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Office of the President

TO MEMBERS OF THE FINANCE AND CAPITAL STRATEGIES COMMITTEE:

ACTION ITEM

For the Meeting of January 25, 2017

APPROVAL OF BUDGET, EXTERNAL FINANCING, STANDBY FINANCING, AMENDMENT #2 TO THE UC SAN FRANCISCO 2014 LONG RANGE DEVELOPMENT PLAN, AND DESIGN FOLLOWING ACTION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, MISSION BAY EAST CAMPUS PHASE 1 BUILDING (BLOCK 33), SAN FRANCISCO CAMPUS

EXECUTIVE SUMMARY

The San Francisco campus proposes to construct a 343,000-gross-square-foot (gsf) building on the UC San Francisco (UCSF) Mission Bay East Campus Block 33 site. This building would provide academic space (including desktop research and dry core and computational laboratories), and administrative office space, clinical space, and other necessary support spaces for various campus dry research, clinical, and administrative units. These units and functions are currently distributed at multiple UCSF sites including the Parnassus Heights campus site, the Laurel Heights campus site, the Mission Bay campus site, the Mission Center Building, and leased spaces.

At the September 2015 meeting, the Regents approved preliminary plans funding of $11 million for the project. The proposed project remains consistent with the concepts presented at that meeting. In this action the Regents are being asked to: (1) approve the project budget of $237.13 million to be funded from external financing ($159.13 million), campus funds ($18 million), and gifts ($60 million); (2) approve the project scope; (3) approve external financing in the amount of $159.13 million; (4) approve standby financing in the amount of $50 million; (5) find the project to be in conformance with the California Environmental Quality Act (CEQA) as indicated in Addendum #2 to the UC San Francisco 2014 Long Range Development Plan (LRDP) Final Environmental Impact Report (FEIR); (6) approve Amendment #2 to the LRDP to revise the functional zone map for the Mission Bay campus site by designating the functional zone for the Block 33 building site as within the “Research” functional zone; and (7) approve the project design.

RECOMMENDATION

A. The President of the University recommends that the Finance and Capital Strategies Committee recommend to the Regents that:

(1) The 2016-17 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: San Francisco: Mission Bay East Campus Phase 1 Building (Block 33) – preliminary plans – $11 million funded from campus funds.

To: San Francisco: Mission Bay East Campus Phase 1 Building (Block 33) – preliminary plans, working drawings, construction, and equipment – $237.13 million, to be funded from external financing ($159.13 million), gifts ($60 million), and campus funds ($18 million).

(2) The scope of the UCSF Mission Bay East Campus Phase 1 Building (Block 33) (the Project) shall consist of constructing a new academic, administrative, and outpatient clinical building with 275,400 assignable square feet (asf) of space that would include: desktop workspace (200,500 asf); clinical (45,200 asf); laboratory and biomedical workshop (5,700 asf); centralized meeting space, building support and a small amount of retail (24,000 asf).

(3) The President be authorized to obtain external financing not to exceed $159.13 million plus additional related financing costs. The President shall require that:

a. Interest only, based on the amount drawn, shall be paid on the outstanding balance during the construction period.

b. As long as the debt is outstanding, the general revenues of the San Francisco campus shall be maintained in amounts sufficient to pay the debt service and to meet the related requirements of the authorized financing.

c. The general credit of the Regents shall not be pledged.

(4) The President be authorized to obtain standby financing not to exceed $50 million. The President shall require that:

a. Interest only, based on the amount drawn, shall be paid on the outstanding balance during the construction period.

b. Repayment of any debt shall be from gifts funds. As gifts are received, the campus will reimburse the standby financing in a timely fashion. If gift funds are insufficient and some or all of the debt remains outstanding, then campus funds from a centrally managed pool of unrestricted funds (non-State, non-tuition), including indirect cost recovery on sponsored contracts and grants and investment earnings, shall be used to pay the debt service and to meet the related requirements of the authorized financing.

c. The general credit of the Regents shall not be pledged.

B. The President recommends that, following review and consideration of the environmental consequences of the proposed Mission Bay East Campus Phase 1 Building (Block 33) project, as required by the California Environmental Quality Act (CEQA), including any written information addressing this item received by the Office of the Secretary and Chief of Staff no less than 24 hours in advance of the beginning of this Regents meeting, testimony or written materials presented to the Regents during the scheduled public comment period, and the item presentation, the Finance and Capital Strategies Committee:

(1) Find the Project to be in conformance with CEQA as indicated in Addendum #2 to the UC San Francisco 2014 Long Range Development Plan (LRDP) Final Environmental Impact Report (FEIR).

(2) Adopt Findings in support of the Project.

(3) Approve Amendment #2 to the LRDP to revise the functional zone map for the Mission Bay campus site by designating the Block 33 building site as within the "Research" functional zone.

(4) Approve the design of the Mission Bay East Campus Phase 1 Building (Block 33) project, San Francisco campus.

C. The President, in consultation with the General Counsel, be authorized to execute all documents necessary in connection with the above.

BACKGROUND

The development of Mission Bay has been critical to the success of UCSF's academic and clinical programs. The campus has identified key strategies for projects at Mission Bay, and the Mission Bay East Campus Phase 1 Building (Block 33) project, along with several other projects planned for the near-term, will be a critical component to advancing the following:

1. Clinical strategy to grow outpatient clinical and research programs in cancer, psychiatry, ophthalmology and primary/secondary care.

2. Space planning strategy to vacate buildings planned for renovation, disposition, or demolition. Specifically, implementation of the Parnassus Heights seismic program, relocating ophthalmology services and psychiatry programs out of buildings slated for seismic renovation or demolition to enable compliance with the University's Seismic Safety Policy and State seismic regulations for acute care facilities.

3. Research strategy to leverage opportunities to advance discoveries with private sector partners.

After completion of the proposed Block 33 project, programmatic adjacencies would be maintained and strengthened by co-location. The program relocations needed to create these

adjacencies are shown in Table 1 below. The geographic relationships between existing facilities, including major leased spaces, are shown in the figures in Attachment 4.

Table 1: Program Relocations

Programs	From	To: Dry & Clinic Building	To: Wet & Dry Building
Ophthalmology & Proctor Foundation Research	Parnassus Heights	Block 33, Mission Bay East Campus	Mission Bay North Campus
Academic and Admin Units	Laurel Heights and Leased Spaces	Block 33, Mission Bay East Campus	N/A
Strategic Science Initiatives*	Mission Hall, Mission Bay	Block 33, Mission Bay East Campus	Mission Bay North Campus

**Such as Institute for Computational Health Sciences, CERSI/Drug Development Efficacy Research, Genomic Medicine Initiative Core, and Bio-banking Core. Some of these are new programs that will occupy space at the proposed project.*

Project Drivers

Program Alignments and Growth: Three buildings at the Parnassus Heights campus, UC Hall, Koret Vision Research Laboratory building, and the Proctor Foundation building, will be vacated to comply with the University's Seismic Safety Policy and/or to maintain conformance with the 2014 Long Range Development Plan (LRDP). UC Hall is an approved project and the campus will seismically upgrade the building to comply with UC Seismic Policy. The Koret Vision Research Laboratory and the Proctor Foundation building will either be demolished or converted to housing per the LRDP. Ophthalmology clinics, desktop research, and offices from these and other buildings at the Parnassus Heights campus would be housed at the proposed project. These moves to the Mission Bay campus would maximize efficiencies by consolidating the programs in one building. The consolidated programs will comprise a new Center for Vision Neuroscience that would include clinics, ophthalmology services, clinical and dry laboratory research, administrative, and teaching space. In turn, the remaining vacated space at Parnassus Heights would enable the growth of other existing research and clinical programs.

Withdrawal from Laurel Heights Campus: In July 2014, the Regents approved the ground lease of the Laurel Heights campus to a third-party developer. UCSF intends to vacate Laurel Heights by 2020 through moves to other campus sites, including the proposed Block 33 building. The disposition of Laurel Heights was part of UCSF's plan to consolidate its campus sites and reduce operating costs.

New Strategic Science Initiatives: New initiatives require space adjacent to other UCSF research programs, as well as the UCSF Medical Center at Mission Bay. These new science initiatives (see note to Table 1) maintain UCSF's leadership at the forefront of new scientific discovery and translation of these discoveries to patient treatment. This new building will provide a home for these programs.

Lease Consolidation: Lease consolidation is a key component of UCSF's strategic goals. This building would allow UCSF to relocate the University Development and Alumni Relations program (over 150 employees) to UCSF-owned space, thereby enabling it to control long-term occupancy costs more effectively than by continuing to lease space in the expensive downtown San Francisco submarket.

PROJECT DESCRIPTION

The proposed project would include the construction of a 343,000-gross-square-foot (gsf) (275,400-assignable-square-foot (asf)) building on Block 33 of the UCSF Mission Bay East Campus, as well as site improvements, including infrastructure and landscaping.

Program

The building would accommodate programs relocating and consolidating in the Block 33 building. There would be an estimated 1,480 people accommodated in the academic and administrative workspace and less than 90 employees in the clinic. Table 2 shows the allocation of asf by space type.

Table 2: Building Program

Space Type	ASF
Academic and Administrative Workspace	200,500
Center for Vision Neurosciences Clinical Space	45,200
Center for Vision Neurosciences Teaching and Research Lab, Support	5,700
Conference Center, Building Support, Retail	24,000
Total	**275,400**

Academic and Administrative Workspace (approximately 200,500 asf): The building would accommodate academic programs, including desktop and academic administration from all four Schools at UCSF, campus administration and research support programs, and desktop workspace for the vision neurosciences clinical faculty and their support. This space would be a highly efficient combination of open workstations, assigned and unassigned offices, and unassigned small group meeting rooms to provide impromptu work and meeting spaces. This layout provides the flexibility for reassigning and reconfiguring space as programs change.

Center for Vision Neurosciences Clinical Space (approximately 45,200 asf): The outpatient clinic space includes examination rooms, consultation rooms, diagnostic space, waiting and reception areas, procedural space, office support, and a retail optical dispensary. The clinical space planned for the project would allow for Level 1 procedures (those that do not enter the eye), and for Level 2 ambulatory surgery (standard outpatient eye procedures performed in a freestanding ambulatory surgical center) to be conducted.

Center for Vision Neurosciences Teaching and Research Laboratories and Support Space (approximately 5,700 asf): These spaces include a Microsurgery Teaching Laboratory and a Microbiology Research Laboratory. The Microsurgery Teaching Laboratory would allow for

study of various eye tissue samples, in an open laboratory environment with approximately five surgery stations, sinks, refrigerators, storage, and laboratory air and vacuum services. The Microbiology Research Laboratory would accommodate exploration into molecular epidemiology, relating to diseases of the eye and the underlying causes and impacts, through analysis of tissue samples; an open laboratory layout would include benches, bio-safety cabinets, sinks, gasses, refrigerators, laboratory storage, tissue culture, and an equipment room.

Conference Center, Building Support, Retail (approximately 24,000 asf): The Conference Center includes meeting rooms of various sizes distributed throughout the three-story wing of the building for the use of centralized administrative support for building occupants and other UCSF employees. The meeting space in the Conference Center would be larger and would be scheduled for uses that typically involve several functional units. These would be distinct from the smaller meeting spaces within the academic and administrative workspaces. Those smaller spaces are designed for impromptu use and are intended to supplement the open workstations. The retail component of the Project would be less than 3,000 asf, for which future tenants would be targeted toward providing dining options for occupants.

Project Delivery

UCSF intends to deliver the proposed project using a Collaborative Design/Build project delivery model. This approach combines all of the benefits of the traditional Design/Build model while providing a design phase that integrates UCSF stakeholders and includes processes to maximize the value delivered to the University.

Three prequalified teams participated in a Design/Build competition to deliver the best value to the University based on a performance-based Request for Proposal (RFP) process. The RFP included project-specific Technical Performance Criteria, Design Guidelines, and Programming Guidelines. The Design/Build team selected through the competition completed the design with UCSF stakeholders, post award, using Lean Target Value Design methodologies to achieve the University's stated program, quality, target cost, and schedule. This is a process that has been used successfully by UCSF to deliver capital programs on time and within budget, including Mission Hall, the Dolby Regeneration Medicine Building, and the Smith Cardiovascular Research Building.

Alternate delivery models were considered including Public Private Partnerships, Construction Manager at Risk, and Design-Bid-Build, and all were found to present less favorable outcomes.

Location and Site Condition/Description

The East Campus, currently vacant land, is located directly across Third Street from UCSF's Mission Bay South Campus and from the Medical Center at Mission Bay. It is across the intersection from the Mission Bay North Campus which contains research, housing, and other campus community support functions. The building site requires site improvements and infrastructure, in addition to construction of the building itself. Refer to Attachment 4 for a plan of the project area.

LRDP AMENDMENT

The land at Mission Bay Blocks 33 and 34 (East Campus) had been recently acquired when UCSF's 2014 LRDP was approved. At that time, it was projected that the East Campus would be developed with research and parking uses; however, sufficient planning had not occurred to determine the exact footprint for those uses. Therefore, the LRDP's Mission Bay-Proposed Functional Zones map (Zone Map) provisionally designates the East Campus area as "Future Research/Parking." The LRDP further specifies that "when the locations of specific uses on the parcel are identified, the functional zone for the East Campus will be updated accordingly."

The proposed project identifies a specific use and project location on the Block 33 portion of the East Campus. The primary activities proposed for Block 33 are appropriate for a "Research" functional zone. The "Research" designation includes offices, clinics, instruction space, and support uses as allowable secondary uses, which is also consistent with the proposed activities for Block 33. The proposed project will not include parking uses.

With the specific footprint and use of the Block 33 building known, LRDP Amendment #2 is proposed to revise the Zone Map to designate the Block 33 building area as a "Research" functional zone. The remainder of the East Campus would continue to be provisionally designated as "Future Research/Parking" uses until the specific footprints for development are known. Once specific uses and project locations are determined for the remaining areas of the East Campus, the LRDP would be amended appropriately. The proposed revision to the Zone Map is shown in Attachment 6.

BUILDING DESIGN

The proposed design of the East Campus Phase 1 Building on Block 33 is intended to create a building that is aesthetically pleasing, fiscally and environmentally responsible, and connected with the site and campus. Attachment 5 contains graphics of the proposed project design.

The proposed Block 33 project is in conformance with the Physical Design Framework, as amended in July 2016. The project furthers the Universal Planning and Design principles, Mission Bay Strategies, and East Campus Objectives/Actions from the framework. In support of the Physical Design Framework, the Block 33 project will:

- Enhance the pedestrian experience by including an additional three-foot setback along Third Street, and a mid-block connection between the Block 33 building and the temporary surface parking.

- Incorporate non-neutral color tones on the building exteriors to avoid the appearance of a monolithic campus along Third Street.

- Incorporate landscape components that are consistent with those used in the North and South Campus as ways to integrate the three areas of the campus. The proposed project would incorporate the same monument signage, and some of the soft and hardscape landscaping elements from the North and South campus.

- Accommodate on-site loading and unloading areas for services, and an arrival area for visitors.

- Align the curb cuts along Illinois Street to minimize conflicts with vehicles entering and exiting adjacent blocks and buildings.

The proposed building design reflects the building's functions through three key massing elements that communicate the occupancy as follows:

- Academic and administrative office space located in the 12-story tower (max 160' tall). The office tower is located towards the northern end of the East Campus to relate to the scale of planned towers to the north. Cladding is light in tone, and the window type will maximize light and views.

  Center for Vision Neurosciences clinics and teaching laboratories located in the five-story south wing, which serves to transition from the taller scale of development to the north to the adjacent lower scale neighborhood to the south. The materials selected for this building mass are darker in tone, and vary from the uniform design materials used on the North Campus to identify its unique function.

- A centralized meeting area or "Conference Center" is located in the three-story north wing. The three-story conference facility forms an expressed backdrop to the plaza that faces campus to the northwest.

The three-story north wing will have a roof terrace and "green space." Balconies and roof gardens are offered on most floors.

The building provides prominent entrances at the north and south ends to accommodate the distinct needs of patients and office users:

- The North Entrance and Paseo: The north entrance, integrated with the 30-foot wide North Paseo, guides occupants and visitors to the office tower and the conference center, and creates a set-back (or buffer) from the proposed arena across 16th Street. The Paseo here is large enough to accommodate heavy foot traffic. In addition, this Paseo opens the site to the neighborhood and provides a pedestrian-friendly path toward the bay front to the east.

- The South Entrance and Paseo: The south entrance, integrated with the South Paseo and drop-off for patients, provides a safe and separate entrance for clinical functions with easy access to parking and shuttle buses. The southeast plaza is designed to welcome patients and visitors arriving by vehicle to the Center for Vision Neurosciences. The required grade changes from the drop-off to the building are integrated into the plaza, eliminating the need for ramp railings and the visual barriers they cause. Visitors will follow the sheltering canopy to the main entry on the Paseo. The positioning of this clinical entry will welcome arrivals from both Illinois and Third Streets, and express the

presence of the Center for Vision Neurosciences to the neighborhood.

The site is accessible by car, public transportation, and UCSF shuttle. UCSF parking is available both on-site to the south of the building, as well as on the Mission Bay North and South campus. The UCSF shuttle bus stop is positioned on Illinois Street at the South Paseo to escape the higher volume of traffic on Third Street. Off-street, concealed delivery spaces are situated on Illinois Street, to the north, to avoid the activity of Third Street.

Seismic Safety

This project will comply with the University of California Seismic Safety Policy including independent structural engineering peer review.

Sustainable Practices

This project will comply with the University of California Policy on Sustainable Practices. As required by this policy, the project will adopt the principles of energy efficiency and sustainability to the fullest extent possible, consistent with budgetary constraints and regulatory and programmatic requirements, and achieve a minimum Leadership in Energy and Environmental Design (LEED™) Silver rating (Version 4).

The Block 33 project will implement the following:

- Energy-efficient building systems
- Storm-water management design
- High-efficiency HVAC equipment
- Low-flow plumbing fixtures and showers for domestic water reductions
- Solid waste disposal reduction by diversion of 75 percent of construction waste from landfills
- Generous bicycle parking
- Low-emitting materials
- Thermal comfort
- Access to quality transit
- Rainwater management

Project Schedule

The proposed Collaborative Design/Build project would be completed by July 2019, with construction starting in June 2017.

Financial Feasibility

The total project cost of $237.13 million (including $12 million of capitalized interest incurred during construction) would be funded with $159.13 million of external financing, $18 million of

campus funds (specifically from a centrally managed pool of unrestricted funds (non-State, non-tuition), including indirect cost recovery on sponsored contracts and grants and investment earnings), and $60 million of gift funds. To bridge the timing between receipt of gifts and pledges, the project will include standby financing for $50 million. The Summary of Financial Feasibility is provided in Attachment 3.

Status of Fundraising

As of November 2016, the campus has signed pledges for gifts totaling $50 million and an additional $10 million of pending donations. The pledged gifts will be received over time, beginning in 2019. As gift funds are expected to be collected over time, approval of $50 million in standby financing is requested in order to satisfy the Regental policy to have funds on hand at the time of bid award, as well as to provide financing for project expenditures prior to gift receipt. Standby financing has a term of seven years, and has been back-stopped by a pledge of campus funds from a centrally managed pool of unrestricted funds (non-State, non-tuition), including indirect cost recovery on sponsored contracts and grants and investment earnings.

As of January 2017, the status of gifts for this project is as follows:

In Hand	$ 0
Pledged (committed)	$50 million (standby financing)
To be Raised	$10 million (back-stopped by campus funds)*
Total	$60 million

**Remaining gifts to be raised ($10 million) have been back-stopped by a pledge of campus funds from a centrally managed pool of unrestricted funds (non-State, non-tuition), including indirect cost recovery on sponsored contracts and grants, and investment earnings.*

Key to Acronyms

ASF	Assignable Square Feet
Block 33	Mission Bay East Campus Phase 1 Building
CEQA	California Environmental Quality Act
FEIR	Final Environmental Impact Report
GSF	Gross Square Feet
HVAC	Heating Ventilation and Air Conditioning
LRDP	Long Range Development Plan
P	Preliminary Plans
RFP	Request for Proposal
Zone Map	Mission Bay-Proposed Functional Zones

ATTACHMENTS:
Attachment 1: Project Budget
Attachment 2: Comparable Project Information
Attachment 3: Summary of Financial Feasibility

Attachment 4: Project Site Location
Attachment 5: Design Graphics
Attachment 6: Revised Mission Bay Campus Site Functional Zone Map
Attachment 7: Environmental Impact Summary
Attachment 8: Addendum #2 to the UCSF 2014 Long Range Development Plan Final Environmental Impact Report
Attachment 9: UCSF 2014 Long Range Development Plan Final Environmental Impact Report
Attachment 10: California Environmental Quality Act Findings

ATTACHMENT 1

PROJECT BUDGET
MISSION BAY EAST CAMPUS PHASE 1 BUILDING (BLOCK 33)
CCCI 6661

Category	**Total**	**% of Total**
Site Clearance	$51,000	0.0
Building	$162,856,000	77.6
Exterior Utilities	$475,000	0.2
Site Development	$1,676,000	0.8
A/E Fees[1]	$5,951,000	2.8
Campus administration[2]	$14,051,000	6.7
Surveys, Tests, Plans	$233,000	0.1
Special Items[3]	$3,924,000	1.9
Interest During Construction	$12,000,000	5.7
Contingency	$8,554,000	4.1
Total	$209,771,000	100.0
Group 2 & 3 Equipment	$27,359,000	
Project Cost	**$237,130,000**	

Project Statistics	**Total**
Gross Square Feet (GSF)	342,845
Assignable Square Feet (ASF)	275,381
Efficiency Ratio ASF/GSF	0.80
Building Cost/GSF	$475
Project Cost/GSF[4]	$612

[1] A/E fees include the executive architect/engineer's basic services contract fee.

[2] Campus Administration includes project management and inspection.

[3] Special items include Detailed Project Program and other pre-design study consultants, EIR services consultants, wind tunnel tests, land and easement acquisition, plan check fees, special environmental mitigation expenses, major local jurisdiction fees, special design consultants, independent structural /seismic review, hazardous materials abatement/remediation design services, and legal fees

[4] Excludes Group 2 & 3 Equipment

ATTACHMENT 2

COMPARABLE PROJECT INFORMATION

No UC projects have been identified as comparable to the proposed high-rise, office and outpatient clinic project. Information about comparable non-UC projects is provided in the below table.

Year Completed	Location	Project Description	GSF	Building Cost/GSF[1]
2014	SF Bay Area	Class A Office. 8 stories (90% office, 10% Café/Corporate Kitchen)	255,119	$427
2016	SF Bay Area	Class A Office. 10 stories (79% office, 21% Café/Corporate Kitchen)	647,288	$557
2014	SF Bay Area	Class A Office. 27 stories (100% office)	450,000	$381
2019	*Mission Bay*	*Proposed Project*	*342,845*	*$475*

[1] These non-UC, commercial projects have been adjusted to reflect the proposed project's CCCI of 6661.

ATTACHMENT 3

SUMMARY OF FINANCIAL FEASIBILITY

SAN FRANCISCO CAMPUS	
Project Name	**Mission Bay Campus Phase 1 Building**
Project ID	**9002830**
Total Estimated Project Costs	$237,130,000
Anticipated Interest During Construction (included in total estimated project cost)	$12,000,000

PROPOSED SOURCES OF FUNDING[1]	
External Financing	$159,130,000
Gifts*	$60,000,000
Campus Funds	$18,000,000
Total	**$237,130,000**

**Includes $50 million in standby financing*

SECTION I. Standby Financing

Approval for standby and/or interim financing is sought in order to bridge the timing difference between project expenditures and receipt of gift or other specified funds. Standby financing is requested for gifts (or other funds as specified below) pledged, but not yet in hand.

Information below is for standby financing related to gifts. The campus will provide periodic status reports on the gift campaign and collection.

CAMPAIGN SUMMARY	
Cash on Hand	$0
Pledged Gifts (standby financing)	$50,000,000
Secondary Repayment Source for Pledged Gifts	Centrally managed pool of unrestricted funds (non-State, non-tuition), including indirect cost recovery on sponsored contracts and grants, and investment earnings.
Additional Gifts To be Raised (back-stopped by campus funds)	$10,000,000
Total Approved Gift Campaign	$60,000,000
Term of Standby Request (# of years)	7 years

[1] Fund sources for external financing shall adhere to University policy on repayment of capital projects.

SECTION II. External Financing

Long-term external financing assumptions are listed below.

FINANCING ASSUMPTIONS	
External Financing Amount	$159,130,000
Anticipated Repayment Source	General Revenues of the UCSF Campus
Anticipated Fund Source	Facilities and Administrative (F&A) Recovery
Financial Feasibility Rate	6.0%
First Year of Principal	2020
Final Maturity (e.g. 20XX)	2049
Term (e.g. 30 years)	30 years
Estimated Average Annual Debt Service	$11,560,000

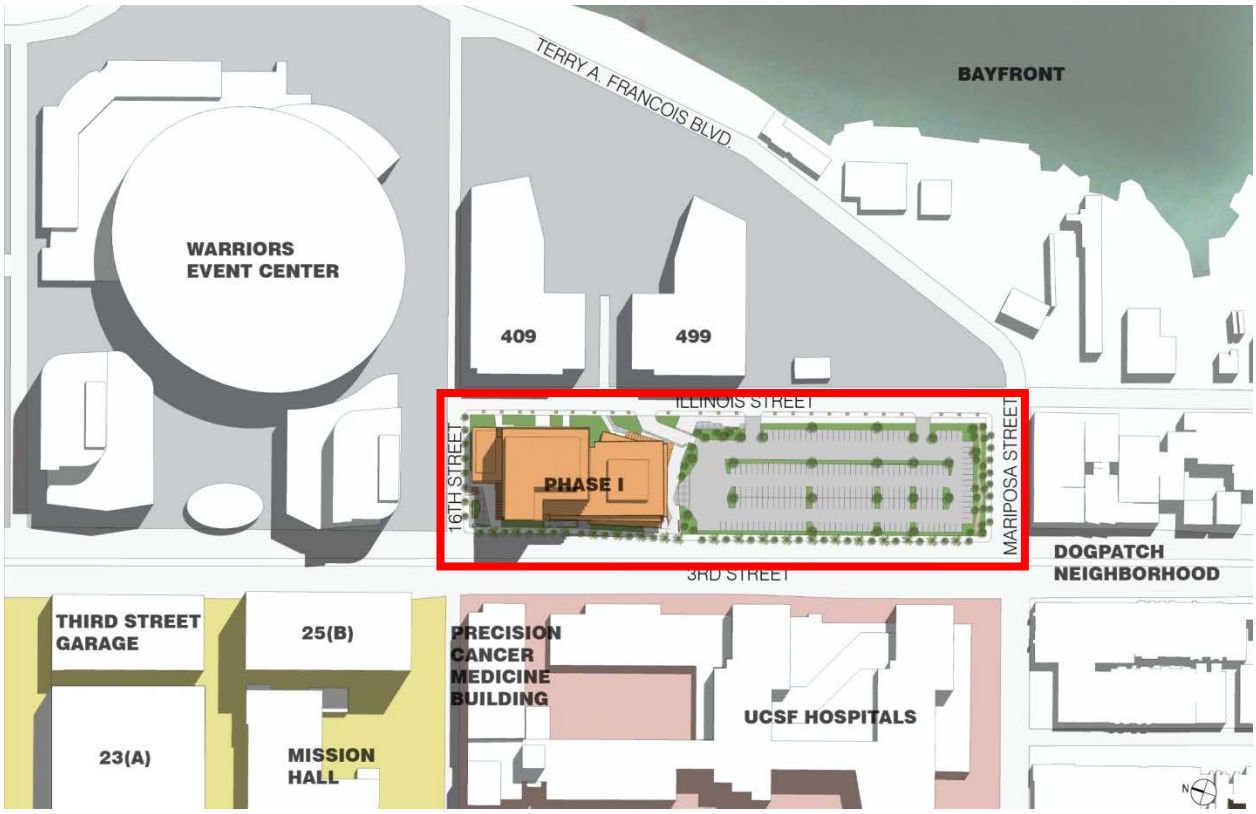
Below are results of the financial feasibility analysis for the proposed project using the campus' Debt Affordability Model. The model includes projections of the campus' operations and planned financings. A new Debt Affordability Model with revised metrics was implemented August 1, 2015.

	CAMPUS FINANCING BENCHMARKS		
Measure	**10 Year Projections**	**Approval Threshold**	**Requirement**
Modified Cash Flow Margin[2]	2.5% (min), 2022 (yr)	≥ 0.0%	Must Meet
Debt Service to Operations[2]	4.9% (max), 2022 (yr)	≤ 6.0%	Must Meet 1 of 2
Expendable Resources to Debt[2]	NA	≥ 1.00x	

[2] Modified Cash Flow Margin, Debt Service to Operations, and Expendable Resources to Debt are campus metrics.

ATTACHMENT 4

PROJECT SITE LOCATION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EVENT CENTER
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3RD STREET
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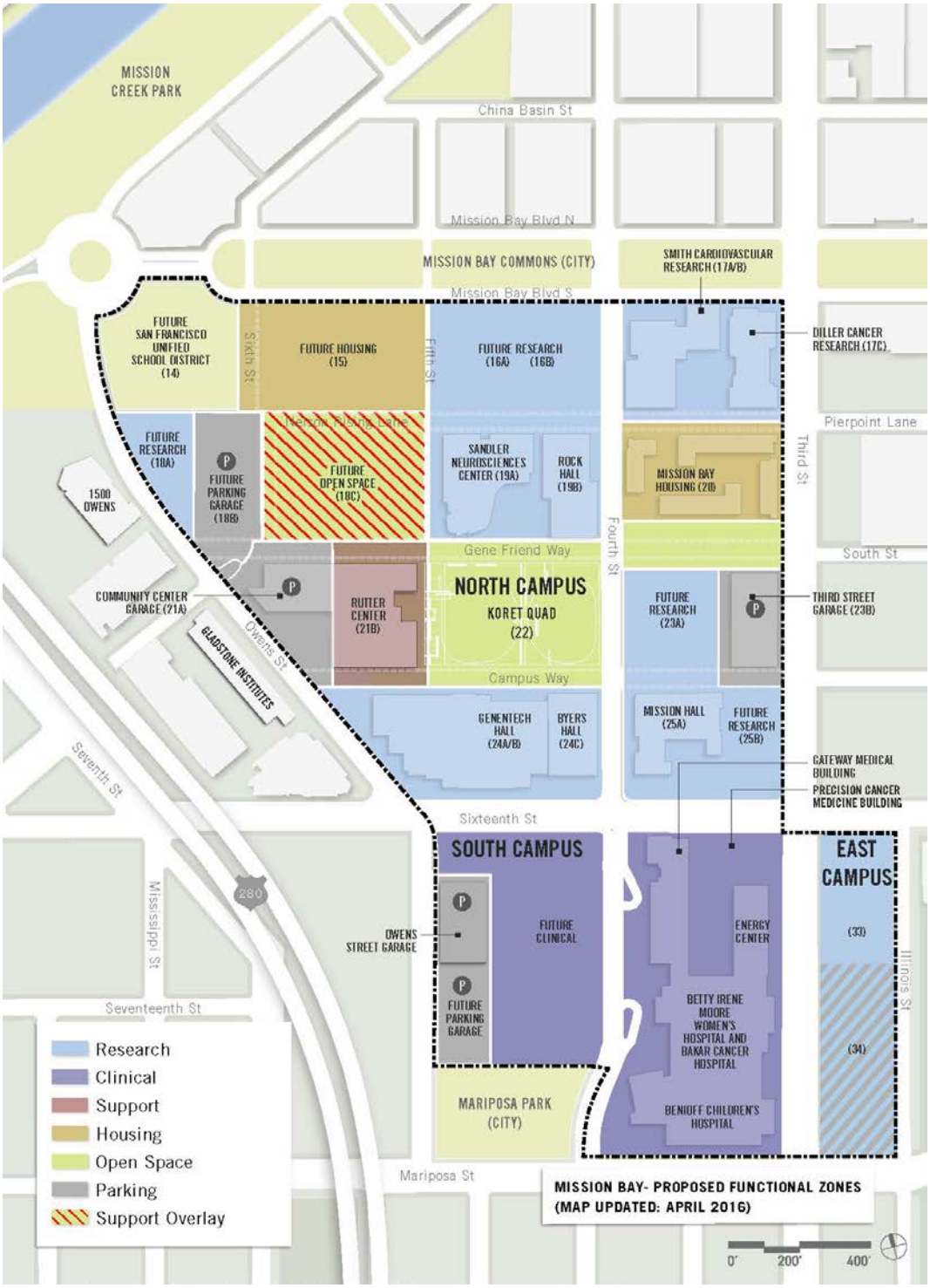
THIRD STREET
GARAGE
25(B)
23(A)
MISSION
HALL
PRECISION
CANCER
MEDICINE
BUILDING
UCSF HOSPITALS

ATTACHMENT 5

DESIGN GRAPHICS

ATTACHMENT 6

REVISED MISSION BAY CAMPUS FUNCTIONAL ZONE MAP



ATTACHMENT 7

ENVIRONMENTAL IMPACT SUMMARY

Environmental Review Process

In accordance with the State of California Environmental Quality Act (CEQA) Guidelines and University of California Procedures for Implementation of CEQA, Addendum #2[1] to the 2014 Long Range Development Plan Final Environmental Impact Report (LRDP FEIR) (State Clearinghouse Number 2013092047)[2], certified by the Regents on November 20, 2014, has been prepared for the Mission Bay East Campus Phase 1 Building on Block 33 project.

Environmental Impacts

Addendum #2 found that the Mission Bay East Campus Phase 1 Building on Block 33 project would not result in any new or substantially more severe significant environmental impacts than those identified in the LRDP FEIR. The proposed project would not require new mitigation measures or result in mitigation measures that are considerably different from those analyzed in the LRDP FEIR and adopted by the Regents in November 2014.

The LRDP FEIR found that LRDP proposals at the UCSF Mission Bay campus site, which includes the proposed Mission Bay East Campus Phase 1 Building on Block 33 project, would have less than or no significant impacts on the environment in regard to Agriculture and Forest Resources, Biological Resources, Geology and Soils, Land Use, Population and Housing, Public Services, and Recreation.

The LRDP FEIR found that LRDP proposals at the UCSF Mission Bay campus site, which includes the proposed Mission Bay East Campus Phase 1 Building on Block 33 project, would have less than significant impacts on the environment, with project-level mitigation incorporated in regard to Aesthetics, Air Quality (construction-related), Cultural Resources, Greenhouse Gas Emissions, Hazards and Hazardous Materials, Hydrology and Water Quality, Noise, and Transportation.

The LRDP FEIR found that LRDP proposals at the UCSF Mission Bay campus site, which includes the proposed Mission Bay East Campus Phase 1 Building on Block 33 project, would result in potentially significant impacts related to Air Quality (operations), Noise (construction), and Utilities (operations). There are no mitigation measures that would reduce these impacts to less-than-significant levels. As such, these impacts are Significant and Unavoidable.

The LRDP FEIR found that LRDP proposals at the UCSF Mission Bay campus site, which includes the proposed Mission Bay East Campus Phase 1 Building on Block 33 project, would

[1] See Attachment 8
[2] See Attachment 9

contribute to potentially significant cumulative impacts in the areas of Air Quality (construction and operations), Noise (operations), Transportation, and Utilities.

Findings[3]

Based on the impact assessment in the attached Addendum #2, it has been determined that the proposed project, with incorporation of applicable LRDP FEIR Mitigation Measures, will not result in any new significant direct, indirect, or cumulative environmental impacts that are not examined in the LRDP FEIR.

[3] See Attachment 10

ATTACHMENT 8

ADDENDUM #2 TO THE UCSF 2014 LONG RANGE DEVELOPMENT PLAN FINAL ENVIRONMENTAL IMPACT REPORT

https://campusplanning.ucsf.edu/sites/campusplanning.ucsf.edu/files/reports/Addendum%20Blk%2033_2017-01-04%20clean%20Final.pdf

ATTACHMENT 9

UCSF 2014 LONG RANGE DEVELOPMENT PLAN FINAL ENVIRONMENTAL IMPACT REPORT

This report can be found at:

https://www.ucsf.edu/content/lrdp-environmental-impact-report-downloads

ATTACHMENT 10

CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS