

## **AGENDA ITEM SUMMARY**

**NAME OF ITEM:** Maine Graduate and Professional Center (“The Maine Center”) Building Renovations

**CAMPUS PRESENTER(S):** Seth Goodall, CEO, Maine Center Ventures, and Executive Director, The Maine Center

**INITIATED BY:** Dannel P. Malloy, Chancellor

**BOARD INFORMATION:**

**BOARD ACTION:** X

**BOARD POLICY:** Board Policy 701, Operating and Capital

**UNIFIED ACCREDITATION CONNECTION:** The Maine Center is focused on supporting multiple universities and academic programs by creating a center that fosters collaboration among students, faculty, staff, and the community resulting in statewide impact.

**UMS STRATEGIC PLAN CONNECTION:**

The Maine Center building renovations connect directly with multiple components of the UMS Strategic Plan, including but not limited to:

- Commitment 1, Research Actions, Action 1: UMS will further establish and invest in system-wide infrastructure to grow the research and development enterprise at our universities
- Commitment 2, Effective Academic Portfolio Actions, Action 1: Develop innovative programs and curricula responsive to changing economic and workforce needs, data-driven projections of growth areas, and technological innovation.
- Commitment 5, Unified Accreditation Actions, Action 2: UMS will support the development of new multi-university academic programs.

**BACKGROUND:**

**a. Summary of the request**

The Maine Center is seeking approval to spend up to \$8,500,000 from existing UMS Capital Improvement Funds (CIF) provided by the Governor Mills and Maine Legislature, Congressionally Directed Spending (CDS) secured by U.S Senators Susan Collins and Angus King at the request of UMS awarded to UMS for the Maine Center, and \$250,000 from Maine Center Reserves.

The Maine Center expanded from 300 Fore Street into 7 Custom House Street at the end of 2023. Significant renovations are required at 7 Custom House Street and additional capital expenditures remain at 300 Fore Street and/or are required to connect the buildings. The requested funding is estimated to provide for renovations on two or more floors equaling approximately 20,000 square feet.

The Maine Center will require additional phases of renovations once more funding is secured through fundraising and/or other sources.

**b. Overall requested budget and funding source(s):**

The requested approval amount of up to \$8,500,000 is from existing CIF (approximately \$6,000,000), CDS from the U.S. Small Business Administration (\$2,400,000) and Maine Center Reserves (approximately \$250,000).

**c. Is the project included or reflected in the Master Plan, Long Term capital plan or 1-year capital plan most recently approved by Trustees? If not, please explain why.**

Yes.

**d. Detailed explanation of rationale for project and metrics for success of the project (ROI or other)**

The primary rationale for this project is based on the \$55,000,000 commitment from the Harold Alfond Foundation (HAF) to the Maine Center as part of UMS TRANSFORMS. The HAF grant includes \$40,000,000 to purchase the buildings at 300 Fore Street and 7 Custom House Street, and \$15,000,000 for faculty, scholarship and programming. The HAF grant does not provide funds for capital improvements. Funding for improvements to “facilities and infrastructure” under the HAF grant are specifically the responsibility of UMS through a qualified “match” of at least \$30,000,000. To date, approximately \$20,500,000 has been raised and/or spent on “facilities and infrastructure”.

UMS is presently the Lessee under two triple net leases for two adjoining properties at 7 Custom House Street and 300 Fore Street. UMS has options to purchase both properties. UMS’ strategic vision is to create “one” Maine Center that connects both buildings and establishes the Maine Center as a place of collaboration across academic, innovation and industry communities within Maine’s largest metropolitan area.

The 7 Custom House Street renovations will help establish the Maine Center as a vibrant, entrepreneurial and innovation hub. Renovations will include the creation of classroom, office, meeting, event, and gathering spaces for UMS and its partners. The CDS funding will specifically fund improvements to a select floor for small business incubation, acceleration, venture studio, and other small business resources.

**e. Explanation of the scope and substance of the project as needed to supplement (a) through (d) above. Note: scope includes an explanation of community impact, how the project ties to the University’s mission, etc.**

The scope and substance of the project tie to the UMS Strategic Plan and UMS TRANSFORMS as above mentioned, while also elevating UMS’ role in the innovation economy and responsiveness to the emerging needs of state and its workforce. This phase of the project will begin the process to expand the Maine Center into a world-class facility that hosts industry and community partners, provides entrepreneurial and workforce solutions, and advances R&D activity, especially from UMS’ flagship and R1 university – the University of Maine.

**f. Changes, if any, in net square footage or ongoing operating costs resulting from the project**

There are no net square footage changes. Increased operating costs resulting from renovated floors becoming available will be supported by additional revenue sources composing

funding from UMS Strategic Funds, revenue from membership fees, and allocations from each university participating in the Maine Center programming, amongst other sources.

**g. Alternatives that were considered to meet the need being addressed by this project**

None.

**h. Project Timeline for: 1. Start 2. Occupancy and 3. Completion**

The project is on track to begin schematic design immediately. Construction for the first phase is targeted to begin in Summer 2025 with an early 2026 occupancy. The schedule for additional phases to be completed within the approved budget are still being planned, with anticipated completion in 2027.

**i. Timeline for any further consideration or action anticipated to be needed by the Board or its committees regarding this project if full authority is not being requested from the outset.**

It is anticipated the Maine Center will return to FFT and BOT in near future for additional phases of construction, once more funding has been secured.

**j. Additional information that may be useful to consideration of the item.**

**Note: For items over \$5M, indicate when the item was originally presented as an information item.**

The Maine Center appeared at the BOT on September 16, 2024 and provided an information item on the Maine Center building and planned renovations. The information item was specifically noted on the record. The Maine Center also provided a general update to the BOT on January 13, 2025, which included a reference to the pending renovation project.

The Finance, Facilities and Technology Committee approved this recommendation to be forwarded to the March 10, 2025 Board of Trustees meeting, for approval of the following resolution:

**TEXT OF PROPOSED RESOLUTION:**

That the Board of Trustees accepts the recommendation of the Finance, Facilities, and Technology Committee, and authorizes the University of Maine System, acting through the Maine Center, to spend up to \$8,500,000 for renovations and capital improvements at the Maine Center in Portland, Maine.

Attachment

Overview of Maine Center Building Renovations for FFT & BOT 01222025