

**FINANCE AND CAPITAL STRATEGIES COMMITTEE**

March 21, 2024

TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

1. **STAIR TOWER AND EXIT CORRIDOR UPGRADES, UC DAVIS HEALTH, SACRAMENTO CAMPUS: AMENDMENT OF THE BUDGET, HOSPITAL SEISMIC UPGRADE**

The Committee recommends that the 2023-24 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: UC Davis Health/Sacramento: Hospital Seismic Upgrade: Stair Tower and Exit Corridor Upgrades – preliminary plans, working drawings, and construction – \$36.3 million, to be funded from hospital reserves.

To: UC Davis Health/Sacramento: Hospital Seismic Upgrade: Stair Tower and Exit Corridor Upgrades – preliminary plans, working drawings, and construction – \$59,845,000, to be funded from hospital reserves.

Committee vote: Chu, Cohen, Drake, Elliott, Ellis, Lee, Makarechian, Matosantos, Pérez, Reilly, and Sherman voting “aye.”

Board vote: Regents Anguiano, Batchlor, Chu, Cohen, Ellis, Hernandez, Kounalakis, Leib, Makarechian, Matosantos, Park, Pérez, Raznick, Reilly, Sarris, Sherman, and Tesfai voting “aye.”

2. **EAST CAMPUS LOOP ROAD, SAN DIEGO CAMPUS: BUDGET, SCOPE, EXTERNAL FINANCING, AND DESIGN FOLLOWING CONSIDERATION OF ADDENDUM NO. 10 TO THE 2018 LONG RANGE DEVELOPMENT PLAN ENVIRONMENTAL IMPACT REPORT, PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

The Committee recommends that:

A. The 2023-24 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: San Diego: East Campus Loop Road – preliminary plans – \$6 million, to be funded from campus funds.

To: San Diego: East Campus Loop Road – preliminary plans, working drawings, and construction – \$77.67 million to be funded from external financing.

- B. The scope of the East Campus Loop Road project be approved. The scope consists of a realignment and widening of Health Sciences Drive, Medical Center Drive, and surrounding areas to improve access, safety, and wayfinding on the East Campus. In addition, a new road connection south of Health Sciences Drive would allow service vehicles more direct access to the central utility plant, hospital service areas, and clinical loading docks to the south. New traffic signals would be installed to enhance safety and reduce travel times to medical facilities and the Emergency Department.
- C. The President of the University be authorized to obtain external financing in an amount not to exceed \$77.67 million plus additional related financing costs to finance the East Campus Loop Road project and declare that external financing may be used to reimburse prior expenditures. The President shall require that:
- (1) Interest only, based on the amount drawn, shall be paid on the outstanding balance during the construction period.
  - (2) As long as the debt is outstanding, the general revenues of the San Diego campus shall be maintained in amounts sufficient to pay the debt service and to meet the related requirements of the authorized financing.
  - (3) The general credit of the Regents shall not be pledged.
  - (4) Any reimbursements will meet all requirements set forth in Treasury Regulations Section 1.150-2.
- D. Following review and consideration of the environmental consequences of the proposed East Campus Loop Road 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 to the Regents no less than 48 hours in advance of the beginning of the Regents meeting, testimony or written materials presented to the Regents during the scheduled public comment period, and the item presentation, the Regents:
- (1) Adopt the CEQA Findings for the East Campus Loop Road project, having considered the 2018 Long Range Development Plan (LRDP) Environmental Impact Report (EIR) for the La Jolla Campus and Addendum No. 10 to the 2018 LRDP EIR.
  - (2) Make a condition of approval the implementation of applicable mitigation measures within the responsibility and jurisdiction of UC San Diego, as identified in the Mitigation Monitoring and Reporting Program adopted in connection with the 2018 LRDP EIR.
  - (3) Approve the design of the East Campus Loop Road project, San Diego campus.

Committee vote: Chu, Cohen, Drake, Elliott, Ellis, Lee, Makarechian, Matosantos, Pérez, Reilly, and Sherman voting “aye.”

Board vote: Regents Anguiano, Batchlor, Chu, Cohen, Ellis, Hernandez, Kounalakis, Leib, Makarechian, Matosantos, Park, Pérez, Raznick, Reilly, Sarris, Sherman, and Tesfai voting “aye.”

**3. CLASSROOM AND OFFICE BUILDING III, MERCED CAMPUS:  
PRELIMINARY PLANS FUNDING**

The Committee recommends that:

- A. The 2022-23 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

Merced: Classroom and Office Building III – preliminary plans – \$8.6 million, to be funded from external financing supported by State General Fund appropriations (\$8.6 million).

- B. The President of the University be authorized to obtain external financing for the Classroom and Office Building III project of \$8.6 million plus related interest expense and additional related financing costs and declare that external financing may be used to reimburse prior expenditures. The President shall require that:

- (1) The primary source of repayment shall be from State General Fund appropriations, pursuant to the Education Code Section 92493 et seq. Should State General Fund appropriation funds not be available, the President shall have the authority to use any legally available funds to make debt service payments.
- (2) The general credit of the Regents shall not be pledged.
- (3) Any reimbursements will meet all requirements set forth in Treasury Regulations Section 1.150-2.

Committee vote: Chu, Cohen, Drake, Elliott, Ellis, Lee, Makarechian, Matosantos, Pérez, Reilly, and Sherman voting “aye.”

Board vote: Regents Anguiano, Batchlor, Chu, Cohen, Ellis, Hernandez, Kounalakis, Leib, Makarechian, Matosantos, Park, Pérez, Raznick, Reilly, Sarris, Sherman, and Tesfai voting “aye.”

4. **UNDERGRADUATE TEACHING AND LEARNING FACILITY, RIVERSIDE CAMPUS: BUDGET, SCOPE, EXTERNAL FINANCING, AND DESIGN FOLLOWING CONSIDERATION OF AN ADDENDUM TO THE 2021 LONG RANGE DEVELOPMENT PLAN ENVIRONMENTAL IMPACT REPORT PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

The Committee recommends that:

- A. The 2023-24 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:
- From: Riverside: Undergraduate Teaching and Learning Facility – preliminary plans – \$6.8 million, to be funded from external financing supported by State appropriations.
- To: Riverside: Undergraduate Teaching and Learning Facility – preliminary plans, working drawings, construction, and equipment – \$156.3 million to be funded from external financing supported by State appropriations (\$154.5 million) and campus funds (\$1.8 million).
- B. The scope of the Undergraduate Teaching and Learning Facility project (Project) be approved. The Project shall provide approximately 100,700 gross square feet, including classrooms, studios, and instructional laboratory spaces. The Project would also provide study facilities, support spaces, and exterior site improvements such as landscaping and gathering spaces.
- C. The President of the University be authorized to obtain additional external financing of \$147.7 million in a total amount not to exceed \$154.5 million plus related interest expense and additional related financing costs to finance Undergraduate Teaching and Learning Facility and declare that external financing may be used to reimburse prior expenditures. The President shall require that:
- (1) The primary source of repayment shall be from State General Fund appropriations. Should State General Funds appropriation funds not be available, the President shall have the authority to use any legally available funds to make debt service payments.
  - (2) The general credit of the Regents shall not be pledged.
  - (3) Any reimbursements will meet all requirements set forth in Treasury Regulations Section 1.150-2.
- D. Following review and consideration of the environmental consequences of the Undergraduate Teaching and Learning Facility 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 to

the Regents no less than 48 hours in advance of the beginning of the Regents meeting, testimony or written materials presented to the Regents during the scheduled public comment period, and the item presentation, the Regents:

- (1) Adopt the CEQA Findings for the Undergraduate Teaching and Learning Facility project, having considered both the 2021 Long Range Development Plan (LRDP) Environmental Impact Report (EIR) for the Riverside campus and Addendum No. 2 to the 2021 LRDP EIR for the Undergraduate Teaching and Learning Facility project.
- (2) Make a condition of approval the implementation of applicable mitigation measures within the responsibility and jurisdiction of the Riverside campus as identified in the Mitigation Monitoring and Reporting Program adopted in connection with the 2021 LRDP EIR.
- (3) Approve the design of the Undergraduate Teaching and Learning Facility, Riverside campus.

Committee vote: Chu, Cohen, Drake, Elliott, Ellis, Lee, Makarechian, Matosantos, Pérez, Reilly, and Sherman voting “aye.”

Board vote: Regents Anguiano, Batchlor, Chu, Cohen, Ellis, Hernandez, Kounalakis, Leib, Makarechian, Matosantos, Park, Pérez, Raznick, Reilly, Sarris, Sherman, and Tesfai voting “aye.”