



MICHIGAN STATE UNIVERSITY

Budget & Finance - Attachment 2

# BOARD OF TRUSTEES

## Executive Action Summary

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**Committee Name** Budget & Finance

**Date** February 7, 2025

**Agenda Item:** Authorization to Plan – IM West Demolition

Information

Review

Action

**Resolution:**

BE IT RESOLVED, that the Board of Trustees of Michigan State University hereby authorizes the Administration to plan for the project titled “IM West Demolition.”

**Recommendation:**

The Trustee Committee on Budget & Finance recommends that the Board of Trustees authorize the Administration to plan for the demolition of IM West.

**Prior Action by BOT:** Not applicable.

**Responsible Officers:** Daniel Bollman, Vice President for Strategic Infrastructure Planning and Facilities

Vennie Gore, Senior Vice President for Student Life and Engagement

**Summary:** This project removes the Intramural Recreational Sports West (IM West) building that has a high capital renewal need, has reached functional obsolescence, and cannot economically be repurposed for any other use. The June 2023 board resolution authorizing the Student Recreation and Wellness Center to proceed acknowledged the potential for future demolition of the IM West building where the outdoor pool was demolished due to unsustainable maintenance costs. Most programmatic functions from the IM West building will be accommodated in the Student Recreation and Wellness Center. Demolition of IM West is anticipated to occur in spring 2027, after the Student Recreation and Wellness Center has opened. Planning will include the identification and coordination of alternate locations for the Intercollegiate Athletics wrestling program as well as Kinesiology classes that currently utilize the IM West and may not be accommodated in the new Student Recreation and Wellness Center.

**Background Information:**

- Demolition of the building will eliminate capital renewal backlog costs given that significant infrastructure upgrades for the building were delayed in anticipation of taking it offline.
- Upon demolition it is anticipated that the site will be restored to parking and green space, in alignment with the *Vision 2050: Integrated Facilities and Land Use Plan*.

**Source of Funds:**

Full scope and phasing will be determined prior to the request for authorization to proceed, anticipated in December 2026. Planning for this project will incur costs for consultants and cost estimating which will be funded by the student fee, earmarked for this purpose. The pre-planning estimated budget is \$5 million. Planning costs are based on direction from IPF, at 4% (\$200,000) of the pre-planning budget estimate, which covers costs through bid documents necessary prior to authorization to proceed.

The administration will bring forward a funding plan for full project costs when seeking authorization to proceed. It is anticipated that the source of funds for the full project is debt financing with debt repayment from the Student Fee.

**Resource Impact:**

Demolition of the building eliminates approximately \$45 million in Capital Renewal backlog costs. Adaptive re-use would be difficult to accomplish without significant reinvestment. The majority of the facility is not air-conditioned, ventilation does not comply with current standards and due to structural limitations, adding air conditioning is not feasible. Windows are aged, inefficient, and most of the air handling units and fire protection systems are at the end of their useful life. Overall, the facility's high energy consumption and outdated infrastructure make it a poor investment.

**IM West to be demolished**

