

FINANCE AND CAPITAL STRATEGIES COMMITTEE AND HEALTH SERVICES COMMITTEE

September 16, 2026

TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

LA JOLLA OUTPATIENT PAVILION, SAN DIEGO CAMPUS: BUDGET, SCOPE, EXTERNAL FINANCING, AND DESIGN FOLLOWING CONSIDERATION OF AN ADDENDUM TO THE LA JOLLA CAMPUS LONG RANGE DEVELOPMENT PLAN AND SUBSEQUENT ENVIRONMENTAL IMPACT REPORT PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

The Finance and Capital Strategies Committee recommends that the Regents:

- A. Amend the 2026-27 Budget for Capital Improvements and the Capital Improvement Program as follows:
 - From: San Diego: La Jolla Outpatient Pavilion – preliminary plans – \$30 million, to be funded from hospital reserves.
 - To: San Diego: La Jolla Outpatient Pavilion – preliminary plans, working drawings, construction, and equipment – \$434.21 million, to be funded from external financing (\$329.21 million) and hospital reserves (\$105 million).
- B. Approve the scope of the La Jolla Outpatient Pavilion project. The project shall provide approximately 183,000 gross square feet, including Orthopedic, Spine, and Neurosurgery Clinics, a perioperative and procedural platform, imaging and theranostics, rehabilitation, urgent care, 23-hour capabilities, and building support functions.
- C. Authorize the President of the University to obtain external financing in an amount not to exceed \$329.21 million plus additional related financing costs to finance the La Jolla Outpatient Pavilion 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 revenues of the San Diego Health 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 La Jolla Outpatient Pavilion, 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:
- (1) Adopt the CEQA Findings for the La Jolla Outpatient Pavilion project, having considered the 2018 Long Range Development Plan (LRDP) Environmental Impact Report (EIR) and Subsequent EIR (SEIR) for the La Jolla Campus and Addendum No. 1 to the LRDP SEIR.
 - (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 and SEIR; and as described in Addendum No. 1.
- E. Approve the design of the La Jolla Outpatient Pavilion project, San Diego campus.

Finance and Capital Strategies Committee vote: Regents Anguiano, Areias, Craven, Kounalakis, Lee, Makarechian, Melton, Milliken, Robertson, and Robinson voting “aye.”

Board vote: Regents Anguiano, Areias, Cohen, Craven, Hernandez, Makarechian, Matosantos, Melton, Milliken, Reilly, Robinson, Sarris, and Tokita voting “aye.”