

MICHIGAN STATE **U N I V E R S I T Y**

June 11, 2014

MEMORANDUM

To: Trustee Finance Committee

From: Kemel W. Dawkins 
Vice President for Strategic Infrastructure Planning and Facilities

Subject: **Authorization to Plan**
Food Processing and Innovation Center

RECOMMENDATION

BE IT RESOLVED that the Trustee Finance Committee recommends that the Board of Trustees authorize the Administration to plan for the project entitled Food Processing and Innovation Center.

BACKGROUND

Program Need:

The College of Agriculture and Natural Resources has submitted a grant application to the U.S. Department of Commerce, Economic Development Administration (EDA) for a building renovation and addition, and equipment to establish the Michigan State University Food Processing and Innovation Center (FPIC). The FPIC is designed to be Michigan's "Real Time" place for high-potential growth-oriented companies to innovate, scale up and commercialize new food products and processes. This state-of-the-art USDA/FDA-certified food processing facility would permit clients to do applied research and development while marketing finished products directly from the FPIC facility. FPIC would serve two types of ventures: (1) well-established growth-oriented food businesses that need assistance with new product development or significant enhancement of existing products, and (2) larger-scale startup food businesses with technically complex product development needs.

FPIC has the potential to drive and support a significant level of economic development within the State. Approximately 750 food manufacturers in Michigan generate nearly \$15 billion of annual economic activity and support 41,000 jobs. While Michigan has a strong food-processing sector, it ranks relatively low (19th among all U.S. States) when the value of its shipments of processed agri-food products is compared. The FPIC represents an opportunity to develop Michigan's agri-food processing sector by adding more value to food and agricultural products, and serve as the innovation hub for a vibrant Michigan food economy.



Office of the
Vice President
for Strategic
Infrastructure
Planning and
Facilities

Kemel W. Dawkins
Vice President

Infrastructure Planning
and Facilities Building
Michigan State University
1147 Chestnut Road
Room 101
East Lansing, MI 48824

517-355-3366
Fax: 517-353-6358
ipf.msu.edu

General Description of the Project:

The planning of this project is anticipated to include renovation of the approximately 7,700 square foot existing Hulett Road building that would include food process and packaging areas; offices and training room; receiving and shipping; and an addition of approximately 3,000 square feet to house coolers, freezers, storage, and mechanical equipment; connections to municipal water and sanitary systems; and improvements to the building access areas and parking.

The Engineering Research-Hulett Road building is located at 3361 Hulett Road, Okemos, Michigan, in Alaiedon Township. Michigan State University is the owner of the building, which was previously utilized by the College of Engineering. The location of this project is consistent with the Campus Master Plan.

Based on an assessment of the factors stated in the Project Planning and Approval process concerning Project Labor Agreements (PLA), the Vice President for Strategic Infrastructure Planning and Facilities has determined that a PLA would not be required for this project.

Communication Plan:

During the planning phase, the campus community will be given opportunities to provide feedback on the project as it is being designed. Input from the project planning team will be solicited during the design phase.

Preliminary Project Cost Information:

Based on an initial study that was developed as part of the grant submission, the preliminary project cost estimate is \$5,338,100. This estimate may change as planning progresses and the project scope is further defined.

The source of funds for the project is expected to be \$2,669,000 in EDA funding under the Public Works Program authorized under section 201 of the Public Works and Economic Development Act of 1965, as amended (42 U.S.C. section 3121 et seq.), \$1,000,000 from the Michigan Economic Development Corporation and the Michigan Department of Agriculture and Rural Development, and \$1,669,000 from the College of Agriculture and Natural Resources and the general fund.

cc: L. Simon, J. Youatt, S. Udpa, B. Beekman, B. Noto, K. Dawkins,
V. Gore, M. Haas, J. Kacos, G. Klein, B. Kranz, M. McCabe, J. Mumma,
D. Quinney, F. Poston

Engineering Research-Hulett Road building

