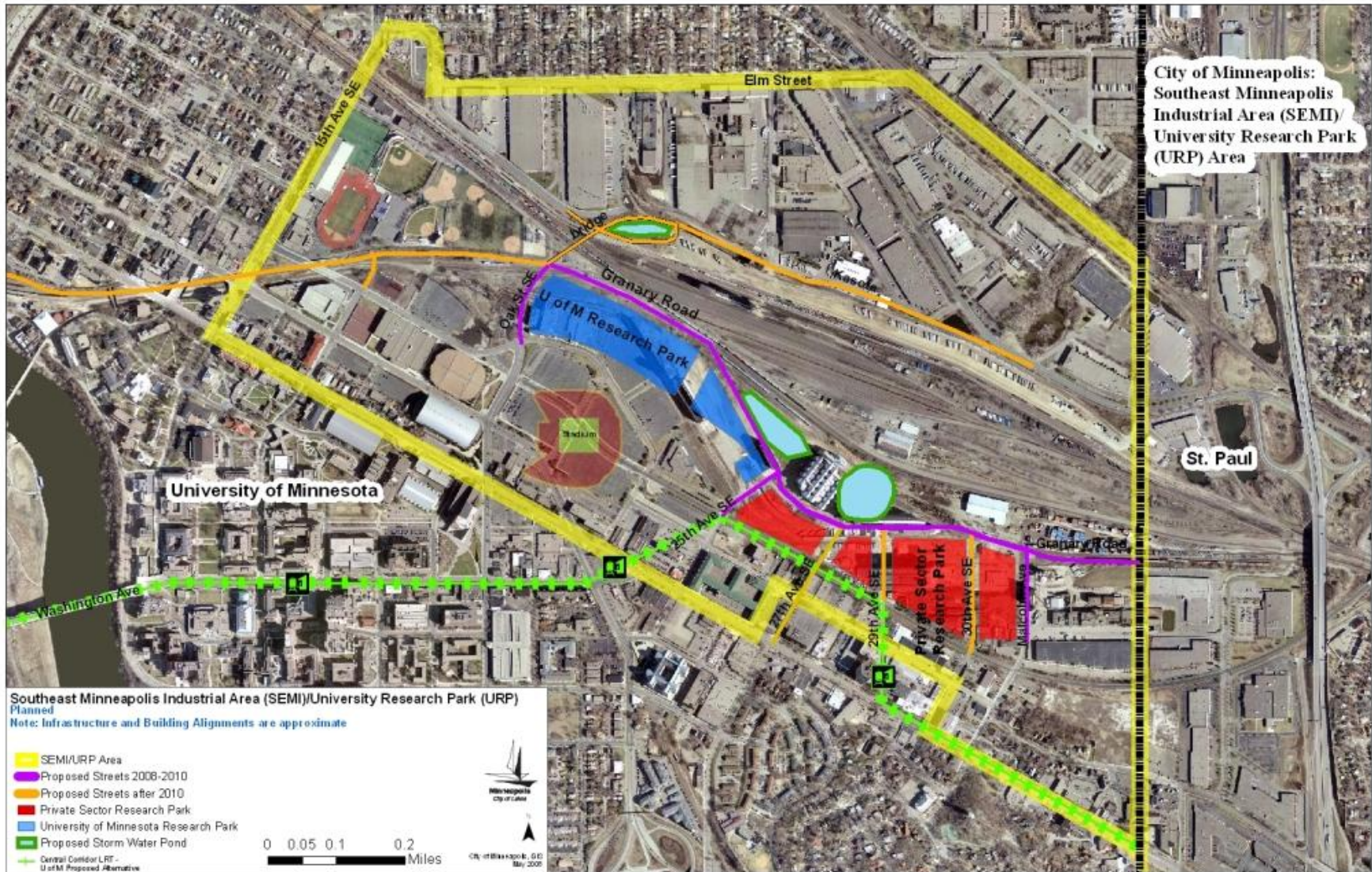
## Critical Components:

- **CHAMPIONS** with significant technical and industry knowledge
- Inventoried **strengths and capabilities**
- **Academic support** for work force, research, technology
- Acceleration capability (**money, management, technical know-how**)
- Appropriate **policies**
- A **strategy** and **community** that supports it

For additional information about the Life Science Community, please contact the BioBusiness Alliance of Minnesota. 952.746.3812 or [jlenz@biobusinessalliance.org](mailto:jlenz@biobusinessalliance.org)

# Minnesota Life Science Community





# Benefits for the University

- ❖ Predictability
- ❖ Space within which to recruit and retain talent; AHC is out of space and space is needed for interdisciplinary programs
- ❖ Clusters of complimentary research strengths
- ❖ Proximity to burgeoning urban life science community

## What it looks like by 2013

- ❖ Nearly 400,000 square feet of new research space; added to the current footprint that includes Lions, TRF, CMRR, and MBB -- total of over 650,000 sq. ft. of translational research space
- ❖ 120 new PIs and at least 480 new research support staff
- ❖ Focused research strengths: imaging, cancer, heart disease, neurosciences, and infectious diseases
- ❖ Attract \$100 million in new annual research funding and create 4800 new direct and indirect jobs.

***Contributes to larger bioscience strengths of the state***

# MINNESOTA BIOMEDICAL RESEARCH PROGRAM

UNIVERSITY OF MINNESOTA  
Driven to Discover<sup>SM</sup>

2008-2009		2009-2010		2010-2011		2011-2012		2012-2013	
July	January	July	January	July	January	July	January	July	January

Project 1	Design	Construction
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## ***Center for Magnetic Resonance Research***

The leading international center for imaging research in areas such as Alzheimer's disease, cancer, and neurobehavioral research.  
56,000 total gross square feet; and 10 Principal Investigators

**\$53.2 million (University - \$13.3 million, State - \$39.9 million)**

Project 2	Design	Construction
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## ***Cancer Biomedical Research Building***

Advancing core cancer research strengths in the Masonic Cancer Center, one of the nation's most comprehensive cancer centers in areas such as breast, lung, colon, and prostate cancer.

120,000 total gross square feet; and 40 Principal Investigators

**\$85.0 million (University - \$21.25 million, State - 63.75 million)**

Project 3	Design	Construction
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## ***Lillehei Biomedical Research Building***

Interdisciplinary translational space for scientists and clinicians to produce the next generation of ways to prevent and cure heart disease.

120,000 total gross square feet; and 40 Principal Investigators

**\$86.1 million (University - \$21.5 million, State - \$64.6 million)**

Project 4	Design	Construction
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## ***Infectious Disease and Neuroscience Biomedical Research Building***

Interdisciplinary translational space for scientists and clinicians to focus on emerging infections, stroke, and Alzheimer's disease.

90,000 total gross square feet; and 30 Principal Investigators

**\$67.6 million (University - \$16.9 million, State - \$50.7 million)**

# Planned Growth Model for the New Facilities

New faculty hires are part of a planned growth model around Research Corridors that is coordinated with leadership hiring and faculty recruitment

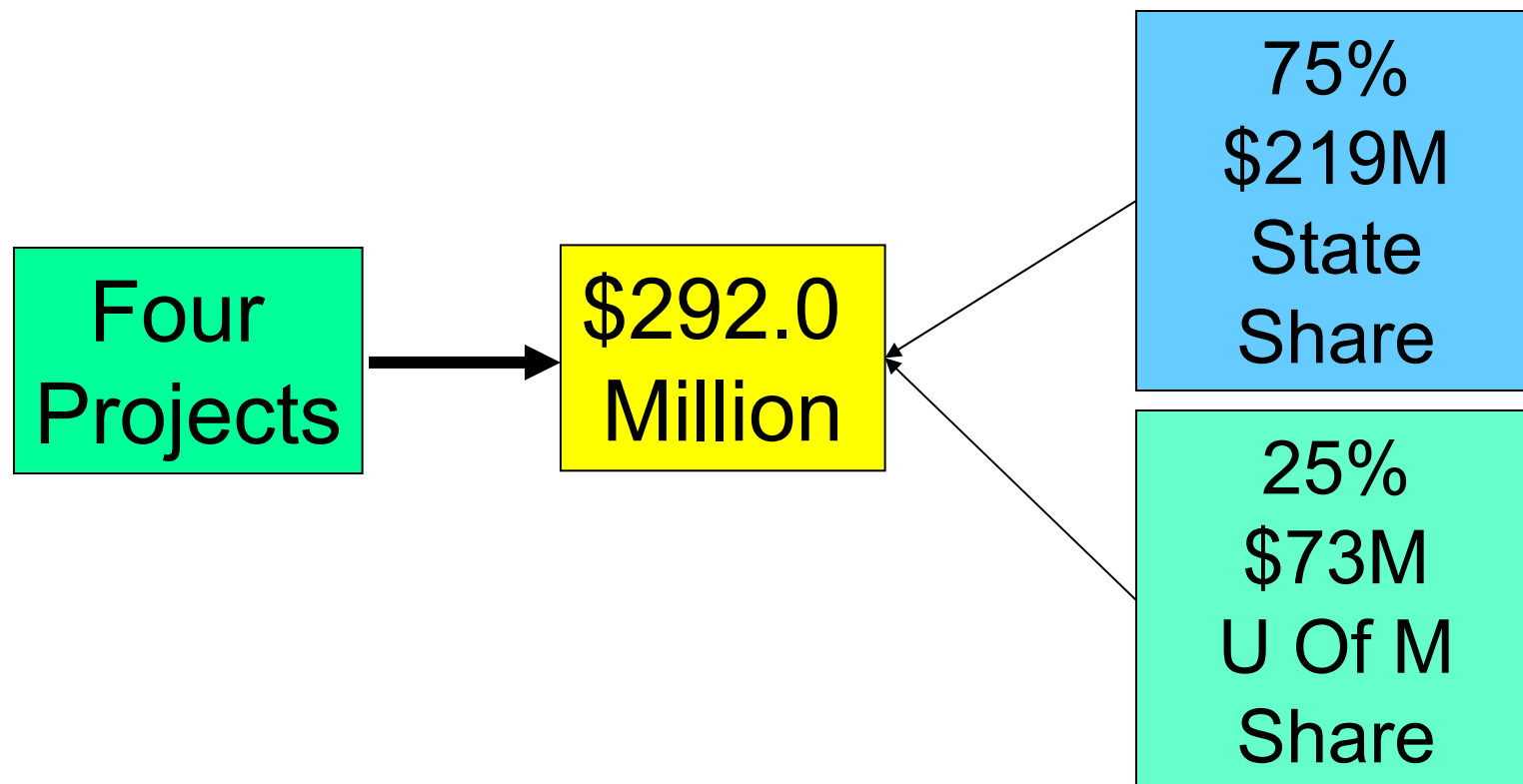
- CMRR- Prof Ugurbil retention
- Cancer Research- new Masonic Cancer Center Director
- Lillehei Heart- new head cardiac services and systems biology

## Incremental Funding Strategies

- Additional annual philanthropy dollars, e.g. Masons
- Increased support from the clinical enterprise
- Internal efficiencies and reallocations
- Strategic partnerships with industry
- University internal reallocation
- New state requests around Research Corridors



## Financial Framework



## Requirements of Board of Regents

1. The Board of Regents of the University of Minnesota, either acting on its own or in collaboration with another private or public entity, must pay at least 25 percent of the project costs for each of four projects
2. Before the commissioner may make any payments authorized in this section to the Board of Regents for a biomedical science research facility project, the commissioner must certify that the board has, by board resolution, approved the maximum project cost for the project and complied with the requirements of section 137.63, subdivision 2 [certify we have the 25%]
3. For each project approved by the board, the board must certify to the commissioner the amount of the annual payments of principal and interest required to service each series of bonds issued by the University of Minnesota for the project, and the actual amount of the state's annual payment to the University of Minnesota under subdivision 2 [for the state's 75%]
4. The board must not use tuition revenue to pay for the university's share of the costs for the projects [the University's 25% share]

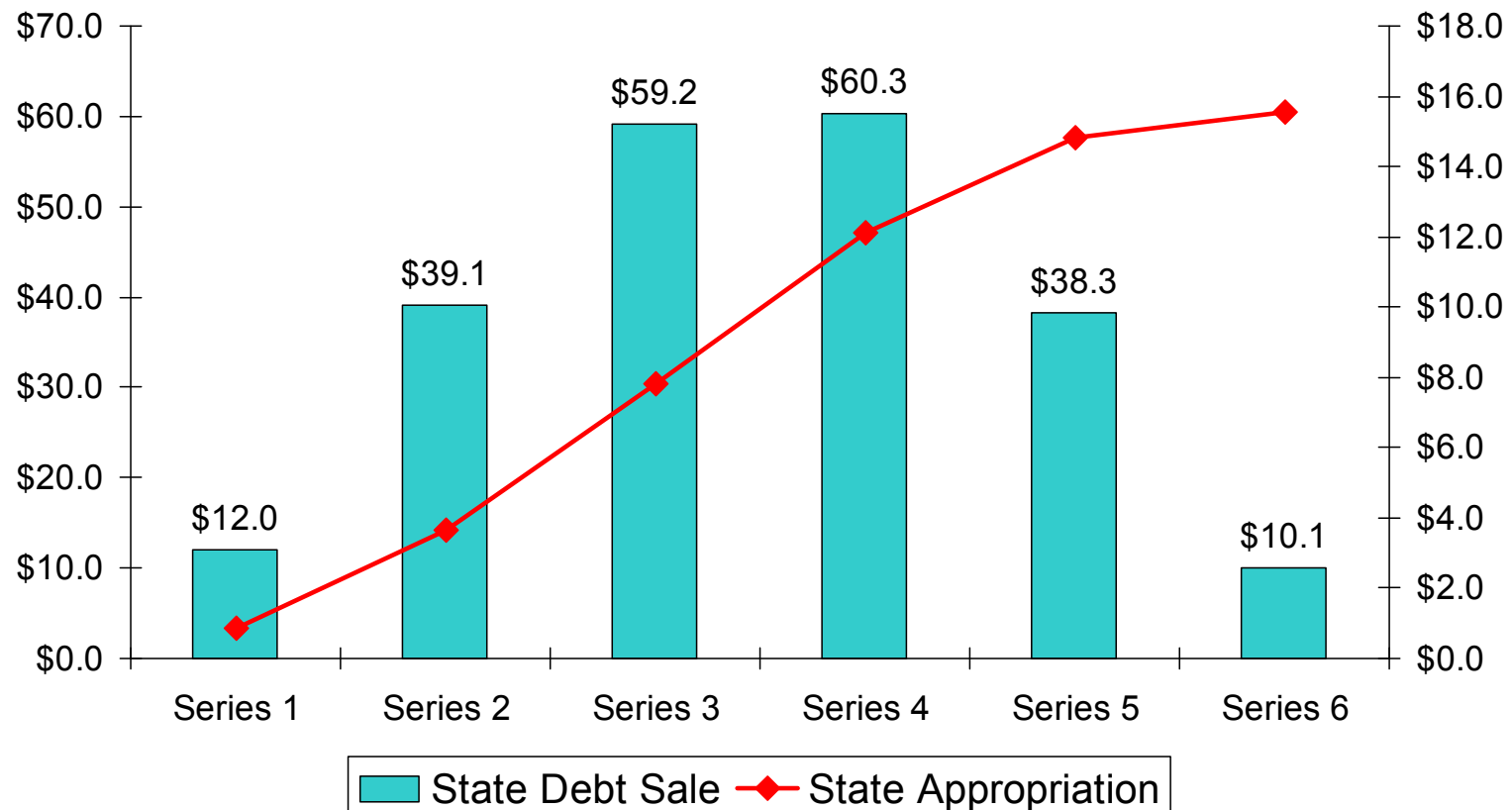
## 75% State Share: Annual State General Fund Appropriations

On July 15 of each year after the certification under subdivision 1, but no earlier than July 15, 2009, and for so long thereafter as any bonds issued by the board for the construction of a project are outstanding, the state must transfer to the board annual payments as certified under subdivision 1, up to the maximum amounts in the appropriation schedule under subdivision 3.

Annual appropriations are made from the general fund to the commissioner of finance for transfer to the Board of Regents, as follows:

- (1) up to \$850,000 is appropriated in fiscal year 2010;
- (2) up to \$3,650,000 is appropriated in fiscal year 2011;
- (3) up to \$7,825,000 is appropriated in fiscal year 2012;
- (4) up to \$12,100,000 is appropriated in fiscal year 2013;
- (5) up to \$14,825,000 is appropriated in fiscal year 2014; and
- (6) up to \$15,550,000 is appropriated in fiscal year 2015 and each year thereafter, up to 25 years following the certification of the last project by the commissioner.

## Biomedical Facilities: 75% State Share \$219.0 Million Debt Issuance Plan



## Implementation Plan

- Planning, Design, and Construction managed by University Services in cooperation with AHC and Finance.
- Smith Group - JJR hired by CPPM to prepare a plan to guide broader development of East Gateway District campus.

## EAST GATEWAY DISTRICT CONCEPTUAL PLAN



# Implementation Plan

- “Master Developer” implementation model selected
  - Executive Team with Larger Advisory Committee
  - Program Office to Coordinate 4 Buildings & Infrastructure
  - Individual Project Managers on each building
- Search underway for Biomedical Facilities Program Director
- CMRR Expansion
  - Approved in 2009 Annual Capital Budget
  - Program confirmation in progress
  - A/E and CM Selection in progress

# Questions & Discussion