FINANCE AND CAPITAL STRATEGIES COMMITTEE
September 30, 2021

TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

1. CONSENT AGENDA

A. Preliminary Plans Funding, Neuropsychiatric Replacement Hospital, UCLA Health, Los Angeles Campus

The Committee recommends that the 2021-22 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

Los Angeles: Neuropsychiatric Replacement Hospital – preliminary plans – $22.5 million to be funded with hospital reserves.

B. Preliminary Plans Funding, UCSF Benioff Children’s Hospital Oakland Master Facilities Plan Phase 2 Including New Hospital Pavilion, San Francisco Campus

The Committee recommends that the 2021-22 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

San Francisco: UCSF Benioff Children’s Hospital Oakland Master Facilities Plan Phase 2 Including New Hospital Pavilion – preliminary plans – $90 million funded from hospital reserves.

Committee vote: Regents Cohen, Drake, Estolano, Kounalakis, Leib, Lott, Makarechian, Reilly, and Sherman voting “aye.”


2. BUDGET, SCOPE, AND EXTERNAL FINANCING, STUDENT HOUSING AND OPEN SPACE COMPONENTS; AND DESIGN, ALL COMPONENTS, FOLLOWING ACTION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, HOUSING PROJECT #2, BERKELEY CAMPUS

The Committee recommends that:

A. The 2021-22 Budget for Capital Improvements and the Capital Improvement
Program be amended as follows:

From: Berkeley: People’s Park Housing – preliminary plans – $10.13 million, to be funded with campus funds.

To: Berkeley: Student Housing and Open Space Components – Housing Project #2 – preliminary plans, working drawings, construction, and equipment – $312,047,000 to be funded with external financing.

B. The scope of the Student Housing and Open Space Components – Housing Project #2 project shall provide approximately 326,500 gross square feet (gsf) of housing space, supplying 1,113 beds, related commons space, and approximately 1.7 acres of open green space.

C. The President of the University be authorized to obtain external financing not to exceed $312,047,000, plus additional related financing costs for the Student Housing and Open Space Components – Housing Project #2 project. The President shall require that:

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

2. As long as the debt is outstanding, general revenues from the Berkeley 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.

D. Following review and consideration of the environmental consequences of Housing Project #2 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 this Regents meeting, testimony or written materials presented to the Regents during the scheduled public comment period, and the item presentation, the Regents shall:

1. Adopt as conditions of approval of Housing Project #2 all applicable Mitigation Measures and Continuing Best Practices within the responsibility and jurisdiction of the University.

2. Adopt the Mitigation Monitoring and Reporting Program for Housing Project #2.

3. Following review and consideration of the previously certified Environmental Impact Report for the UC Berkeley 2021 Long Range Development Plan and Housing Projects #1 and #2, determine that no
Further environmental analysis pursuant to CEQA is required and adopt CEQA Findings and Statement of Overriding Considerations specific to Housing Project #2.

(4) Approve the Project design of the Housing Project #2 project, Berkeley campus.

E. The President or designee be authorized, in consultation with the Office of the General Counsel, to execute all documents necessary in connection with the above.

Committee vote: Regents Cohen, Drake, Estolano, Leib, Lott, Makarechian, Reilly, and Sherman voting “aye.”


3. 2021 LONG RANGE DEVELOPMENT PLAN FOLLOWING ACTION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, SANTA CRUZ CAMPUS

The Committee recommends that, following review and consideration of the environmental consequences of the proposed UC Santa Cruz 2021 Long Range Development Plan (LRDP), 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 this Regents meeting, testimony or written materials presented to the Regents during the scheduled public comment period, and the item presentation, the Regents:

A. Certify the Final Environmental Impact Report for the UC Santa Cruz 2021 LRDP.

B. Make a condition of approval the implementation of applicable mitigation measures within the responsibility and jurisdiction of UC Santa Cruz as identified in the Mitigation Monitoring and Reporting Program adopted in connection with the 2021 LRDP EIR.

C. Adopt the Mitigation Monitoring and Reporting Program (MMRP) for the UC Santa Cruz LRDP.

D. Adopt the CEQA Findings and Statement of Overriding Considerations (SOC) for the UC Santa Cruz 2021 LRDP.
E. Approve the UC Santa Cruz 2021 LRDP.

Committee vote: Regents Cohen, Drake, Estolano, Kounalakis, Leib, Lott, Makarechian, Reilly, and Sherman voting “aye.”


4. **BUDGET, EXTERNAL FINANCING, AND DESIGN FOLLOWING ACTION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, HILLCREST OUTPATIENT PAVILION AND PARKING STRUCTURE, SAN DIEGO CAMPUS**

The Committee recommends to the Regents that:

A. The 2021-22 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

   From: San Diego: Hillcrest Outpatient Pavilion and Parking Structure – preliminary plans and working drawings – $38,179,000 to be funded from campus funds ($13,363,000) and external financing ($24,816,000).

   To: San Diego: Hillcrest Outpatient Pavilion and Parking Structure – preliminary plans, working drawings, construction, and equipment – $550,275,000 to be funded from Medical Center Pooled Revenue Bonds ($280 million), external financing ($94.47 million), campus funds ($104.16 million), operating leases ($43,607,000), and hospital reserves ($28,038,000).

B. The President of the University be authorized to obtain external financing from the Medical Center Pooled Revenue Bond 2020 Series N bonds in an amount not to exceed $280 million to finance the Hillcrest Outpatient Pavilion. The UC San Diego Medical Center shall satisfy the following requirements:

   (1) As long as the debt is outstanding, the general revenues of the UC San Diego Medical Center shall be maintained in amounts sufficient to pay the debt service and to meet the requirements of the authorized financing.

   (2) The general credit of the Regents shall not be pledged.
C. The President be authorized to obtain external financing in an amount not to exceed $94.47 million plus additional related financing costs to finance the Hillcrest Parking Structure. 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 from the San Diego Campus shall be maintained in amounts sufficient to pay the debt service and to meet the requirements of the authorized financing.

(3) The general credit of the Regents shall not be pledged.

D. Following review and consideration of the environmental consequences of the proposed 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 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 Hillcrest Outpatient Pavilion and Parking Structure project, having considered the 2019 Long Range Development Plan Environmental Impact Report (2019 LRDP EIR) for the Hillcrest Campus as well as Addendum No. 1 to the 2019 LRDP EIR for the Hillcrest Outpatient Pavilion and Parking project.

(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 2019 LRDP EIR for the Hillcrest Campus and revised in Addendum No. 1 to the 2019 LRDP EIR.

(3) Approve the design of the Hillcrest Outpatient Pavilion and Parking Structure project, San Diego Campus.

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

Committee vote: Regents Cohen, Drake, Estolano, Kounalakis, Leib, Lott, Makarechian, Reilly, and Sherman voting “aye.”

5. AMENDMENT TO UNIVERSITY OF CALIFORNIA 2020-21 BUDGET FOR STATE CAPITAL IMPROVEMENTS AND APPROVAL OF UNIVERSITY OF CALIFORNIA 2022-23 BUDGET FOR STATE CAPITAL IMPROVEMENTS

The Committee recommends to the Regents that:

A. The amended 2020-21 Budget for State Capital Improvements be approved as shown below:

<table>
<thead>
<tr>
<th>State General Funds Financed ($000s)</th>
<th>Approved Budget Sept 2020</th>
<th>Proposed Change</th>
<th>Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Los Angeles Public Affairs Building Seismic Improvements</td>
<td>$25,000</td>
<td></td>
<td>$25,000</td>
</tr>
<tr>
<td>Riverside School of Medicine Education Building II</td>
<td>$93,600</td>
<td></td>
<td>$93,600</td>
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<tr>
<td>Systemwide UC Center in Sacramento</td>
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<td>$11,400</td>
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<tr>
<td>Systemwide 2020-21 UC Seismic Program Supported by State Resources</td>
<td>$189,327</td>
<td>($21,900)</td>
<td>$167,427</td>
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<td>Systemwide 2020-21 Planning for Future State Capital Outlay</td>
<td>$57,000</td>
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<td>$56,279</td>
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<td>Davis Sprocket Building Seismic</td>
<td>$12,000</td>
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<td>$12,000</td>
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<tr>
<td>Merced Health and Behavioral Sciences Building (portion of preliminary plans)</td>
<td>$7,800</td>
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<td>$7,800</td>
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<tr>
<td><strong>Capital Projects Total</strong></td>
<td><strong>$396,127</strong></td>
<td><strong>($21,900)</strong></td>
<td><strong>$374,227</strong></td>
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<tr>
<td>2020-21 Systemwide State Deferred Maintenance Program</td>
<td>$35,000</td>
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<td>$35,000</td>
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<tr>
<td><strong>TOTAL STATE FUNDS FINANCED</strong></td>
<td><strong>$431,127</strong></td>
<td><strong>($21,900)</strong></td>
<td><strong>$409,227</strong></td>
</tr>
</tbody>
</table>

B. The 2022-23 Budget for State Capital Improvements be approved as shown below:

<table>
<thead>
<tr>
<th>State General Funds Financed ($000s)</th>
<th>Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Diego Central Utility Plant and Mandell Weiss Theater and Shop Seismic Improvements</td>
<td>$21,900</td>
</tr>
<tr>
<td><strong>TOTAL STATE FUNDS FINANCED</strong></td>
<td><strong>$21,900</strong></td>
</tr>
</tbody>
</table>

Committee vote: Regents Cohen, Drake, Estolano, Kounalakis, Leib, Lott, Makarechian, Reilly, and Sherman voting “aye.”