Universities expand facilities at record pace

BY ALEXIS MUELLNER

Despite the sluggish economy, a building spree is on in a sector other than luxury real estate. Take an educated guess where.

At the University of Miami, there is more than $100 million in active construction projects going on for student housing, parking lots and a basketball and events venue. Florida International University is in the middle of a capital improvement campaign worth $214 million, which includes the new $61.1 million Chapman Graduate School of Business. At Nova Southeastern University, nearly $80 million has been raised to help pay for a new business school named after businessman H. Wayne Huizenga, and to erect a student center and health care-related facilities. NSU recently partnered with Broward County to build a 325,000-square-foot library.

"It seems like a lot of money is flowing into the educational sector and our private institutions," said Larry Kibler, a principal with the Coral Gables-based construction firm Miller & Solomon. Kibler's firm has won 10 contracts at NSU. "We happened to get there at the time when they were going through a major expansion."

A weak economy is helping push many people back to school, forcing enrollment up at almost all the area's colleges and universities, according to published reports.

FIU's fall class grew again this year, topping out at 34,000 students, making it the largest student body in the school's 30-year history.

The process is driven in many cases by presidents who want their institutions to be recognized for their quality of life as well as professional training grounds. But a consistent thread linking building projects on campuses from north Palm Beach County to south Miami-Dade County is the involvement of the business community and the private sector, where many of the schools rely on donations or revenue streams based on business models.

"Clearly, the principals in the business community play a major part," said Ray Ferrero Jr., president of NSU. "It's those people who believe in having first-class educational institutions and the various programs and facilities they have as well as the types of events they can sponsor, which is part of a mosaic of a community - education being extremely important and arts being important."

"It all adds up to quality of life for any community."

Major NSU projects

The building at NSU is part of a major campus expansion. A funding effort has been under way for the past six years. The 260,000-square-foot Wayne Huizenga Graduate School of Business and Entrepreneurship is moving forward. The Jim and Jan Moran Football Center will be 110,000 square feet, a new University Center, a wellness center for basketball, athletics and intramural activity, is slated to be 140,000 square feet.

The business community's imprint is everywhere.

At FIU, the Chapman School's $10 million fund-raising effort was led by Coral Gables-based developer Armando Codina. It was named for Alva Chapman, who has been known for his civic leadership and for dealing with tough social issues such as homelessness and South Florida's rebuilding after Hurricane Andrew.

But Chapman's other claim to fame is his success in the profit-driven world of big business as the former chairman of Knight Ridder. He led the Miami Herald's parent company and newspaper conglomerate he served as president and chairman in 1974, and later as CEO and chairman, where company profits and stock continued to trend upward.

During Chapman's tenure at Knight Ridder, shares in the company had a compounded growth rate that averaged 23 percent annually. Profits increased for 14 straight years and the company won 37 Pulitzer Prizes.

It was a mix of business savvy and civic awareness and social action that led FIU to honor Chapman.

At a naming dinner last fall, Joyce Elam, dean of the FIU business school, told an audience that Chapman's record is a valuable framework for budding MBAs. Business is about more than just making money.

See CAMPUSES, next page

Area, dormitories, classrooms being built on campuses

Chambers, from previous page

numbers, she said.

Chapman has had a long association with FIU. He served for years as chairman of the FIU Foundation. He provided $14 million in gifts and contributions to the business school, including $600,000 that he and his wife, Betty, gave to personally endow a chair in business ethics, according to a Herald story.

"When people say you have existing facilities and are expending even more, that means there's leadership," said George Hurley, executive VP at NSU. "The energy and enthusiasm is generated by the president."

NSU's Ferrero said his goal has been to bring people to his campus to touch and see.

"We have one hell of a message to tell," he said.

NSU is now the 12 largest independent not-for-profit institution in the United States out of 1,600. Ferrero said. It has four campuses and five educational centers in major Florida cities. It employs 2,600 people.

"As many as 49 percent live and work in Florida and between 66 and 70 percent are in the five counties area," he said.

"When you look at a $100 million budget, on a conservative basis, that's $800 million plus in an economic engine for Florida."

At the University of Miami, there's a business model in play in much of the development there as well.

"As compared to a public institution, we're not supported by taxes," said Sungo Rodriguez, UM's VP of real estate. "A business plan would support a medical facility. From a business point of view, we need to show we have a clientele that would support it, and people that would pay for certain medical services."

UM has nearly $20 million in projects related to its medical education. Projects at the medical campus are part of the charge of UM President Donna Shalala.

Shalala emphasized the importance of having the university be in the top 30 in medical institutions that receive [National Institute of Health] grants, and you need to be a second-tier university," he said. "To be a second-tier university such as Duke and Vanderbilt are enormous in space is needed, and donors and grants and financial plans need to include clientele."

The other criteria of second-tier status is housing, he said.

UM is beginning on-campus housing to accommodate 1,100 more students.

The university has been known as a commuter university with people living in it, Rodriguez said.

Again, Shalala has been influential, asking that the university maintain open spaces but increase housing and thus, create more campus life.

"We have a business plan that will pay for the cost of the housing based in rent we charge," he said.

The level of construction now is the most the university has ever had. Rodriguez said of the center that the Coral Gables horizon. Many of the projects now coming out of the ground were conceived years ago.

The construction center was 10 years in the making, but Shalala's energy helped dispel the inertia.

"Her presence helps a lot," Rodriguez said. "She's an international figure respected throughout the world."

She also has the gur, he said. Rodriguez described his first walk around campus with Shalala.

"It was beautiful and not full of students sitting around," she said.

The answer: chairs.

"So we went looking for places people could congregate," Rodriguez said. They bought hundreds of chairs and put them around campus so that people would stop and sit and stay there.

"What a concept. It's simple things, like kitchens to buy food and stay there."

Completion spurs improvements

Away from secondary institutions, there are also signs of building and renovation of private schools. The reason is desperation.

"There are increasing options in education today, from public and magnet schools to charter schools owned by private corporations to independent for-profit schools," said Jerome Cherrmack, headmaster at the private University School, which operates on the NSU campus in Doral.
"With new schools opening and different types of schools coming into the area, it has the effect of bringing the level of all schools up."

It also motivates learning institutions to raise the quality of their facilities to compete, he said.

"Some of the construction on campuses is to accommodate growth and that's additional classrooms, but some of it is to add gymnasium and fine arts and auditoriums," Cherrmack said.

This summer, the University School is refurbishing the lower school and adding a classroom wing atop of the sports center.

Cherrmack declined to say how much money was being invested in the improvements, but that a capital campaign was being launched to help construct a new middle school.

"The growth of public education is untenable," he said. "Broward County adds 10,000 students a year and it is a Herculean task to keep up with that growth and to keep open new schools and to administer such a large system."

Their challenges are different than those found by independent for-profit schools, and include dealing with a range of languages and cultures, and limited English skills.