

Office of the President

TO MEMBERS OF THE COMMITTEE ON GROUNDS AND BUILDINGS:

ACTION ITEM

For Meeting of May 10, 2016

APPROVAL OF PRELIMINARY PLANS FUNDING, ANDERSON SCHOOL OF MANAGEMENT ADDITION, LOS ANGELES CAMPUS

EXECUTIVE SUMMARY

The proposed project is for construction of a 63,000-gross-square-foot (gsf) addition to the six-building, 305,000-gsf Anderson School of Management (the School) complex originally constructed in 1995 on the Los Angeles campus. The new building would be located on top of an existing parking structure adjacent to the School's main auditorium and paved outdoor event space. The proposed building would better accommodate programs that have grown or did not exist when the complex was constructed more than twenty years ago.

The facility would be designed to advance the School's dual mission of education and research by providing technology-equipped teaching spaces not currently available in the existing complex; reorganizing the admissions, career, and event functions to enhance interactions among students and alumni; and by providing students with needed commons and study space. The project would fully integrate new space with the existing school facilities in order to foster life-long connections to the School, enhance the educational program, and provide facilities appropriate for a top-tier business school.

In May 2015, a \$40-million capital gift, as part of a \$100-million gift to the School from Marion Anderson, was provided as seed funding for the new building. Additional gifts would be secured to cover the total project cost that would include structural upgrades to the parking structure and other increased costs related to working on a fully developed site. The work done during preliminary planning would refine the project's program and project cost estimate. The project would be funded entirely from gift funds, and while no long-term financing is anticipated, standby or interim financing may be requested depending on the status of gift receipts.

The Regents are being asked to approve preliminary plans funding in the amount of \$4.2 million to be funded by gift funds.

RECOMMENDATION

The President of the University recommends that the Committee on Grounds and Buildings recommend to the Regents that the 2015-16 Budget for Capital Improvements be amended to include the following project:

Los Angeles: Anderson School of Management Expansion – Preliminary Plans –
\$4.2 million to be funded from gift funds.

BACKGROUND

A new building is needed to provide the Anderson School of Management (the School) with flexible instructional space that cannot be developed within the existing complex; to consolidate admissions and career services functions for full- and part-time Master of Business Administration (MBA) programs; and to provide space for programs that have grown or did not exist when the existing complex was designed more than twenty years ago.

The school provides education to approximately 2,000 students enrolled in full-time, part-time, and executive MBA (EMBA) programs, two global MBA programs, a master's degree program in financial engineering (MFE), doctoral programs in seven areas of study, and an undergraduate accounting minor. The School and many of its academic programs and departments are perennially ranked among the best in the world. The School seeks to maintain facilities to support the collaborative innovation that has become the cornerstone of its teaching philosophy and made it one of the leading business schools in the country.

The MFE and five MBA programs at the School recently transitioned to being self-supporting and no State funding is received for those programs. The School has been successful in garnering private support from alumni and others. Marion Anderson, the widow of John E. Anderson for whom the school is named, recently gave the School \$100 million to address critical needs. Of this total, \$40 million would provide capital funding for the proposed building, and \$60 million would establish an endowment to support student financial aid and fellowships, faculty and research funding, and program innovations.

Project Drivers

The existing complex lacks large, flexible teaching and event spaces to support current and new programs. Offices that directly support admissions and career services for the full- and part-time MBA programs are currently split between two offices in the complex. Technology-equipped spaces are needed to accommodate programs that have evolved since the complex was originally constructed. During that time, the School has expanded from a traditional MBA program for full-time students to one with a growing number of programs for part-time students, including the Fully Employed MBA (FEMBA) program. The proposed project will provide space to address existing shortages related to the aforementioned growth in students, faculty and programs over the last decade. The School would also be able to add master's degree programs, such as the Master in Business Data Analytics (slated to launch in 2017-18, subject to approvals), marginally

grow some current programs in traditional and/or hybrid formats (FEMBA, EMBA and MFE), and add planned research centers, such as the center for Social Impact.

A strategic plan has identified the improvements necessary to advance the School's dual mission of quality education and research. These include stronger connections among students, faculty, and alumni; better employment opportunities for students; and enhanced alumni engagement levels with the School. The project is needed to provide facilities appropriate for a top-tier business school, and will support these strategic goals:

- Technology-enabled teaching spaces to support an evolving curriculum with new areas of specialization in addition to the traditional general management skills related to finance and marketing; and to provide greater opportunities to involve alumni with the School's intellectual resources.
- Reorganized admissions, career services, and event function facilities proximate to the Dean to improve outreach to prospective students, facilitate better employment opportunities, and enhance ongoing engagement with alumni. This approach is intended to create "alumni for life" by fostering life-long connections to the School.
- Commons and study space to foster impromptu meetings among students, faculty, administrators, and alumni; mentoring activities and class follow-up discussions; and creative brainstorming sessions.

PROJECT DESCRIPTION

The proposed project is for construction of a 63,000-gsf addition to the School's complex. The proposed building would include new classrooms, an event space, student life cycle offices, the Office of the Dean, and faculty offices. Technology-equipped classrooms and a multi-purpose event space would support the students' learning and development experience. Centralized offices for admissions and career services would be more accessible to students and facilitate synergies between initial student recruitment and future employment opportunities. The new building would enhance recruitment and retention of high-caliber students, faculty, and professional staff.

Project space components are described below.

Teaching Space: Four technology-equipped classrooms, including a 200-person tiered lecture hall and three tiered or flat-floor discussion rooms accommodating up to 90 persons each would provide space for large lectures and presentations.

Study Space: Study space for small groups and individuals would include: rooms accommodating six to eight people for break-out sessions and collaborative classwork; rooms accommodating one to two people for teleconferences; and quiet study areas for individuals.

Student Life Cycle Functions: The admissions and career services functions for both the full- and part-time MBA programs would be consolidated into an office suite for each function. Each suite would include: private offices, open work areas, conference rooms, interview rooms, and related support space.

Dean's Office: The Dean's Office and senior administrators would be relocated to the new addition to support the student life-cycle functions and to improve student access.

Faculty Offices: Open office space would be provided for visiting lecturers and professors to prepare for classes and meet with students.

Event Space: A large multi-purpose space would be provided proximate to the student life-cycle offices to host recruiting, career, alumni, and campus events.

Common Space: This space would serve as a hub that connects the classrooms, event space, and the student life cycle offices.

Proposed Site

The School complex is built on a sloped site on the north end of campus and is immediately adjacent to existing facilities on three sides (Attachment 2). The eastern border of the complex is created by Parking Structure 5, a multi-story parking structure of varied height to fit the topography. The top floor of Parking Structure 5 currently includes the School's main lecture hall, and an outdoor plaza, in addition to parking spaces. This area also accommodates high-traffic pedestrian circulation paths linking the School with the surrounding campus via stairs and plazas throughout the complex.

Proximity to existing functions is crucial to the program proposed for the new space and potential locations are extremely limited. The proposed site for this project would be on a portion of the top level of Parking Structure 5, immediately adjacent to the auditorium and plaza that currently occupy space on top of this structure. Impacts to parking as a result of the proposed project will be addressed in subsequent requests for Regents' approvals as design and program needs are refined during preliminary plans.

Approval Request

The requested preliminary plans funding of \$4.2 million would enable the campus to confirm and refine the scope of work and budget, complete schematic design and design development, and continue fundraising prior to submitting the project for full budget and standby/interim financing approval from the Regents. The funding would also support site surveys, specialty consultants, and California Environmental Quality Act (CEQA) documentation.

Key to Acronyms

CEQA	California Environmental Quality Act
FEMBA	Fully Employed Master of Business Administration
GSF	Gross Square Feet
MBA	Master of Business Administration
MFE	Master of Financial Engineering

ATTACHMENTS:

Attachment 1: Preliminary Plans Budget

Attachment 2: Site Plan

Attachment 3: Alternatives Considered

ATTACHMENT 1

PRELIMINARY PLANS BUDGET

Category	Amount
Pre-Construction Fees ⁽¹⁾	1,065,000
A/E Fees ⁽²⁾	1,720,000
Campus Administration ⁽³⁾	265,000
Surveys, Tests, Plans ⁽⁴⁾	115,000
Special Items ⁽⁵⁾	1,035,000
Total Preliminary Plans Budget	\$4,200,000

(1) Construction manager-at-risk and pre-construction mechanical, electrical, and plumbing design-build fees.

(2) Executive architect fees for schematic design and design development.

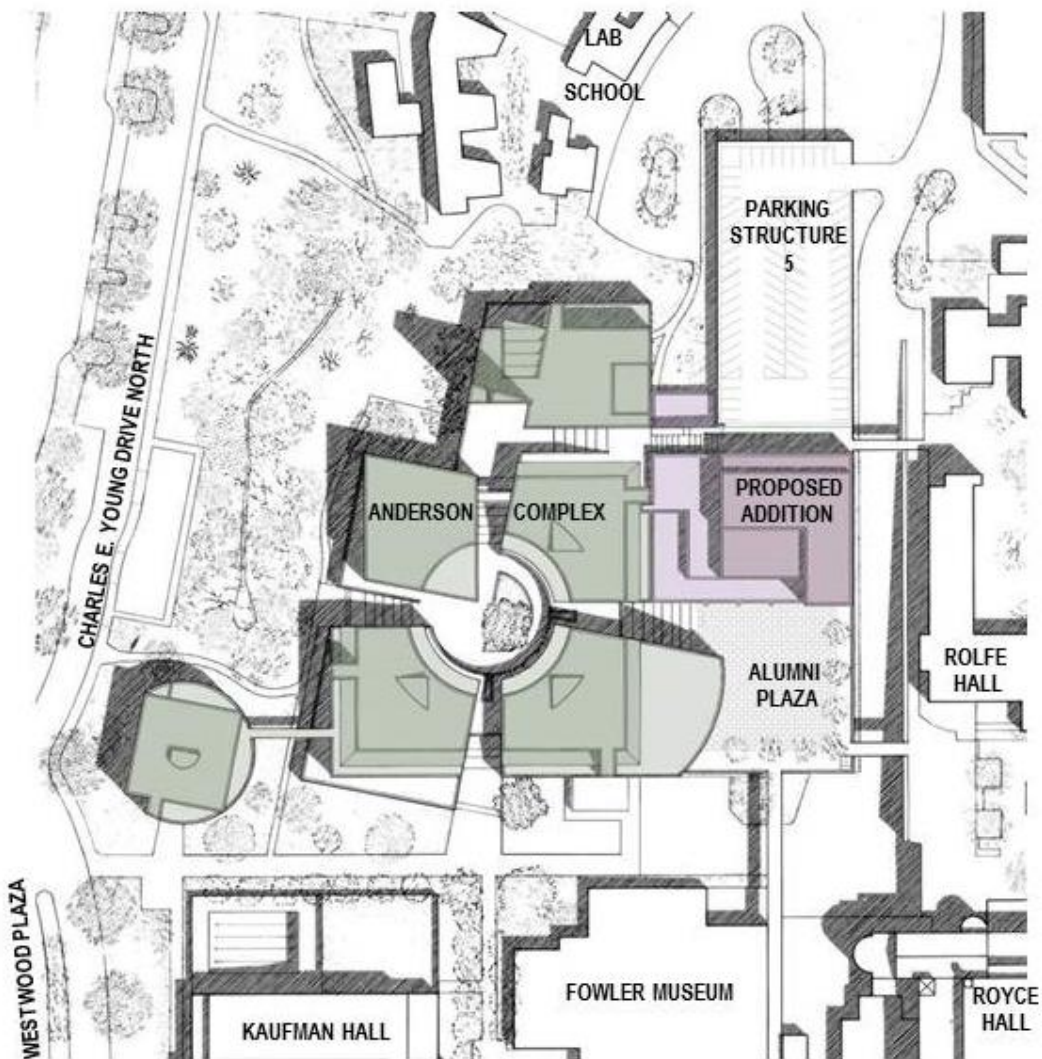
(3) Campus project manager, planning, engineering and design review, and contracts administration.

(4) Includes soil borings, site surveys, design phase testing.

(5) Includes pre-design study, CEQA documentation, hazardous materials survey and documentation, peer reviews, specialty consultants, and agency fees.

SITE PLAN

The existing 305,000-gsf complex, comprised of a cluster of six buildings, was completed in 1995. It is located immediately adjacent to the historic core campus. The complex is located to the north of Stone Canyon Creek (a campus landscape preserve), south of the UCLA Lab School, east of Parking Structure 5, and north of the Fowler Museum. Built adjacent to Parking Structure 5, the existing facility provides pedestrian circulation via stairs and plazas through the complex that link the lower campus by Westwood Plaza with the upper level of the North campus. The parking structure currently accommodates the School's main auditorium on the top level, as well as a paved event plaza utilized by the School.



Anderson School of Management Addition



ALTERNATIVES CONSIDERED

Four project alternatives were considered: 1) a no-project alternative; 2) an addition on the north lawn; 3) an addition near the south entry stair; and 4) an addition on top of Parking Structure 5.

No Project: This alternative would be to not construct an addition to the existing Anderson complex. While ongoing interior improvements and upgrades would continue over time, the School would not benefit from the addition of new teaching, event, offices, and related support space to support the needs of its contemporary academic program.

Addition on North Lawn: This alternative would be to construct a 35,000-gsf, four-story addition in the northwest corner of the Anderson campus. The location lacks sufficient space to accommodate the additional program, does not provide a central location to consolidate student functions, blocks windows in the adjacent school library, and would have adverse site effects on the adjacent Stone Canyon Creek and UCLA Lab School.

Addition near South Entry Stair: This alternative would be to construct a 54,000-gsf, five-story addition in the southeast corner of the Anderson campus. The location lacks sufficient space to accommodate the program fully, does not provide a floor plate that could accommodate large teaching spaces, does not provide a location for a central hub of student functions, blocks windows in adjacent faculty offices, and would have significant site costs related to the necessary relocation of an emergency generator, loading dock, and other campus infrastructure.

Addition above Parking Structure 5: The recommended alternative would be to construct a 63,000-gsf, four-story addition on a portion of the top level of the existing adjacent parking structure. The addition would directly adjoin the principal teaching and faculty office levels in the existing facility, provide a central location for consolidation of student functions, and connect with campus pedestrian routes to and through the complex. In addition, there are potential programmatic synergies with the School's main auditorium and a paved event plaza located on the top level of the parking structure and already used by the School.