

The Regents of the University of California

**COMMITTEE ON GROUNDS AND BUILDINGS**

February 18, 1999

A special meeting of the Committee on Grounds and Buildings was held on the above date at UCSF - Laurel Heights, San Francisco.

Members present: Regents Atkinson, Espinoza, Johnson, Khachigian, Kozberg, Lee, Montoya, Nakashima, Villaraigosa, and Willmon

In attendance: Regents Bagley, Bustamante, Connerly, Miura, Preuss, and Sayles, Regents-designate Taylor and Vining, Faculty Representatives Coleman and Dorr, Secretary Trivette, General Counsel Holst, Provost King, Senior Vice President Kennedy, Vice Presidents Broome, Darling, Gomes, Gurtner, and Hershman, Chancellors Berdahl, Bishop, Carnesale, Cicerone, Dynes, Orbach, Vanderhoef, and Yang, Vice Chancellor Simpson representing Chancellor Greenwood, and Recording Secretary Bryan

The meeting convened at 9:30 a.m. with Committee Chair Lee presiding.

**PRESENTATION ON MISSION BAY SITE, SAN FRANCISCO CAMPUS**

For the record, Chairman Davies stated that, due to a conflict of interest, he would not participate in the discussion.

Chancellor Bishop presented a progress report on the development of the Mission Bay site. He recalled that the Long Range Development Plan for the campus envisioned developing a single, large location for the campus. He noted that UCSF currently is attempting to sustain a health science campus with less space and infrastructure than any of its comparison institutions. The campus is proscribed from any expansion at the Parnassus Heights site. The facilities are crowded and have prevented new initiatives from being brought forth. The new site was chosen after a diligent review of all alternative sites. The neighborhood is being redeveloped into a vibrant community with a mixture of academic, commercial, and residential uses. A gift of land was facilitated by the Mayor and the Bay Area Life Sciences Alliance (BALSA). The site has views of the City skyline and will be near the new baseball stadium.

Dr. Bishop noted two detriments to the site. The first is that it is geographically separate from the campus' other activities. UCSF has been a multi-site campus for decades, however, and Mission Bay offers the ability to create a site that has the potential to be equal to the site at Parnassus Heights. When it is finished, the capacity for research and teaching will be double. The second detriment is that the site is on land fill. This poses challenges in construction and cost control.

Dr. Bishop acknowledged the partnership with The Regents in developing Mission Bay. The Regents formed a limited liability company, BALSAs, designed to facilitate planning and construction. He noted another important dimension, the fact that Mission Bay will be at the center of the revival of a neighborhood that will enhance the economic climate of San Francisco and enrich its environment. This dimension has contributed to the strong support that has been provided by both public authorities and the private community to the University's efforts at Mission Bay.

Mr. Sandy Robertson, the founding father of BALSAs, noted that UCSF is known for its innovative collaborations among great scientists. He believed that it was fitting that a public-private collaboration like the one between BALSAs and UCSF was helping to make the Mission Bay campus a reality. He discussed BALSAs's record of achievement. It has underwritten the ongoing legal support that is important to the execution of land transfer agreements with Catellus Development Corporation and the City and County of San Francisco. These agreements have led to the donation of 43 acres in Mission Bay to The Regents. BALSAs organized an international search that resulted in the selection of a team to prepare the comprehensive master plan for the Mission Bay campus. It also provided UCSF with funding for the completion of the master plan, and it continues to assist in the promotion and marketing of a private sector, biotechnology zone which will take shape around the UCSF-Mission Bay campus. BALSAs is proceeding with plans to develop a second research building at Mission Bay which will house the nucleus of the neurosciences community at the campus. An architect has been selected, and program planning meetings between the architect and neuroscientists are being scheduled. The LLC is also proceeding with plans to develop a campus community center. This center will form the social heart of the campus and will serve as the focal point for the biotechnology zone surrounding it. It will also provide an important venue for casual interactions among University researchers and their private-sector counterparts. A last round of architectural competition is under way, and the LLC has retained two firms to develop the infrastructure financing strategies so that funds will be available to develop utilities and open spaces.

Vice Chancellor Spaulding reviewed the progress that has been made in taking possession of the land that has been donated for the campus site. As noted above, UCSF has negotiated agreements with Catellus Development Corporation and the City and County of San Francisco for the donation of a total of 43 acres of property at the heart of Mission Bay. In September 1997, Catellus agreed to donate its 30 acres of property. The transfer of land has been organized into phases. To accommodate the University's development plan and to optimize the tax benefits that Catellus will realize through the property donation, the contribution was structured in a manner that makes the commitment to transfer parcels irrevocable after the first conveyance. The first five-acre parcel, which will accommodate the first building on the site, was transferred on November 6, 1998. It is expected that an additional 20 acres will be received in spring 1999. The ultimate configuration is fixed. The remainder of the site will be conveyed to The Regents after 500,000 gross square feet have been developed on the preceding parcels.

Mr. Spaulding recalled that, in addition to the 30 acres of Catellus property, there were also 13 acres owned by the City and County of San Francisco within the campus. This acreage consists of Sixth Street and a series of paper streets that were platted as part of previous development plans for the area but were never constructed. In March 1998, the San Francisco Board of Supervisors approved the donation of 1.5 acres of City property that enabled UCSF to proceed with planning for the first building. On October 26, 1998, the Supervisors donated the remaining 11.5 acres of City holdings within the campus site to The Regents for no consideration.

Mr. Spaulding reported that he had testified before the State Lands Commission in support of an effort to resolve State public trust interests that encumbered the City property. The State Lands Commission voted to resolve the issues so that the UCSF development could proceed. As a result, the campus was able to complete a master plan draft, which was underwritten at no cost to the University by BALSA. When the master plan is finished, an amended Long Range Development Plan will be presented to the Board that will contain information consistent with Mission Bay planning.

Mr. Spaulding described some highlights of the master plan. He noted that the Mission Bay campus site is organized around three open spaces: the plaza, the greens, and the court. Clusters of research buildings are focused around seven gardens and a campus community center. The campus site is bordered on three sides by a private-sector research and development zone that has been fully approved by the Board of Supervisors. That zone is capable of accommodating up to 5 million square feet of biotechnology uses and is being promoted and marketed by Catellus with the assistance of the San Francisco partnership. As part of the land transfer agreements, the campus site also includes a location for a school to be developed by the San Francisco Unified School District in close proximity to the residential uses north of the site. At full build out, Mission Bay will provide UCSF with the space it needs for decompression, expansion, and consolidation, and will form the centerpiece of an exciting new community.

Vice Chancellor Hall described how the site will be used in its early stages. He recalled that throughout 1997 a faculty committee considered this question and agreed on several principles that should guide the development of Mission Bay. The first was that the new campus be developed as the center of UCSF's basic science activities and that Parnassus Heights be the center of disease-related research. The central themes indicate the broad areas in which research at each campus will be organized. In accordance with this idea, graduate training programs dealing with basic science will move to Mission Bay, while those dealing with disease research will remain at Parnassus Heights. To make Mission Bay the center of basic science research, a substantial fraction of basic science faculty will move there. This move will accommodate the scientists displaced at Parnassus by demolition for reasons of seismic safety and will open opportunities for developing new areas of research at that campus. The second principle stated by the committee flows directly from the belief that research functions at all sites, including Parnassus Heights, Mount Zion, and San Francisco General Hospital, should be enhanced by the development of the Mission Bay campus. A third principle, strongly enunciated by the faculty, is that the Mission Bay campus be developed as contemporaneously

as possible, so that a substantial core of UCSF's basic science activities may be transferred quickly without disrupting complex faculty interactions. To carry out these recommendations, an academic implementation committee began to plan a year ago for the specific programs to be included in phase one. Out of twelve programs considered, the committee chose four: structural and chemical biology; molecular, cellular and development biology; genetics; and neuroscience. Scientists in these programs will be housed in two research buildings on the green of the new campus. To accommodate and provide services to the scientists and students in these buildings, the campus community center will be built at the top of the green. These buildings will be completed by 2003. The buildings in phase one will provide space for new programs as well as established ones. A center for advanced technology is planned that will seek to identify and develop the technologies that will transform biomedical research in the future. There is also an initiative in human genetics and a center for brain development.

President Atkinson commented that he was very pleased with the developments of the Mission Bay project to date. He and Committee Chair Lee thanked Mr. Robertson for his work with BALSAs.

Regent Khachigian asked whether early budget projections for the Mission Bay project had been correct. Vice Chancellor Spaulding recalled that when the negotiations for the parcel of land were begun with Catellus in 1992, Catellus was offering to sell a portion to the Regents for approximately \$63 million, and there was a possibility that the City and County of San Francisco would expect payment for their portions also. He pointed out that eventually the land acquisition was concluded at no cost to the University.

The meeting adjourned at 10:05 a.m.

Attest:

Secretary