

2027-29 Biennial Capital Project Proposal Submission to HECC

EXECUTIVE SUMMARY

The Board of Trustees reviews and endorses Oregon State University’s biennial capital funding request to the Higher Education Coordinating Commission (HECC). For the 2027–29 biennium, OSU proposes a capital portfolio aligned with the university’s Ten-Year Capital Forecast and centered on advancing critical academic, student success, and infrastructure priorities across OSU-Corvallis and OSU-Cascades.

The total proposed request to HECC is \$203 million, including \$125 million in state-paid bonds, supplemented by OSU funds, gifts, and other partnership resources. Projects were prioritized based on institutional strategic value, impact on academic mission delivery, urgency of facility needs, and the opportunity to address significant deferred maintenance.

- Corvallis first priority: **Gilbert Hall STEM Education Center** – OSU-Corvallis (Total: \$88M | State-paid bonds: \$66M)
- Corvallis second priority: **Gilkey Hall Completion** – OSU-Corvallis (Total: \$20M | State-paid bonds: \$9M)
- OSU-Cascades first priority: **Student Health and Recreation Center with Land Development** – OSU-Cascades (Total: \$95M | State-paid bonds: \$50M)

BACKGROUND

Every other year, the Board of Trustees reviews and endorses the university’s capital budget submission to the Higher Education Coordinating Commission (HECC). Requests for the 2027-29 Biennia are due to the HECC in April 2026. This summary presents the university’s prioritized proposed capital requests for the 2027-29 biennium for the board’s consideration.

The proposed projects are in alignment with OSU’s Ten-Year Business and Capital Forecast.

PROPOSED CAPITAL PROJECTS

Table 1
Summary of the proposed 2027-2029 capital request to the HECC based on preliminary project costs.

Description	Estimated total (million)	State-paid bonds (million)	OSU-Funds (million)	Gift or other funds (million)
OSU-Corvallis Major Capital				
Gilbert Hall STEM Education Center	\$88.0	\$66.0	\$18.0	\$4.0
Gilkey Hall Completion	\$20.0	\$9.0	\$3.0	\$8.0
OSU-Cascades Major Capital				
Student Health and Rec Center w/Land Development	\$95.0	\$50.0	\$19.0	\$26.0
Total	\$203.0	\$125.0	\$40.0	\$38.0

Major Capital Projects for 2027-29 Biennial Funding Request

OSU-Corvallis

Gilbert Hall STEM Education Center: \$88.0 million (\$66.0 million of state-paid bonds, \$18.0 million of OSU Capital Improvement & Renewal funds or Gifts and \$4.0 million in State Capital Improvement and Renewal funds)

The renovation of Gilbert Hall will transform a building currently challenged programmatically and operationally. The renovation will create a modern, effective STEM teaching core for Physics and Chemistry and will advance nearly every aspect of PWS. Housing fundamental Physics and Chemistry courses in a high-quality learning environment will bring the appeal, capacity and efficiency to attract and retain OSU's STEM students and faculty. The Gilbert Hall renovation will be OSU's highest priority capital request to HECC for the coming 2027-29 biennium. The project is expected to remove about \$60,000,000 in deferred maintenance backlog.

Gilkey Hall Completion: \$20.0 million (\$9 million of state-paid bonds, \$3.0 million of OSU Capital Improvement & Renewal funds and \$8 million of State Capital Improvements and Renewal funds)

The renovation of Gilkey Hall was previously in the 2024-25 biennium Forecast. However, during interior demolition, significant building deficiencies were discovered. As of March of 2026, OSU has spent \$13.5M to replace the interior structure and roof and improve the shell so that the building is stable and preserved. The \$20M completion of the building interior will include a new home for Counseling and Psychological Services (CAPS) and General-Purpose classrooms. OSU will submit this project as the second priority capital request to HECC for the coming 2027-29 biennium. However, other funding plans are possible and can be considered should the HECC request prove unsuccessful.

OSU-CASCADES

Student Health and Recreation Center with Land Development: \$95.0 million (State-paid bonds of \$50.0 million, OSU-paid bonds of \$9.0 million, \$10.0 million of gifts and \$26M of Partnership/other funds)

This is an E&G and student fee-supported project that remediates land to prepare for future campus growth while also building a health and recreation center vital to student recreation and wellness and key to attracting and retaining students. The project funding is forecasted at \$95M. This project was included in the 2025 Ten-Year Capital Forecast with an \$84M budget and it is being considered for full or partial funding in the current legislative short session. Results are expected by the end of February 2026. If the project is not fully funded in the current biennium, construction cost inflation is expected to add up to \$11M, so the HECC submission and 2026 capital forecast reflect a potential \$95M budget.

RECOMMENDATION

Staff recommend that the Finance and Administration Committee recommend to the board acceptance of this FY2027-FY2029 Capital Funding Request for submittal to HECC.