139 Years of Building the Safety-Net

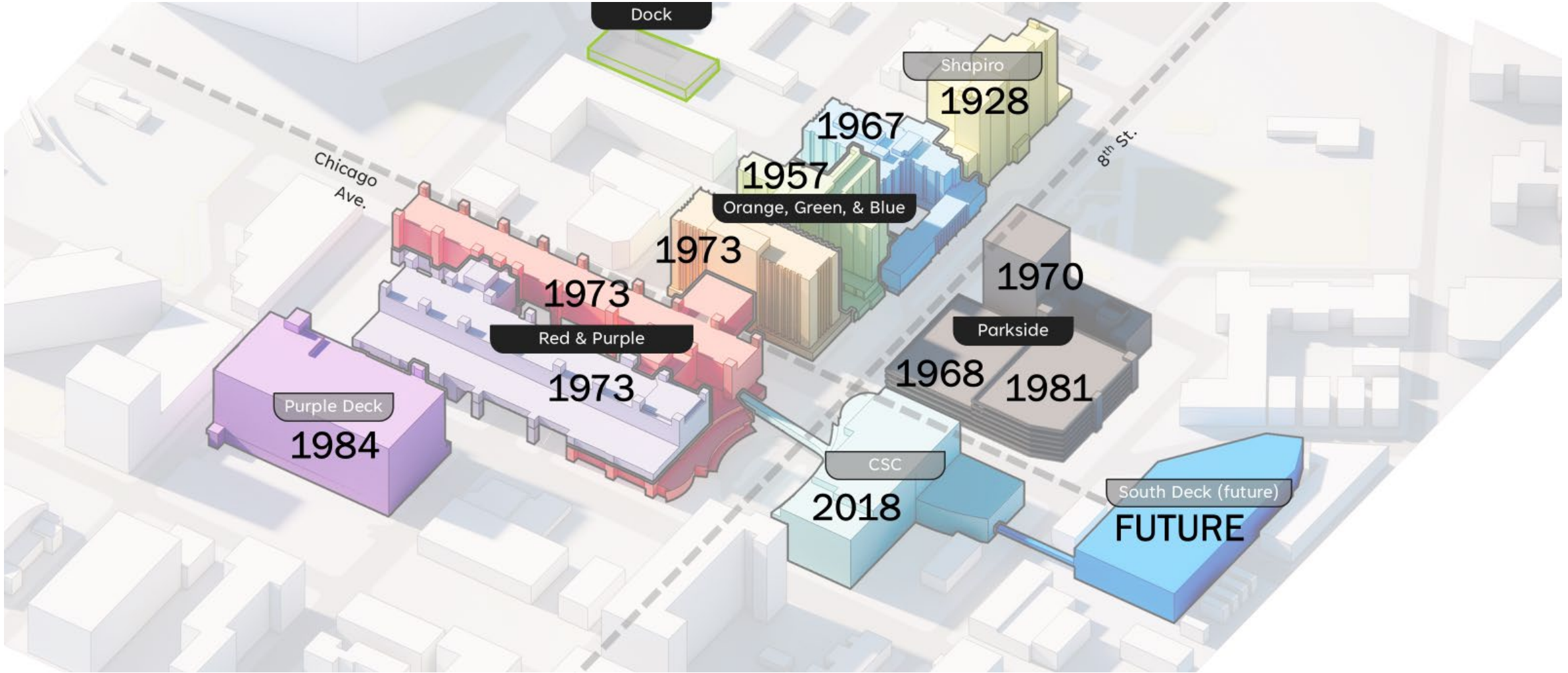
Hennepin County

Hennepin Healthcare

November 19, 2026

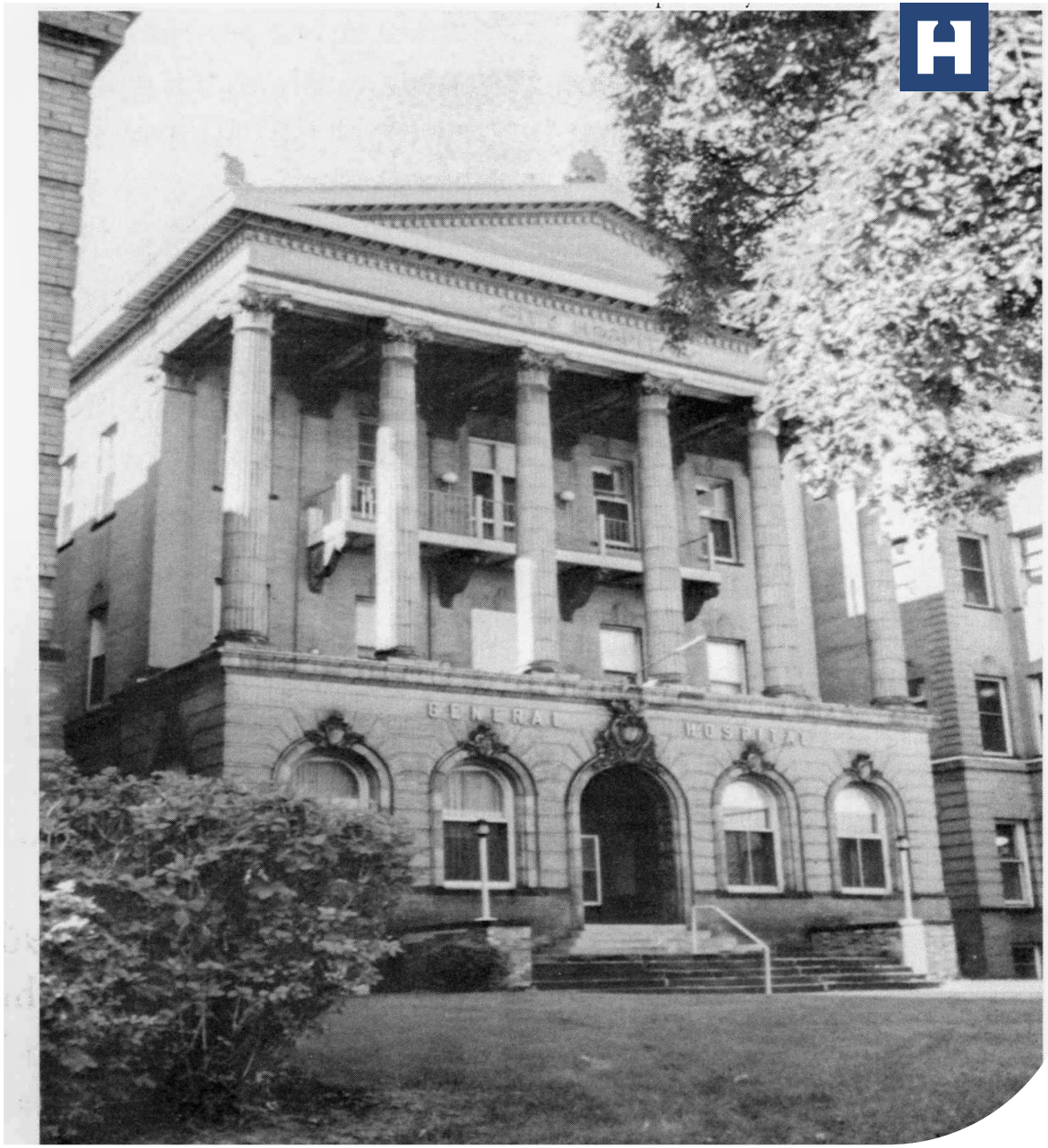


HHS Campus


Dock
Shapiro
1928
1967
1957
Orange, Green, & Blue
1973
1973
Red & Purple
1973
Chicago Ave.
8th St.
1970
Parkside
1968
1981
Purple Deck
1984
CSC
2018
South Deck (future)
FUTURE

1887

Minneapolis City Hospital opens in 1887 and is moved to Portland Ave. in 1893 where it operated until 1976.




Minneapolis General
HARRINGTON HALL (NURSES', INTERNS' RESIDENCE; SCHOOL OF NURSING; ADMINISTRATION)
1906
1901
MAIN HOSPITAL
1911
LAUNDRY
1913
1898
OUT-PATIENT CLINICS
1944
1912
S. 5TH ST.
1958
1914
ANNEX (HOSPITAL; MENTAL HEALTH CENTER)
S. 6TH ST.
RESEARCH LABS
ADMISSIONS, EMERGENCIES
PORTLAND AV.

A history of legislation, public financing

1962 — Minneapolis General in financial crisis; Citizen's League issues report calling for transfer from Minneapolis to Hennepin County

1963 — Governor Karl Rolvaag signs legislation transferring hospital to county effective Jan 1, 1964. Operating costs to be split between city and county.

1966 — Hennepin County begins planning for new general hospital. A 1968 report recommends $25M-$28M in bond financing.

1969 — $25M bond referendum passes by a margin of 10-1.


Minneapolis Star, Feb. 22, 1971 (*Star Tribune*/Minneapolis-St. Paul, 2011)

Vote ☒ YES
tomorrow for a new General Hospital
The need has not changed.

PAID ADVERTISEMENT—prepared, inserted, and paid for at regular advertising rates by the New General Hospital Referendum Committee, John Yngve, Chairman.

1971 — A second referendum in February 1971 fails, denying $18M in additional hospital construction bonds.

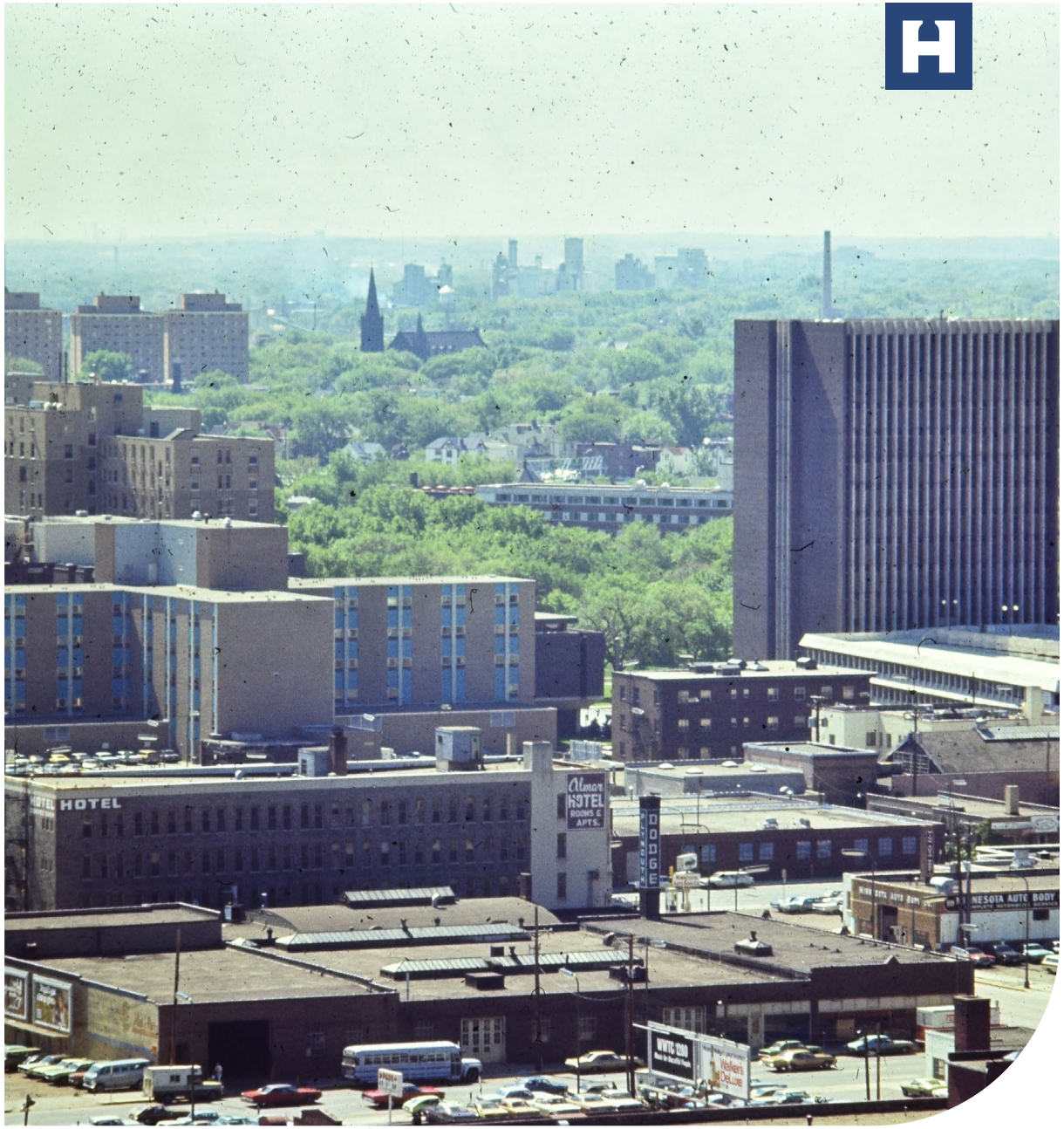
Partnership closes gaps

October 1970: Swedish Hospital and St. Barnabas Hospital consolidate and become Metropolitan Medical Center

March 1971: Discussions begin with Metropolitan Medical Center for potential public-private partnership with Hennepin County

Summer 1971: County announces plan to create a “Center Hospital” spanning Chicago Ave. to link public and private hospitals.

December 1971: Plans for new $36M hospital finalized.



Evolving solutions

1972: County breaks ground on new hospital

1976: General Hospital patients transferred to new Hennepin County Medical Center

1988: Metropolitan Medical Center and Mt. Sinai merge.

1991: MMC merges with HCMC

2007: Hennepin Healthcare Services, Inc. becomes subsidiary of Hennepin County



Hennepin County

Hennepin Healthcare Capital Needs



HHS Capital Needs – Asset Preservation



Air Handling Units

Life Cycle: 30 years



Generators

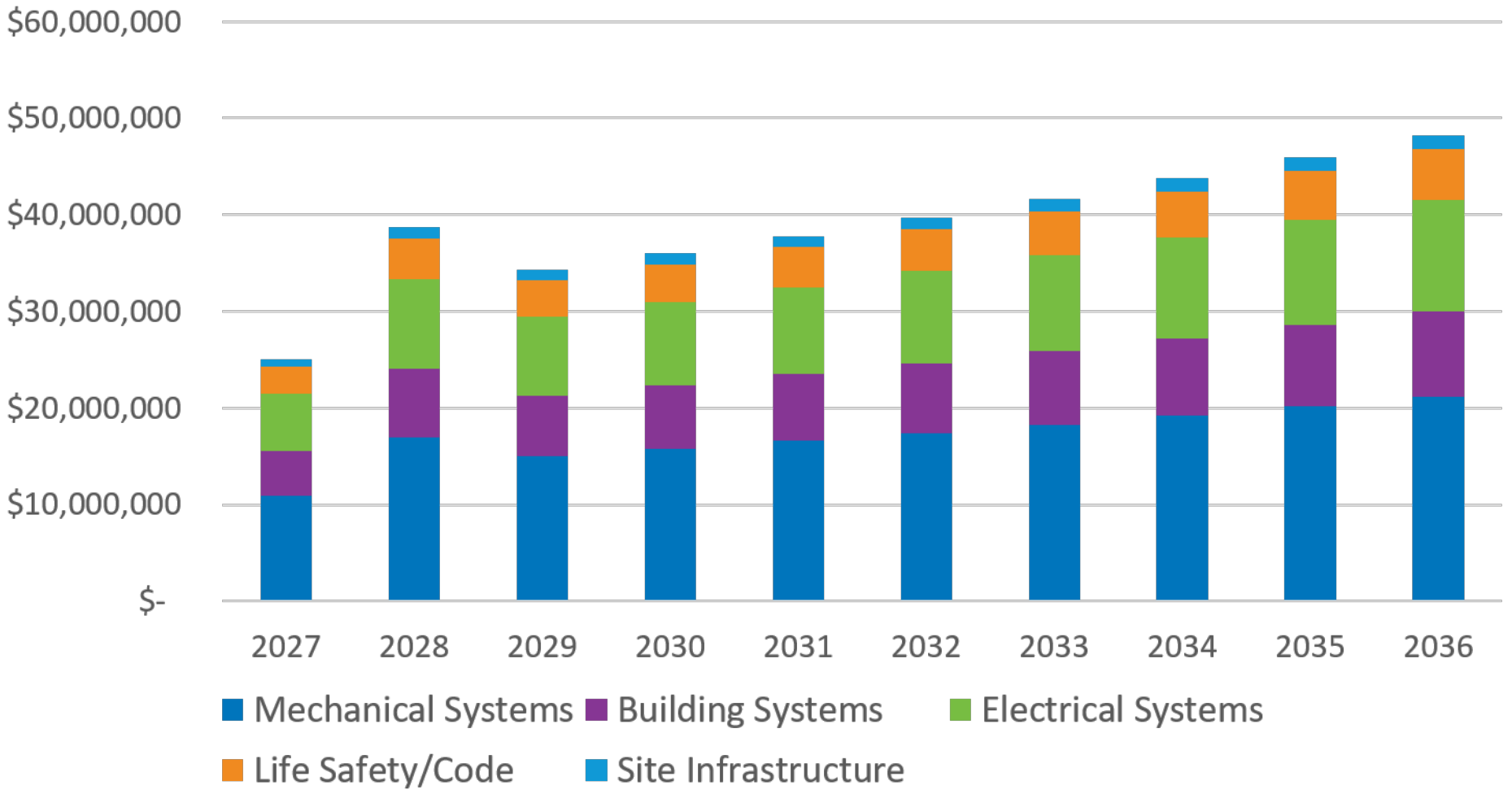
Life Cycle: 25-30 years



Elevators

Life Cycle: 25-30 years

HHS Capital Needs – Asset Preservation Future Needs



Other HHS Capital Needs – Facility Enhancements

Investments that support patient care delivery, and ensure facilities remain safe, functional, and adaptable to changing healthcare needs.

- Modernize and optimize care environments
- Expand capacity to meet community needs
- Improve patient, visitor, and staff experience
- Enhance safety, security, and accessibility
- Increase operational efficiency and flexibility
- Support evolving models of care and future growth



Other HHS Capital Needs – IT/Technology

Investments that strengthen the technology foundation required to deliver safe, efficient, and connected care across the enterprise.



- Electronic health record optimization and EPIC enhancements
- Enterprise resource planning (ERP) and PeopleSoft modernization
- Network, server, storage, and data-center lifecycle replacement
- Cybersecurity, identity management, and regulatory compliance
- Clinical systems integration and interoperability
- Medication-management technologies, including Omnicell and pharmacy automation
- Digital health, telehealth, virtual care, and patient engagement platforms
- Data analytics, artificial intelligence, and operational decision-support tools

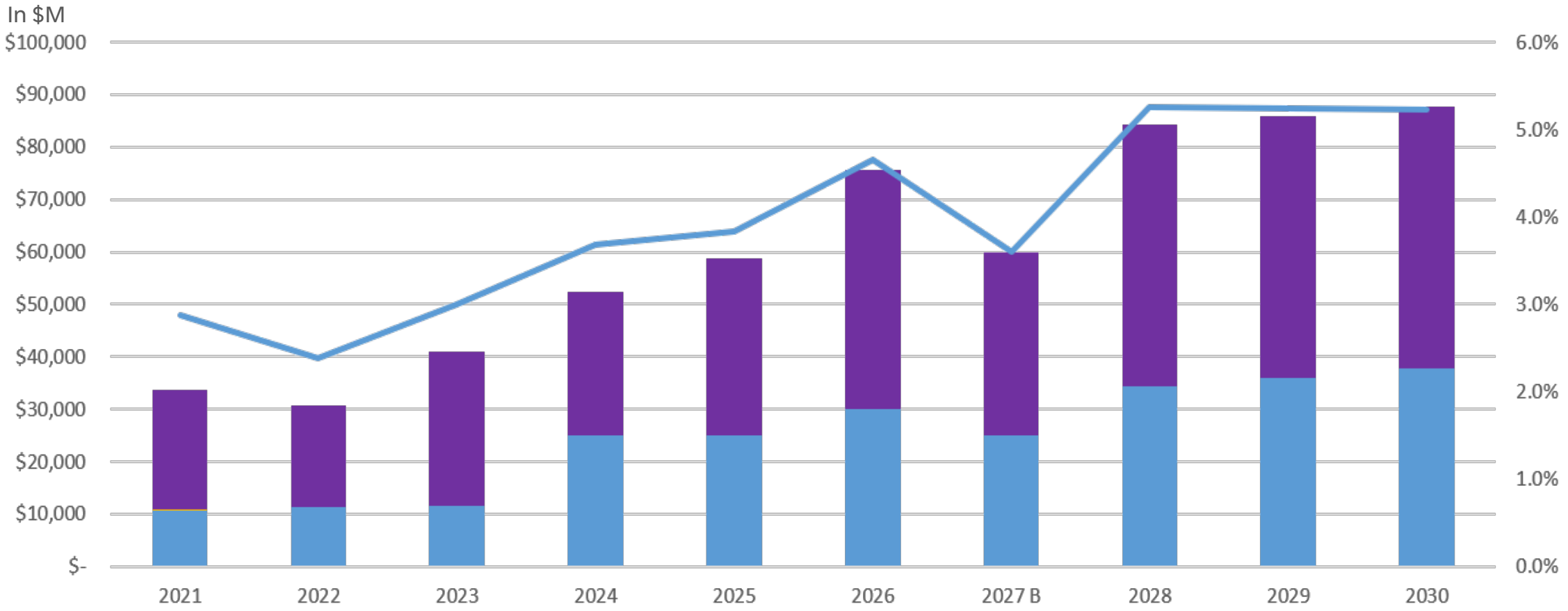
Other HHS Capital Needs – Equipment

Ensuring providers have reliable, state-of-the-art tools to deliver safe, high-quality care.

- Imaging and diagnostic equipment
- Surgical and procedural technology
- Laboratory and pharmacy equipment
- Patient monitoring and ICU systems
- Emergency, trauma, EMS, and specialty care equipment



Capital Spend Trend

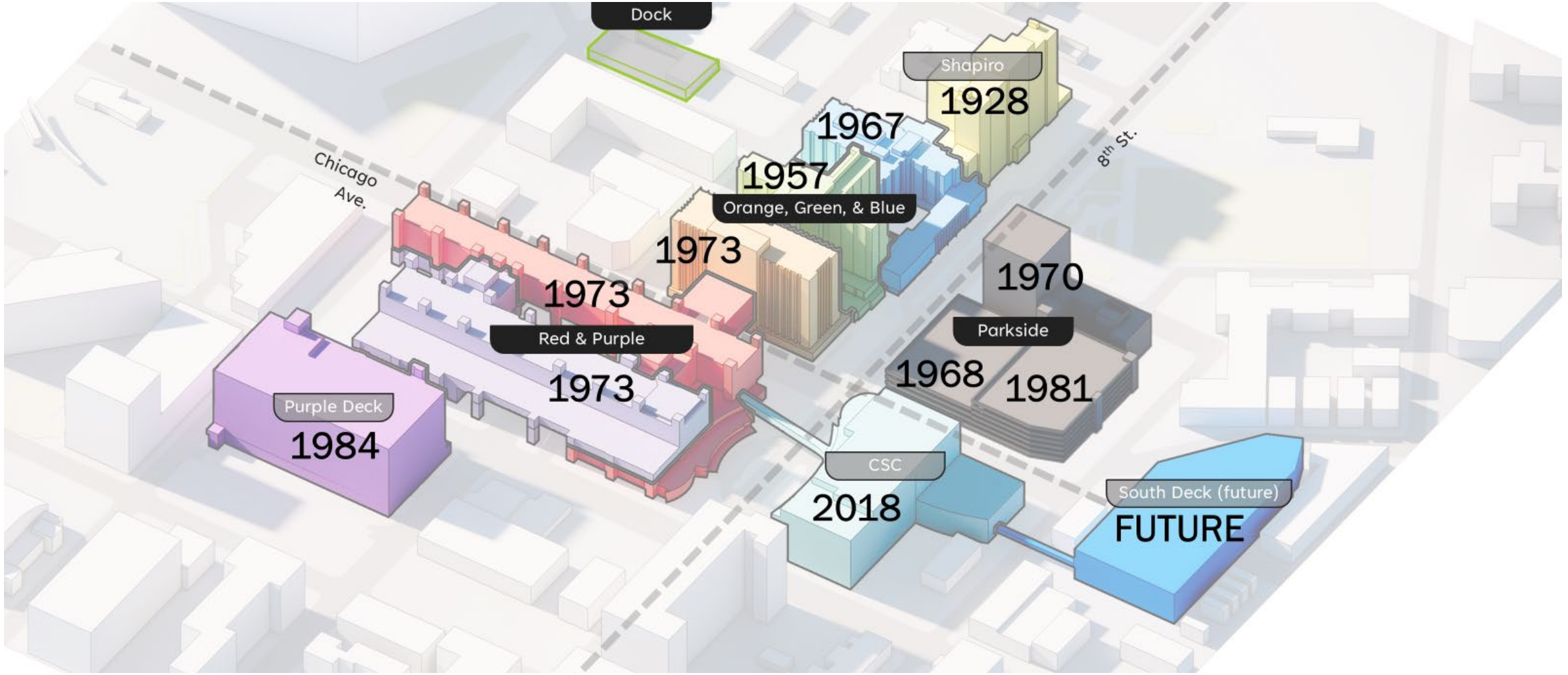


Capital Other – IT Infrastructure, Equipment, Facility Enhancements

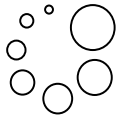
Asset Preservation

- HHS traditionally has spent 3-4% of Operating Revenue on total capital
- Asset preservation historically paid by Hennepin County, by HHS going forward
- Forecast reflects approximately 5%; total; $50M of which for Capital other
- Benchmarks for similar systems that are agency rated and financially solid indicate $100M+, or 7%, annually is reasonable.

HHS Future Planning Capital Needs



A Campus Focused on Resilience and Readiness



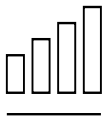
Framework Vision

Align on clear vision for the long-term campus framework and measurable metrics for success



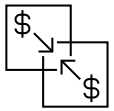
Gap Analysis

Thorough review of extensive collection of research, studies, projected future clinical growth and community needs to measure against benchmarks and identify gaps that require further study



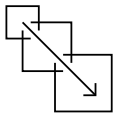
Growth Projections & Space Needs

Meet with stakeholders to refine data and translate growth into future Key Planning Units (KPUs)



Campus Rightsizing, Planning & Design

Align space needs with budget, develop scenarios that balance needs with capital



Phasing and Implementation Plan

Develop a plan for execution flexibility over time that aligns with capital spending strategy

Drivers for Future Space Needs

Department		Existing DGSF [4]	DGSF [4] / KPU [5]	DGSF [4] Benchmark (HHS Score)
Emergency Department	Emergency Department (ED)	31,532	553	750 – 850 (Poor)
	APS [1]	12,461	890	750 – 850 (Good)
Procedural Platform	Operating Rooms	56,750	3,338	4,250 – 5,000 (Poor)
	Cath Lab + EP [2]	4,372	1,457	3,000 – 3,500 (Poor)
	Interventional Radiology	8,202	2,050	3,000 – 3,500 (Poor)
Imaging	HOPD [3] Imaging	19,795 + 10,550	2,023	1,750 – 2,000 (Good)[6]
	ED Embedded Imaging	4,770	1,192	1,350 – 1,500 (Poor)
Beds	Inpatient and Observation	239,762	**493**	750 – 900 (Poor)

Existing spaces are significantly undersized and inefficient compared to industry benchmarks and best practices

Note: [1] Acute Psychiatry Services. [2] Electrophysiology. [3] Hospital Outpatient Department. [4] Department Gross Square Footage. [5] Key Planning Unit. [6] Assessment for Imaging is complicated since a lot of modalities are not used, or the space/room is now vacant. Hence the denominator for existing functional modalities is lot less than the functional space available for the department.

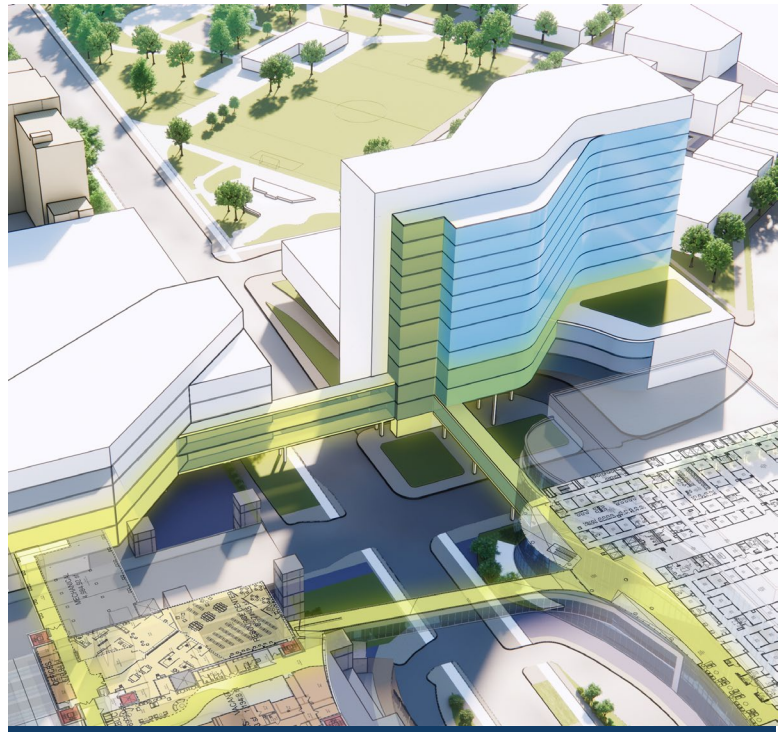
Three Themes for a Reimagined Campus



Honor every patient

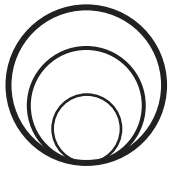


Enable efficient, exceptional care



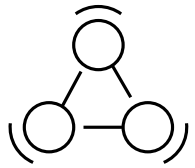
Bring campus to today's standard and prepare for the future

Addressing Physical Barriers to Care



Undersized Rooms and Disconnected Space

Fragmented and undersized spaces lead to confused patients and inefficient use of space and staff time.



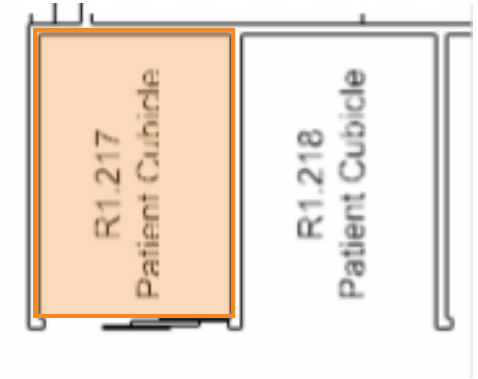
Inadequate Number of Key Room Types

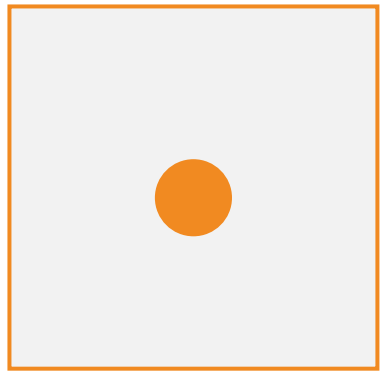
Overcrowded and insufficient care delivery spaces lead to patient dissatisfaction and limit access to care.

Current ED Spaces are Smaller than Standard KPUs*

Current Campus

ED Treatment
Layout

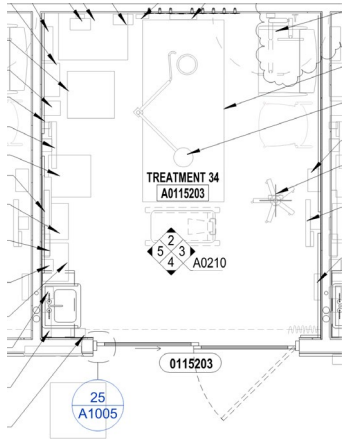


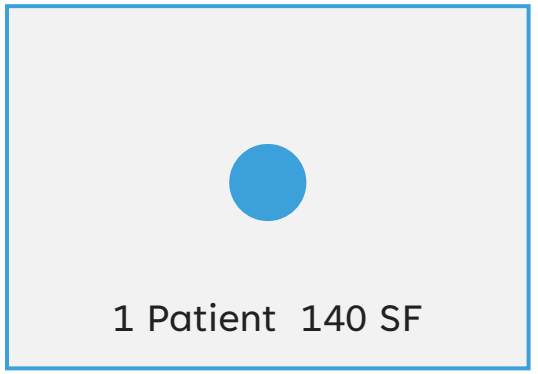


1 Patient
100 SF
(29% smaller)

Benchmark

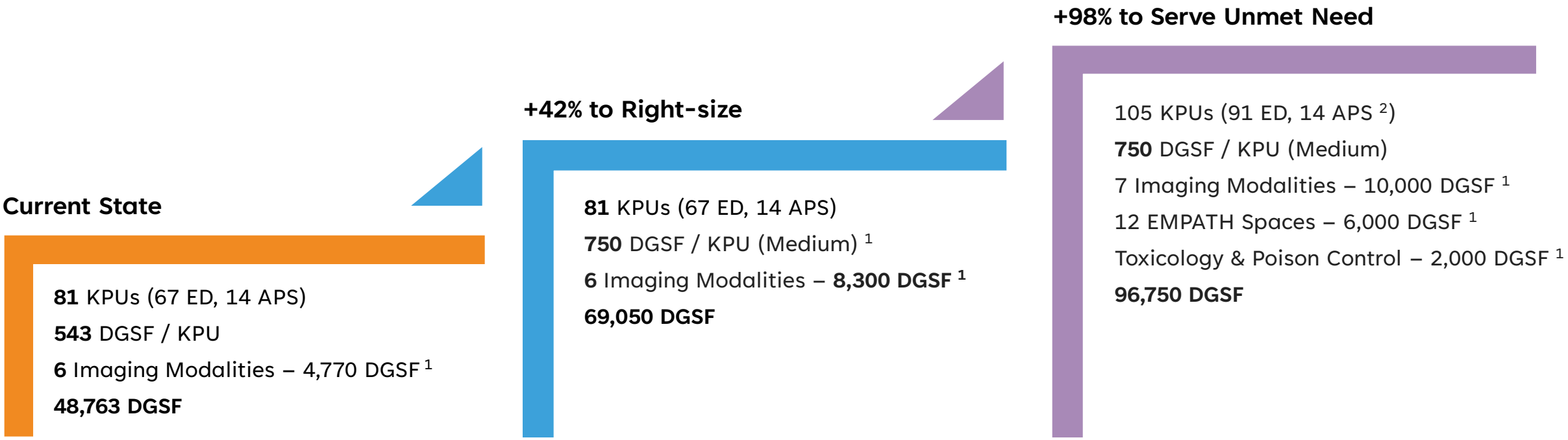
ED Treatment
Space Plan





*Key Planning Unit (KPU)
Source: Comparable CannonDesign project; ompliant to FGI 2022.

ED Size Needs to Double to Meet Industry Standards & Community Needs



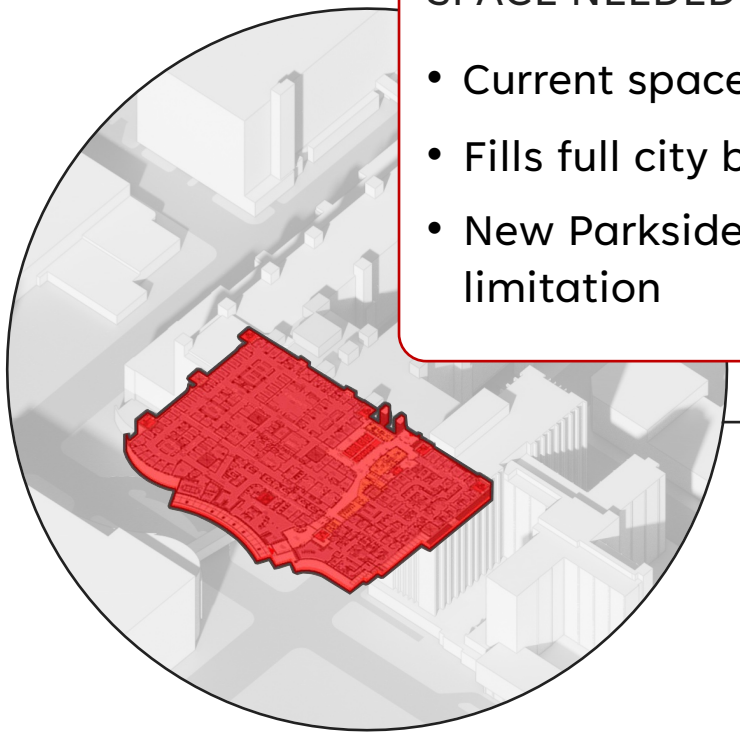
Note: [1] Recommended room sizes vary based on types of rooms. DGSF Benchmarks for DGSF/KPU are referenced from comparable CannonDesign projects.
Source: 2021 - 2024 Volumes; Future Hospital Design & Capacity Compendium, Clinical Redesign Program, Service Line Deep Dive Compendium, Clinical Programs Strategy; provided by Hennepin Health System, summarized by CannonDesign.

Emergency Department is Landlocked

97,000 SF

SPACE NEEDED

- Current space is 50,000 SF
- Fills full city block
- New Parkside site has same footprint limitation



Expanding the ED in Red/Purple would be complex, painful, and costly.

OPTION 1 Expand Up
+25,000 SF

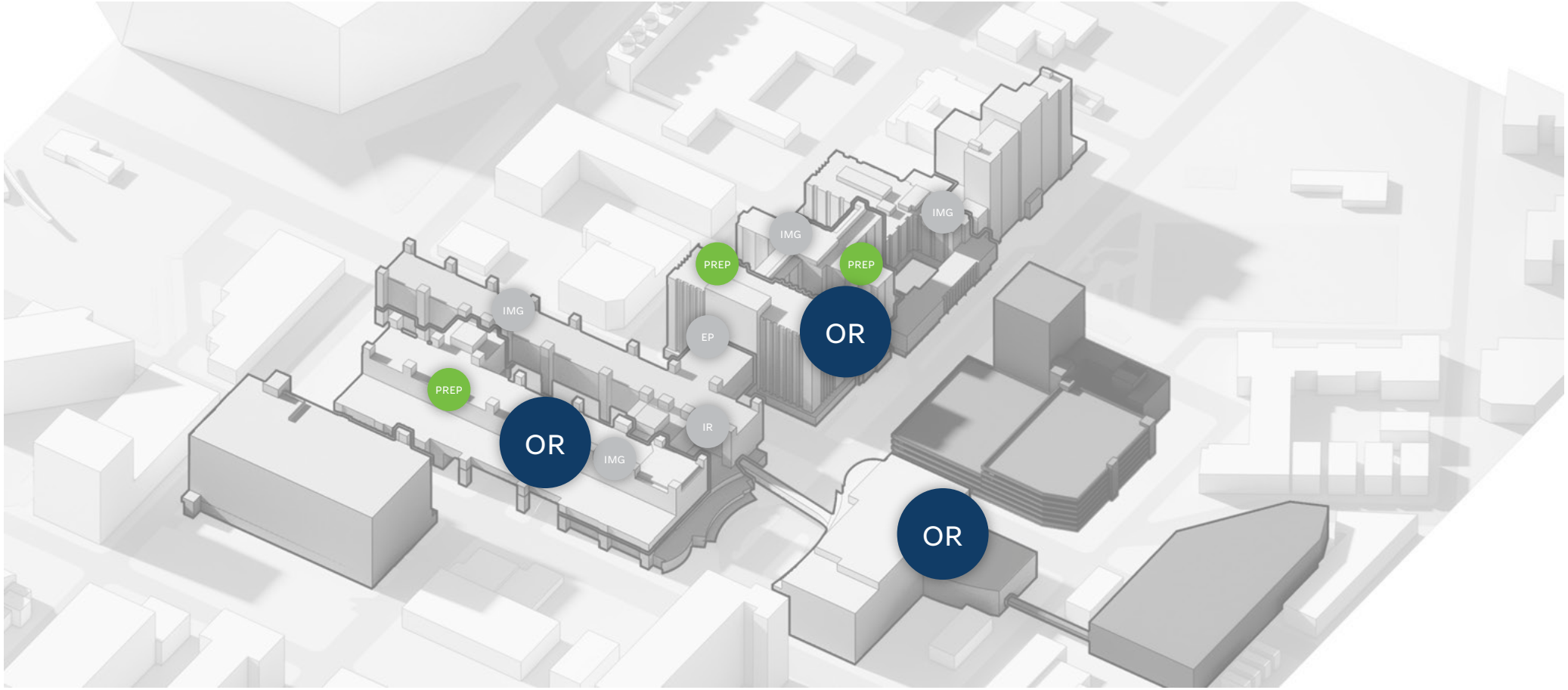
IR Displaced

MEP

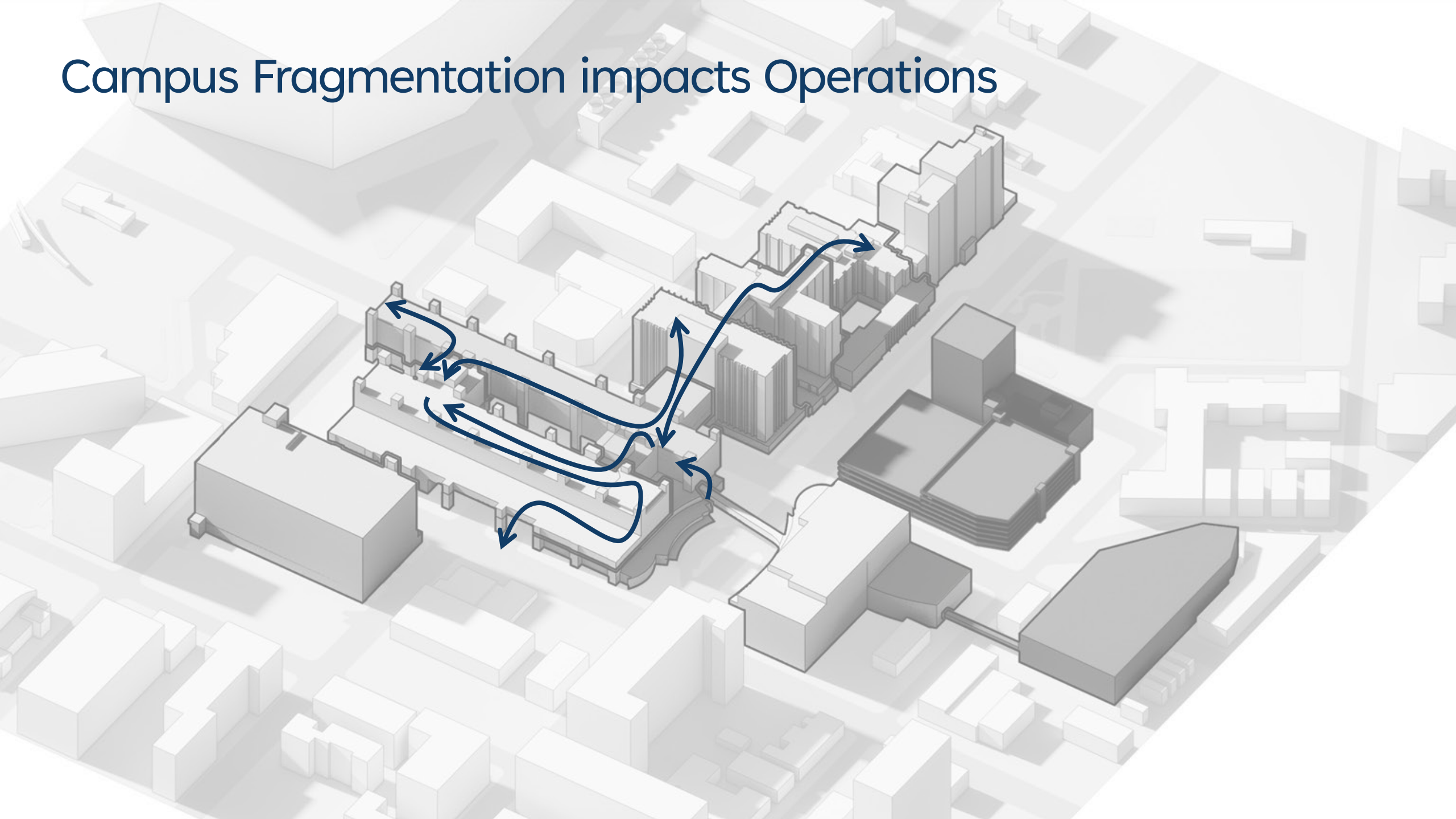
OPTION 2 Expand Down
+30,000 SF

Source: Test-fit study by CannonDesign.

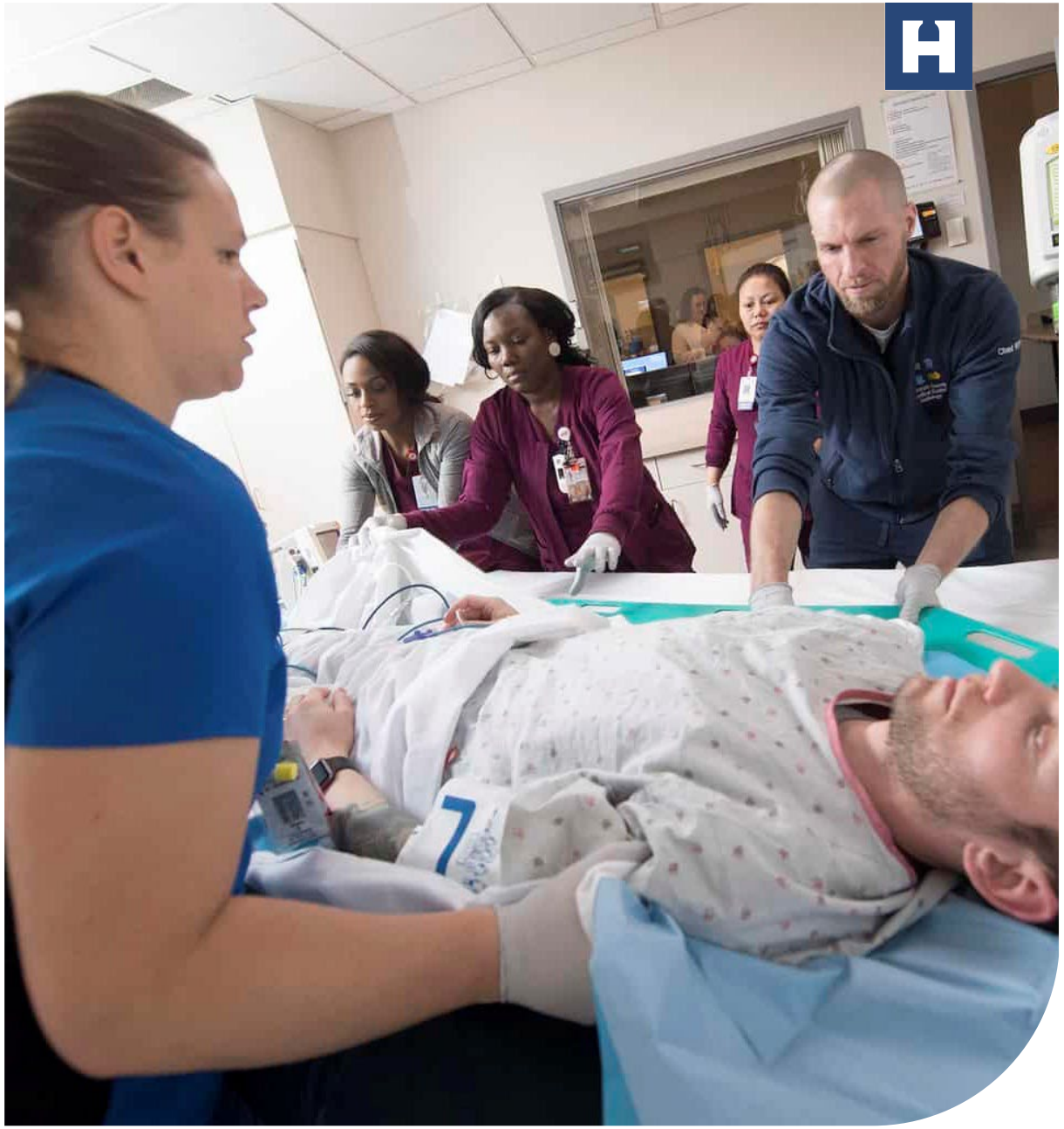
Spatial Fragmentation Contributes to Operational Inefficiency



Campus Fragmentation impacts Operations



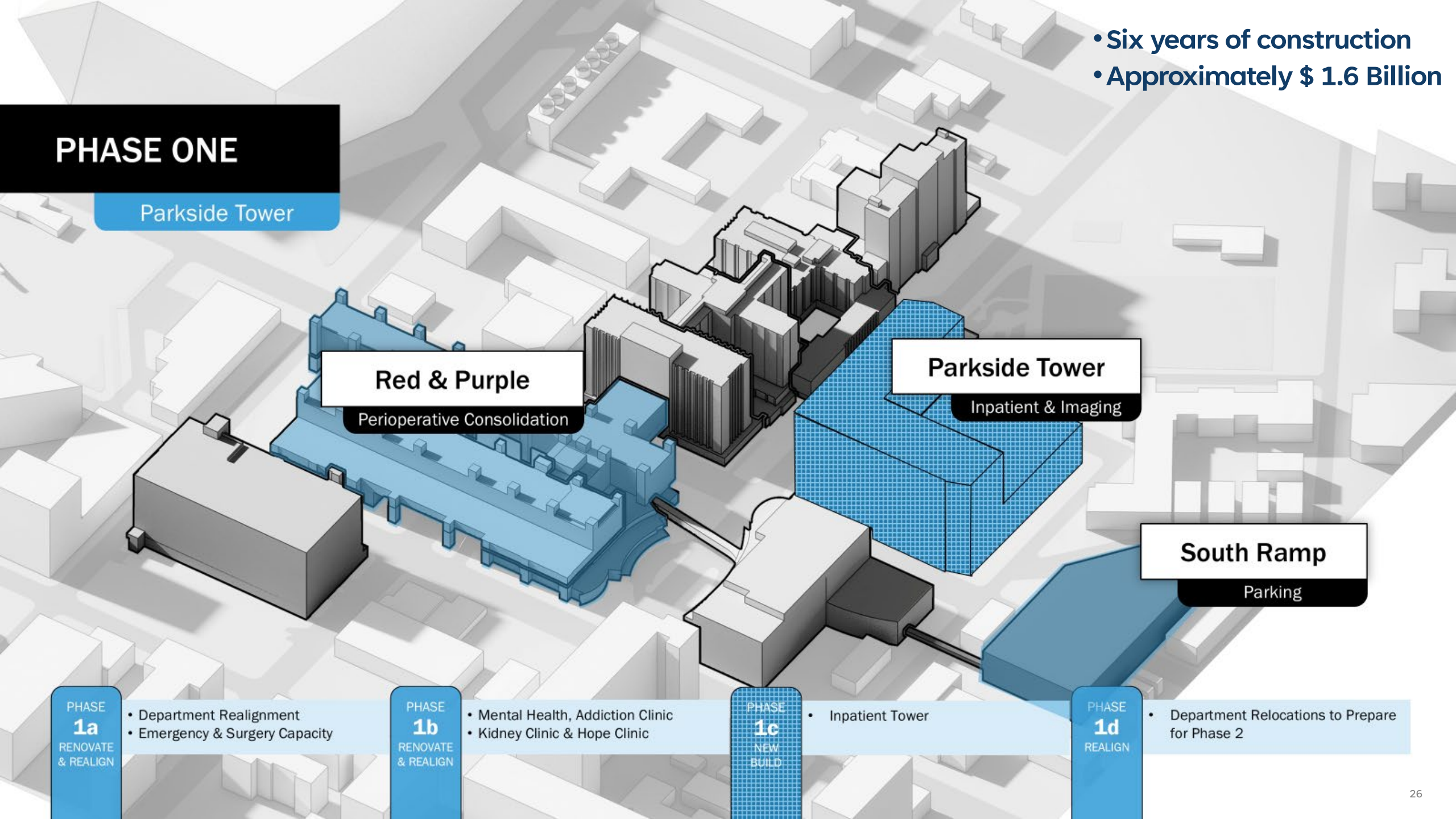
The
Best Scenario:
A Connected Campus



- Six years of construction
- Approximately $ 1.6 Billion

PHASE ONE

Parkside Tower



PHASE 1a RENOVATE & REALIGN
- Department Realignment
- Emergency & Surgery Capacity

PHASE 1b RENOVATE & REALIGN
- Mental Health, Addiction Clinic
- Kidney Clinic & Hope Clinic

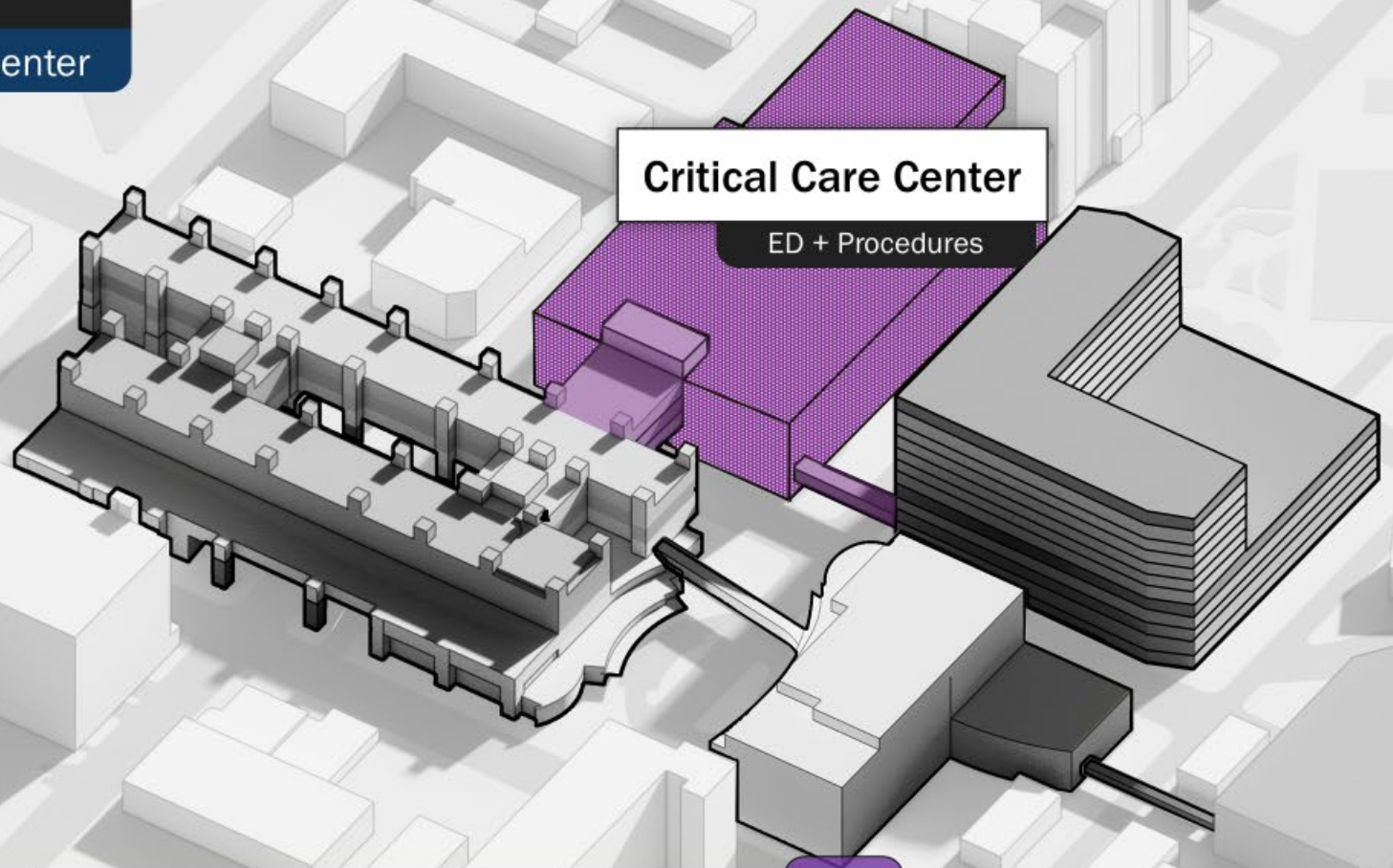
PHASE 1c NEW BUILD
- Inpatient Tower

PHASE 1d REALIGN
- Department Relocations to Prepare for Phase 2

- Seven Years of Construction
- Approximately $2 Billion

PHASE TWO

Critical Care Center



PHASE 2a ~~RELOCATE & REBUILD~~

- Clinic Relocation and Demolition
- Construction of Emergency Department, Inter-Operative Care, Critical Care, Dock

PHASE 2b REALIGN

- Connection to Phase One Renovations in Adjacent Buildings
- Increase Capacity for Inpatient Mental Health Beds

Cost Timeline

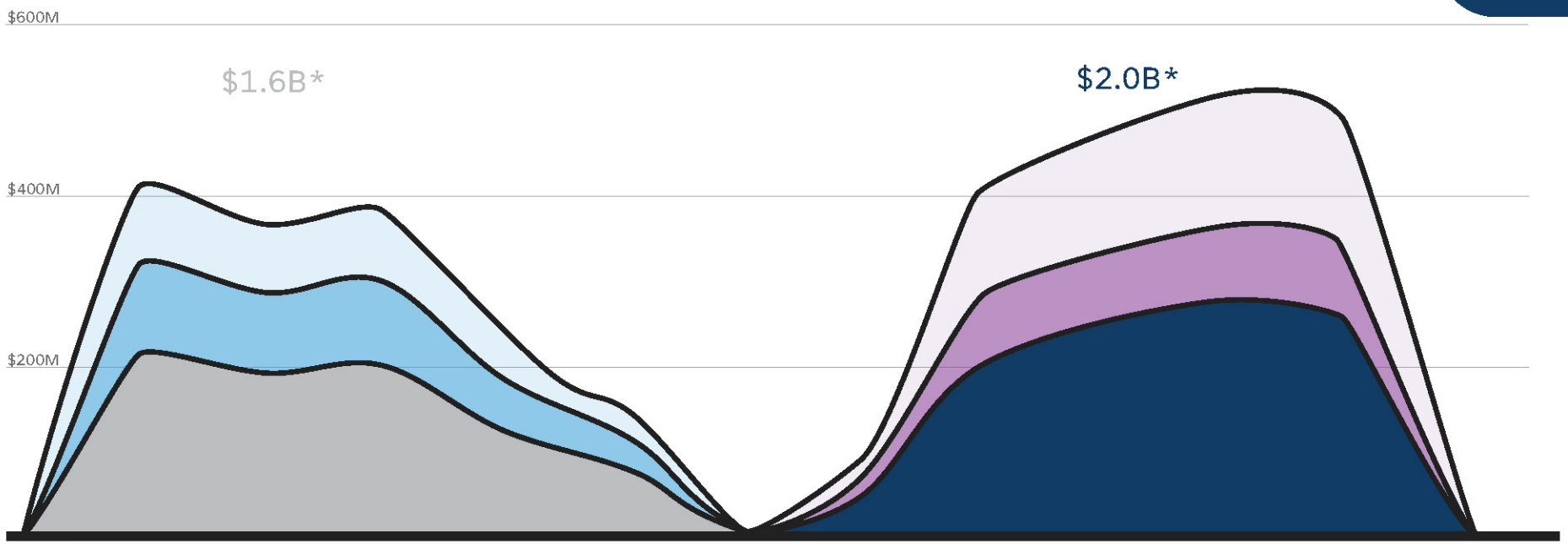
Escalation & Owner Contingency

Indirect Costs (Medical Equipment, Soft Costs, Design & Estimating Contingency)

Construction Costs Only (excluding Indirect, Contingency, and Escalation)

$2-4 billion over 14-year timeline*

OUTCOME:
NEW Periop Platform
New ED
New Bed Tower (xbeds)



Note: 2025 analysis. Cost estimate are timeline dependent.
Source: CannonDesign study, 2025.

PHASE ONE

Parkside Tower



PHASE TWO

Critical Care Center




Hennepin Healthcare

HHS Capital Options - Summary

Existing Buildings

- Asset Preservation
  - $30-$50 million per year ($400 million over next 10 years)
  - Will keep buildings functioning, puts investment into buildings that should be replaced
  - No modernization to meet existing hospital standards or solve inefficiencies
- Other Capital (IT infrastructure, Equipment, Facility enhancements)
  - $50 million per year ($500 million over next 10 years)

Phase 1 ($1.6 Billion (2026-2032))

- Vacate Orange, Green and Blue and replace with new Parkside building
- New parking ramp

Phase 2 ($2 Billion (2032-2039))

- Critical Care Center replaces Orange, Green, and Blue
- Right sized Emergency Department, Inter-operative care, and dock

Questions