

Office of the President

TO MEMBERS OF THE FINANCE AND CAPITAL STRATEGIES COMMITTEE:

DISCUSSION ITEM

For the Meeting of September 13, 2017

KRESGE COLLEGE PROJECT, SANTA CRUZ CAMPUS

EXECUTIVE SUMMARY

The Santa Cruz campus is faced with housing and academic space challenges that exceed its ability to keep up with demand. Additionally, the campus has significant deferred maintenance and capital renewal needs. The Kresge College project is an opportunity for the campus to help address some of these challenges while greatly improving the student experience within one expansion and renewal project. The proposed project would renovate the college to meet contemporary student needs while adding new buildings for student housing and academic space. The new housing building(s) would provide approximately 400 freshmen beds. Existing buildings would be renovated to provide approximately 150 beds for sophomores or continuing students and to improve the student services capacity. A new large lecture hall/academic building would be constructed to provide an approximately 600-seat lecture hall with related classroom and academic department space, and a new multi-purpose “town hall” would be built to reinforce student success. Major infrastructure improvements include redevelopment of an existing pedestrian bridge across one of the campus’ ravines, and renovation of the primary pedestrian circulation spine through the college that would include repair and replacement of utilities and achieve accessibility.

Kresge College was constructed in 1973 on an eight-acre site among redwood groves on a hillside. Designed by renowned architect Charles Moore, and equally renowned landscape architect Dan Kiley, Kresge College is based on the concept of an Italian hill town, complete with a winding central pedestrian “street” and a piazzetta. The current building program includes approximately 95,000 assignable square feet in 23 buildings. These buildings include a mix of student housing, academic space, a classroom building, and an assembly building with café. Over time, elements of Kresge College’s unique living-learning environment have not effectively supported housing and academic needs. Additionally, with over 40 years in service, many building systems and components have exceeded their useful life.

After careful consideration of the complexity of the building site, the architectural importance of the original design, and the programmatic need to reconfigure some uses, the campus believes that a combination of new construction and renovation of existing facilities is the most efficient way to meet project goals. These project goals include adding classroom space, increasing first-

and second-year housing options, addressing deferred maintenance, improving functionality, and maintaining a portion of the architecturally important buildings.

The budget for academic space is expected to be funded through external financing supported by State General Funds and campus funds. The academic space in the proposed project is part of the *2018-19 Budget for State Capital Improvements* that will be presented to the Regents for discussion at this meeting and was submitted to the Legislature and Department of Finance in early September 2017. The budget for student services and housing facilities is expected to be funded by campus housing reserves, external financing, and student fee reserves. The campus will request appropriate separate approvals for the academic and non-academic projects; however, the renovation and new construction work will be coordinated in order to contain costs, minimize disruption to ongoing campus operations, and accelerate project completion.

BACKGROUND

Context

The Santa Cruz campus is organized in a college system which provides unique living/learning opportunities for students, faculty, and staff alike. Upon entry, undergraduate students affiliate with one of the campus's ten colleges; each college has a theme and unique core course, which is required for first-year students. Within each college are faculty and staff who provide academic support, organize student activities, and sponsor events that enhance the intellectual and social life of the campus.

Kresge College was the sixth college constructed (1973) on the Santa Cruz campus. The eight-acre site sits at the north-west portion of the campus within a grove of redwood trees on a hillside with an elevation change of approximately 40 feet. Designed by renowned architect Charles Moore, founder of the firm Moore, Lyndon, Turnbull, Whitaker, and equally renowned landscape architect Dan Kiley, Kresge College is based on the concept of an Italian hill town, complete with a winding central pedestrian "street" and a piazzetta. The design principles of the site were regarded as progressive for their time and have been widely studied; however, some aspects have become outmoded for current campus needs. The current building program includes approximately 95,000 assignable square feet (asf) in 23 buildings. These buildings include 11 student housing buildings, a staff apartment building, four academic buildings, one classroom building for general assignment use, a library, a storage building, a lounge building, a recreation building ("mini gym"), a College House, and an assembly building with café.

Programs housed in Kresge include campus-wide academic departments and student services, as well as college-specific programs. Existing programs within Kresge College include: Film and Digital Media, History of Arts and Visual Culture, Writing, Kresge College Academic (Core Course), and Science Communication; a support program for transfer, re-entry, veterans, and emancipated youth; Hispanic Serving Institution initiatives; and CARE (part of the President's Task Force on Preventing and Responding to Sexual Violence and Sexual Assault); and student housing. For its college-affiliated undergraduates, Kresge offers a first-year core course that focuses on the themes of power and representation.

Campus Academic Need

The last new general assignment lecture hall on the Santa Cruz campus opened its doors in 2006. Since then, enrollment has increased by 17 percent¹. Only two other academic facilities have been constructed on the campus since then: the Digital Arts Research Center (2009) and the Biomedical Sciences Building (2012). The Coastal Biology Building is currently under construction at the Coastal Science Campus. These facilities alleviate some of the need for research and office space, but do not address campus-wide need for additional academic space, nor do they address the critical need for large lecture space. The greatest academic need is in providing additional general assignment classroom capacity.

As enrollment has grown on the campus, so has the utilization of larger classrooms². There are just three lecture halls on the campus with over 300 seats. Lecture halls with over 300 seats have the highest utilization of all the general assignment classrooms, with a combined utilization of 137.1 percent in fall 2016. Along with the creation of additional seats, the project will address operational and programmatic needs related to academic instruction.

One of the goals of the project is to locate academic programs closer to the campus academic core to encourage greater flexibility for class scheduling, reducing time for students to travel in between class times. Another goal is to consolidate the academic programs to encourage interdisciplinary collaboration and efficient space use.

Campus Housing Need

The campus anticipates that enrollment will increase to 19,500³ by 2020-21, requiring the campus to provide a total of 10,125 beds by 2023-24 to meet the terms of a housing requirement in the Long Range Development Plan (LRDP) Comprehensive Settlement Agreement (CSA). To date, the campus has been able to meet the CSA housing requirement largely by converting bed spaces from double-occupancy to triple-occupancy rooms or converting lounges into student bedrooms. While some of these conversions will remain as permanent across all of the colleges, a significant proportion of the overflow beds are intended to be temporary.

Triple bedrooms provide increased affordability for many students, but without sufficient areas for student respite outside the immediate room, the campus has experienced continued programmatic issues associated with increasing the number of beds. There are insufficient public study and community gathering spaces because 141 out of 158 residential lounges across campus have been converted to temporary bedrooms. Long wait periods exist for shower areas. Because the campus has exhausted the opportunities for conversion of lounge or other space for residential occupancy, it is out of options to meet the immediate housing demands through

¹ Increase between fall 2007-08 and fall 2016-17.

² 100 percent utilization is equivalent to 100 percent occupancy of a room for 35 hours a week. Lower rates of occupancy for more hours per week can also equate to 100 percent utilization.

³ Three-Quarter Average (Fall Winter Spring) Campus Enrollment. Total enrollment will be greater.

existing inventory. In addition to the new beds in the proposed project, the campus is currently in a Public-Private-Partnership (P3) process for developing its Student Housing West project that will provide approximately 3,000 housing spaces on campus.

Kresge College Maintenance Need

In 2015, the Santa Cruz campus hired a consultant team to perform a comprehensive facility condition assessment for Kresge College. The assessment determined that the repairs required to renovate the facilities to current standards were extensive due to the age of facilities and infrastructure, and the difficulties of isolating repairs to certain facilities without triggering accessibility and other code upgrades to the entire site. The required major maintenance repairs include regrading an extensive amount of the site paths to achieve accessibility, renovating apartments to be designated accessible, removing and installing new building envelope with insulation, installing new windows and doors, repairing damaged framing at exterior walkways, replacing all mechanical equipment, and upgrading fire alarm systems.

Kresge Building Program and Design Issues

Kresge College's unique living/learning environment presents challenges for both the housing program and the academic program. The site design for Kresge does not meet contemporary needs. Student housing apartments are integrated with academic and student service buildings in a linear layout that does not identify clear programmatic areas. Unlike other colleges on campus, there is no distinct residential area, and as a result, residents have fewer opportunities to gather and socialize. Student residents feel insecure in the apartments as the bedrooms have sliding glass doors directly on plaza levels. The proximity of the sliding doors to the pedestrian thoroughfare places the interiors of the units on display to those passing by. Student residents often close their curtains to create privacy, but this compounds the residents' sense of isolation. Non-resident students, staff, and faculty are uncomfortable traversing past residential buildings due to the lack of privacy for residents.

Kresge is the only college at the campus that does not have appropriate living accommodations to support its incoming freshmen with their needs in transitioning to college life. It was originally conceived as an "alternative" college that would provide an independent type of living experience that would be appealing to students. Over the years it has become evident that this sort of independent living arrangement is not well suited for all freshmen who are just moving away from home for the first time. Kresge lacks a critical mass of student beds compared to other colleges, and as a result it is not able to affiliate a freshman class size comparable to the other colleges. When compared to other colleges on campus, Kresge College has a much higher rate of students who wish to switch their affiliation to another college. Strengthening the freshman living experience would correlate to improving academic performance as well as maintaining affiliation with the college.

Unlike typical freshmen accommodations, apartments do not promote many opportunities for students to meet peers outside of their immediate living space. In addition, apartments make it

more difficult for staff to identify students who are in need of support. Individual apartment buildings do not include lounges. The site has few amenities and community gathering spaces, and these spaces are not necessarily conveniently located for student apartment residents.

Both residential and academic floor plans are sub-optimal at Kresge College. In the apartments, students enter many units through the undersized kitchens. Bathrooms typically do not have sufficient airflow and are susceptible to moisture intrusion and rot. Some apartment bathrooms serve also as circulation space to bedrooms. In the classrooms and offices, the spaces are tight and awkward. Classrooms typically have very little circulation space. Some of the classrooms were designed without regard to typical classroom (tablet arm/fixed chair) furniture, and are difficult to adapt to current standards. Most of the academic offices reside in a maze-like building with low ceilings and narrow hallways that do not promote interaction among students, staff, and faculty.

PROJECT DESCRIPTION

The proposed Kresge College project would renovate approximately 48,000 asf, and build an additional 95,000 asf, allowing for programmatic synergies to thrive between academic, student services, and student housing programs. The project will increase density of the site by constructing a new multi-story academic building (approximately 25,000 asf), new multi-story student housing building(s) (approximately 60,000 asf total), and a new town hall. Bed count would increase from 368 to approximately 550 beds, or by 50 percent. Site development will include improvements to an existing bridge, utilities, gathering spaces, and accessibility throughout the college. Some of the existing buildings will retain their original purpose, while others would be repurposed to clarify program areas, optimize the use of the site, and meet growing campus needs. Table 1 shows the overall increase in space proposed at the college.

Table 1: Existing and Proposed ASF by Program

Existing Use	Existing ASF	Proposed ASF
Residential	74,000	106,000
Academic	18,000	25,000
Student Services	3,000	12,000
Total	95,000	143,000

The reprogrammed areas would create purposeful zones to organize the living/learning environment within Kresge College. The academic program will be at the north end of the site and will consolidate all existing Kresge College academic programs, which includes department space, classroom space, and the college academic offices, as well as a new lecture hall with approximately 600 seats. The location at the northern end of the site places the academic program closest to the campus core and nearby transit routes.

The student housing program would be located at the western portion of the site, in new residential buildings with suite-style units that would house 400 first-year students. Suite-style configurations are a more appropriate style for freshmen, encouraging social interaction and

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promoting a sense of community for their first year. The current program proposes a larger community room and/or kitchens in each of the residential buildings. Student support staff will have more connections with students similar to the existing residence halls. Social lounges with study spaces will be present on each floor for students to study and socialize. Freshmen residents can dine at any of the existing dining halls on campus, consistent with current campus practices; the Porter dining facility will be the closest dining hall to serve Kresge students⁴. Existing buildings on the western portion of the site would be renovated and/or repurposed to house 150 students (mostly second-year) in apartment-style units. These new and renovated residential buildings would border an improved residential quad area and a reactivated piazzetta, which is original to the design.

Campus-wide student services programs would be located on the southeastern portion of the site, between the residential and academic programs. The new “town hall” (multi-purpose building) is proposed for student gathering.

Delivery Model

The Kresge College project is proposed to be delivered as Construction Management at Risk (CMAR). The campus has delivered four housing renovation projects using CMAR and is currently under way with another. The campus has found that this method allows the project team to gain feedback from the construction management team early to address project complexities, including existing site and building conditions, cost management, and project phasing. This project involves overlapping and competing interests of multiple stakeholder groups, critical adjacencies of multiple programs, and a combination of renovation of architecturally important buildings and new construction. CMAR delivery can deal effectively with these issues and with the environmental reviews necessary for this project.

Construction is proposed in two phases in order to reduce, if not eliminate, the need for moving programs during construction. Phase 1 starts construction in fall 2019 and will be delivered in August 2021, and includes the construction of the new academic and residential buildings, as well as the accessibility improvements to the north bridge, a new academic plaza, and the new town hall. Phase 2 would commence upon completion of the new buildings and would include the renovation of all remaining existing buildings. Expected completion of Phase 2 is summer 2023.

The campus decided to exclude Kresge College from its current Student Housing West project P3 process for master planning and developing new housing opportunities on campus. Based on the complexity of the Kresge program, the challenges of the site, and the sensitive nature of the existing architecture it was determined that the Kresge College project would likely delay the delivery of the critical new bed project. The Student Housing West project will provide

⁴ The Porter dining facility is part of a planned dining hall expansion project as listed in the 2016-26 Capital Financial Plan accepted by the Regents in January 2017.

approximately 3,000 beds in an area of campus to the south of Kresge College; the first phase is expected to be completed by fall 2020.

Funding and Schedule

The overall Kresge College project will be implemented through two funding plans. The budget for academic space will be funded through external financing supported by State General Funds in combination with campus funds. The academic space in the proposed project is part of the *2018-19 Budget for State Capital Improvements* that will be presented to the Regents for discussion at this meeting and was submitted to the Legislature and Department of Finance in early September 2017. The budget for non-academic (student services and housing facilities) will be funded as follows: housing will be funded by campus housing reserves, and external financing backed by housing resources; student services facilities will be funded by student fee reserves and external financing backed by future student fees. The campus will request appropriate separate approvals for each budget action for the project, non-academic and academic; however, the renovation and new construction work will be coordinated in order to contain costs, minimize disruption to ongoing campus operations, and accelerate project completion.

In November 2017, the campus expects to request approval of preliminary plans funding. Construction is proposed to begin in July 2019 with both phases completing in summer 2023.

KEY TO ACRONYMS

ASF	Assignable-Square-Foot
CEQA	California Environmental Quality Act
CMAR	Construction Management at Risk
CSA	Comprehensive Settlement Agreement
LRDP	Long Range Development Plan
P3	Public-Private-Partnership

Attachment 1: Alternatives Considered
Attachment 2: Site Context

ALTERNATIVES CONSIDERED

The following alternatives were considered:

- A. Perform deferred maintenance and required code upgrades on existing buildings
- B. Build new facilities, and renovate existing buildings to create better program synergies
- C. Redevelop the entire site and construct all new buildings
- D. Defer the project

Details and proposed costing of each alternative is identified below. Thorough studies and analysis indicate Alternative B would meet the primary project goals, while also allowing the campus to minimize its financial obligations.

A. Perform deferred maintenance and required code upgrades on existing buildings

The least expensive path to extend the usable life of Kresge College would be to perform deferred maintenance and required code upgrades. Doing so would address existing building condition deficiencies as well as perform code and accessibility upgrades. However, performing the minimum scope is not a prudent financial investment, as doing so would ignore the programmatic deficiencies of Kresge College and would continue to place freshmen in inappropriate living accommodations.

Also, a major renovation project of this scope is not a candidate for a summer-only project and thus will have a significant impact on housing operations. Building envelope replacement, as well as anticipated repairs to building framing systems and infrastructure would take multiple months to complete. Subsequent to envelope repairs, interior work would need to take place. Each building would likely take nine to 12 months for project scope completion. Performing this scope on all buildings is not feasible as there are no options to move the existing Kresge occupants. The campus does not have the residential, classroom, and administrative space required to phase a project of this magnitude. Moreover, taking all 368 beds out of use for one year would have an adverse revenue impact on Campus Housing resources of approximately \$3.7 million. Doing so could also impact CSA bed space compliance should there be any delay in the Student Housing West project or unanticipated enrollment increases.

B. Redevelop a portion of the site, and renovate some existing buildings

Constructing one or more new student housing buildings for freshmen, a new academic building, and a new town hall, and modifying the existing buildings is the recommended option. This option would be phased to allow existing programs to move into new buildings so that the existing buildings could subsequently be renovated and repurposed.

While this project budget would be higher than Alternative A, this option would extend the usable life of the existing Kresge College buildings while addressing the fundamental programmatic issues. This option would address existing building condition deficiencies,

providing code and accessibility upgrades in a fashion that would be compelling and attractive to future residents, as well as the campus community.

With the proposed phasing approach, the project would not reduce the current bed space capacity at Kresge. New freshman residences and the academic building would be constructed in Phase I. Upon completion, the new freshman residences and academic building would allow the existing Kresge Apartments and academic facilities to be moved. Initial studies suggest that the site would allow for the construction of new buildings to accommodate current occupants without the removal of any critical buildings.

Keeping 368 student housing spaces in use during construction of Phase I would have a positive gross revenue stream of approximately \$7.4 million (assuming two years of construction). Additionally, upon completion of all phases, Kresge College would have more housing options for students, thereby allowing it to accommodate a freshman enrollment comparable to other colleges on campus.

C. Redevelop the entire site and construct all new buildings

Alternative C would be the best way to resolve the fundamental programmatic issues associated with the existing design at Kresge College. New housing, student support, and academic facilities would be compelling and attractive to future residents. However, constructing all new buildings is not the recommended option, due to numerous complexities associated with this type of project. When considering the historic importance of the Kresge architecture there would be opposition to departures from the original design intent. The total replacement approach may not be practical, as it could be delayed substantially, given the interest in the facilities and site context.

Of all the considered alternatives where work is performed, this option would have the largest financial impact on the campus. The campus has determined that it is not in a financial position to fund such a large commitment.

D. Defer the project

Given anticipated campus enrollment increases and serious existing space deficiencies, coupled with the physical state of Kresge College, the “no project” option is not considered reasonable. In addition, the rapid escalation trend in Santa Cruz construction costs would likely substantially increase the ultimate cost of the project.

Recommended Solution

Thorough studies and analysis indicate Alternative B would meet most of the project objectives. When considered in conjunction with other projects, this project would allow the campus to address academic space priorities, maintain compliance with the CSA student housing requirements, maximize debt capacity, keep student housing rates to a minimum, and diversify the campus housing inventory. More importantly, doing so would vastly improve the experience at Kresge College.

SITE CONTEXT

