

The Regents of the University of California

COMMITTEE ON GROUNDS AND BUILDINGS

July 15, 2008

The Committee on Grounds and Buildings met on the above date at University Center, Santa Barbara Campus.

Members present: Regents Hopkinson, Reiss, Ruiz, Schilling, Shewmake, Yudof; Advisory Member Croughan

In attendance: Regents Hotchkis and Scorza, Regents-designate Bernal, Nunn Gorman and Stovitz, Secretary and Chief of Staff Griffiths, Associate Secretary Shaw, General Counsel Robinson, Chief Compliance Officer Vacca, Provost Hume, Executive Vice Presidents Darling and Lapp, and Recording Secretary Lopes

The meeting convened at 12:10 p.m. with Committee Chair Schilling presiding.

1. APPROVAL OF MINUTES OF PREVIOUS MEETINGS

Upon motion duly made and seconded, the minutes of the meetings of May 13 and May 27, 2008, were approved.

2. READING OF NOTICE OF MEETING

For the record, it was confirmed that notice had been given in compliance with the Bylaws and Standing Orders for a Special Meeting of the Committee on Grounds and Buildings, for this date and time, for the purpose of addressing an item on the Committee's agenda.

3. CONSENT AGENDA

A. *Amendment of the Budget for Capital Improvements and the Capital Improvement Program, Berkeley Art Museum and Pacific Film Archive (BAM/PFA), Berkeley Campus*

The President recommended that the 2008-09 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: Berkeley: Berkeley Art Museum and Pacific Film Archive – partial preliminary plans and design development – \$3,500,000, to be funded from gifts.

To: Berkeley: Berkeley Art Museum and Pacific Film Archive – preliminary plans and design development – \$12,000,000, to be funded from gifts.

B. *Amendment of the Budget for Capital Improvements and the Capital Improvement Program, Segundo Services Center, Davis Campus*

The President recommended that the 2008-09 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

Davis: Segundo Services Center - preliminary plans -\$1,498,000 to be funded from Housing Reserves.

C. *Amendment of the Budget for Capital Improvements and the Capital Improvement Program and Approval of External Financing, Student Community Center, Davis Campus*

The President recommended that:

- (1) The 2008-09 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

Davis: Student Community Center - preliminary plans, working drawings, and construction - \$30,393,000 to be funded from external financing (\$23,393,000), Campus Expansion Initiative reserves (\$5,500,000), and Facilities and Campus Enhancement reserves (\$1,500,000).

- (2) The President be authorized to approve external financing not to exceed \$23,393,000 to finance the Student Community Center, subject to the following conditions:

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

- b. As long as the debt is outstanding, the Campus Expansion Initiative Fee approved by student vote in November 2002 and approved by the President in March 2003, Registration Fees, and the Davis campus' share of the University Education Fund shall be maintained in amounts sufficient to pay the debt service and to meet the related requirements of the authorized financing.

- c. The general credit of the Regents shall not be pledged.

- (3) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

D. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program and Approval of External Financing, Stem Cell Research Building, Irvine Campus***

The President recommended that:

- (1) The 2008-09 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: Irvine: Irvine Biomedical Research Facility 4 (IBRF-4) — preliminary plans — \$1,882,000, to be funded from campus ground lease revenues.

To: Irvine: Stem Cell Research Building — preliminary plans, working drawings, construction, and equipment – \$66,617,000, to be funded from California Institute for Regenerative Medicine (CIRM) funds (\$27,156,000), external financing (\$15,000,000), gifts (\$23,307,000), and equipment grants (\$1,154,000).

- (2) The President be authorized to obtain external financing not to exceed \$15,000,000 to finance the Stem Cell Research Building, subject to the following conditions:

- a Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.
- b. As long as the debt is outstanding, the Irvine campus' share of the University Opportunity Fund shall be maintained in amounts sufficient to pay the debt service and to meet the related requirements of the authorized financing.
- c. The general credit of the Regents shall not be pledged.

- (3) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

E. ***Amendment of the Budget for Capital Improvements and the Capital Improvement Program and Approval of External Financing, Student Housing Phase 3, Merced Campus***

The President recommended that:

- (1) The 2008-09 Budget for Capital Improvements and the Capital Improvement Program be amended to include the following project:

Merced: Student Housing Phase 3 - Preliminary plans, working drawings, construction, and equipment - \$42,000,000 to be funded from external financing.

- (2) The President be authorized to obtain external financing not to exceed \$42,000,000 to finance the Student Housing Phase 3 project subject to the following conditions:

- a. Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.
- b. As long as the debt is outstanding, University of California Housing System fees for the Merced Campus shall be established at levels sufficient to meet all requirements of the University of California Housing System Revenue Bond Indenture, and to provide excess net revenues sufficient to pay the debt services and to meet the related requirements on the proposed financing.
- c. The general credit of the Regents shall not be pledged.

- (3) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

F. *Amendment of the Budget for Capital Improvements and the Capital Improvement Program and Approval of External Financing, Telemedicine and Prime-HEq Education Facility, San Diego Campus*

The President recommended that:

- (1) The 2008-09 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: San Diego: Telemedicine and PRIME-HEq Education Facility
 – preliminary plans, working drawings, construction, and equipment
 – \$60,227,000 to be funded from State funds (\$35,000,000), external financing (\$20,457,000), capitalized leases (\$1,950,000), campus funds (\$2,320,000) and University funds (\$500,000).

To: San Diego: Telemedicine and PRIME-HEq Education Facility

- preliminary plans, working drawings, construction, and equipment
- \$65,026,000 to be funded from State funds (\$35,000,000), external financing (\$25,256,000), capitalized leases (\$1,950,000), campus funds (\$2,320,000), and University funds (\$500,000).

- (2) The President be authorized to obtain external financing not to exceed \$25,256,000 to finance the Telemedicine and PRIME-HEq Education Facility, subject to the following conditions:
 - a. Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.
 - b. Repayment of financing shall be from the San Diego Campus share of the University Opportunity Fund.
 - c. The general credit of the Regents shall not be pledged.
- (3) The Officers of The Regents be authorized to provide certification that interest paid by the Regents is excluded from gross income for purposes of federal income taxation under existing law.
- (4) The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

G. *Adoption of Findings and Amendment of the Long Range Development Plan, Mission Bay Planning Principles, San Francisco Campus*

The President recommended that upon review and consideration of the environmental consequences of the proposed project, the Committee:

- (1) Adopt the Findings that the proposed amendment to the Long Range Development Plan (LRDP) is exempt from the California Environmental Quality Act.
- (2) Amend the LRDP Chapter 4: Goals and Objectives to reference Mission Bay Planning Principles.
- (3) Add the LRDP Appendix K: Mission Bay Planning Principles to the LRDP, San Francisco Campus.

Committee Chair Schilling noted that, for each item on the Consent Agenda that proposes a design approval, the Committee members have been provided with the environmental documentation prepared pursuant to the California Environmental Quality Act (CEQA) and

with copies of all public comments received and responses prepared by the University. Committee members have reviewed and considered the information received.

Upon motion duly made and seconded, the Committee approved the President's recommendations and voted to present them to the Board.

4. UPDATE ON THE 2008-09 STATE CAPITAL IMPROVEMENT BUDGET

Vice President Lenz provided an update on the State Capital Improvement Budget for 2008-09. In January, the Governor proposed capital funding from a general obligation bond of \$395 million per year over the next two years to fund UC capital facilities projects. Concerns have been raised regarding the ability of the state General Fund to support a new capital facilities bond, and whether higher education alone, without K-12, could successfully pursue a general obligation bond on the November ballot. The Legislature reviewed the capital facilities projects and adopted the recommendation that unused bond funding be directed only to complete current projects and deleted from the budget all capital facilities projects tied to a future funding source. In effect, \$288 million in UC projects have been deleted from the budget. The Legislature also deleted projects for the California State University (CSU) and the California Community Colleges.

The campuses and chancellors have sought to inform the Legislature of the impact of deleting these projects from the budget. Projects may include critically needed seismic retrofits or be tied to matching donor funds, which may be lost as a result. A general obligation bond on the November ballot appears unlikely. The University has recently been working with CSU to change direction in pursuing a different revenue source to fund projects for both the 2008-09 and 2009-10 fiscal years.

President Yudof and CSU Chancellor Reed wrote a letter to the Governor requesting consideration of lease revenue bonds instead of general obligation bonds for capital facilities projects for both UC and CSU. Community colleges did not join in the proposal because of their different debt service situation and their Proposition 98 funding.

In response to a question by Regent Reiss, Mr. Lenz advised that of the bonds passed a few years ago, about \$22.6 million in unspent general obligation bond funds remain from prior years, but these funds are designated for the last stages of some projects and for preliminary plans and working drawings to keep the building process moving. The items before the Committee today are funded by external funding or gift funds. Only one project currently before the Committee requires State funding.

Regent Reiss expressed the hope that President Yudof would work with the chancellors to integrate the requests before the Committee into a multi-year strategic plan which considers financing, debt, capital outlays and priorities. Regent Hopkinson requested that Executive Vice President Lapp respond to this request, stating that this structure is in fact in place but

could perhaps be improved.

Ms. Lapp explained that the Office of the President comes before the Committee with a State capital plan addressing priorities and needs over five years, including an explanation of how each campus plan relates to its academic plan. This document is provided to the Committee each November. Additionally, substantial modification to the manner in which the Committee receives the plan is anticipated. As a result of work with the Monitor Group, each campus should come before the Committee every other year to provide a long-term plan comprised of design, academic and financial elements. Chancellors will set out priorities and intended funding. Once approval has been provided by the Committee, the campus will begin implementation and report to the Committee on a regular basis regarding progress on the projects, timeliness, budget status, and accountability. The reforms are designed to allow campuses to be more nimble in getting the projects off the ground, to expedite and eliminate unnecessary delays, to ensure timely, on-budget results, and regular communication with the Committee.

In response to an inquiry from Regent Ruiz regarding operational costs and the cash flow for buildings, Mr. Lenz informed the Committee that debt service has traditionally been funded by the State. However, given the current fiscal standing of the State, this tradition is in question. Operational costs (such as maintenance) are built into the marginal cost of the budget received from the State. Regent Reiss noted that these issues overlap with issues considered by the Finance Committee.

Ms. Lapp advised that the Office of the President reviews each campus operating budget to ensure appropriate funding to cover the operations of new buildings. The Committee on Grounds and Buildings traditionally did not see the budget/capital side of the projects. This practice has changed in the last few years to now provide this information. The Office of the President remains the reviewer for ensuring that capital projects are consistent with campus operating budgets.

5. **AMENDMENT OF THE BUDGET FOR CAPITAL IMPROVEMENTS AND THE CAPITAL IMPROVEMENT PROGRAM AND APPROVAL OF EXTERNAL FINANCING, BIOMEDICAL AND HEALTH SCIENCES BUILDING, BERKELEY CAMPUS**

The President recommended that:

- A. The 2006-07 and 2008-09 Budgets for Capital Improvements and the Capital Improvement Program be amended as follows:

From: Berkeley: Biomedical and Health Sciences Building – preliminary plans, working drawings, and construction – \$256,653,000, to be funded from gifts (\$128,900,000), State funds (\$52,700,000), and external financing

(\$75,053,000).

To: Berkeley: Biomedical and Health Sciences Building – preliminary plans, working drawings, and construction – \$266,153,000, to be funded from gifts (\$108,716,500), State funds (\$52,700,000), California Institute for Regenerative Medicine grant funds (\$20,183,500), campus funds (\$1,000,000), and external financing (\$83,553,000).

Deletions shown by strikeout; additions by underscore

- B. The President be authorized to obtain external financing not to exceed ~~\$75,053,000~~ \$83,553,000 to finance Step 1 of the Biomedical and Health Sciences project, subject to the following conditions:
- (1) Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.
 - (2) Repayment of the debt shall be from the Berkeley campus' shares of the University Education Fund and the University Opportunity Fund.
 - (3) The general credit of the Regents shall not be pledged.
- C. The President be authorized to obtain standby financing not to exceed ~~\$57,000,000~~ \$49,429,000 prior to awarding a construction contract for any gift funds not received by that time and subject to the following conditions:
- (1) Interest only, based on the amount drawn down, shall be paid on the outstanding balance during the construction period.
 - (2) Repayment of any financing shall be from gift funds and, in the event such gift funds are insufficient, from the Berkeley campus share of the University Opportunity Fund.
 - (3) The general credit of the Regents shall not be pledged.
- D. The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

[Background material was mailed to the Committee in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

UCB Vice Chancellor Denton reported that the project (a 200,000 square foot building, currently in construction, which will house medical research) is 100 percent bid, in two

phases. The first phase, of structural steel, demolition and site work, is on budget. The second phase is not. Cost savings incorporated into the project were exercised but failed to mitigate the cost increase, necessitating this return to request \$9.5 million in additional funds for this \$266 million project.

Regent Ruiz questioned the stated corresponding reduction in gifts of \$20 million, and further, whether delays had caused a loss of revenue. Mr. Denton reported that the biomedical and health sciences building is a four-step project valued at \$266 million with a complex funding scenario for all four steps. This item seeks augmentation of a subproject, Step 1. UCB received a grant of more than \$20 million from the California Institute for Regenerative Medicine (CIRM) which allowed reallocation or offset of that amount to other related purposes.

Regent Reiss noted that the augmentation is \$9.5 million, with \$1 million from campus funds and an increase in debt service of \$61,000. Mr. Denton advised that the \$1 million in equity is from discretionary sources of the campus with the remaining borrowing adding \$61,000 to the debt service of the project. Ms. Lapp advised this means organizing to ensure that all the projects are reviewed by their external financing team before they come before the Regents.

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board.

6. CONSIDERATION OF THE 2020 LONG RANGE DEVELOPMENT PLAN ENVIRONMENTAL IMPACT REPORT (2005) AND ADDENDA AND APPROVAL OF DESIGN, LAW BUILDING INFILL, BERKELEY CAMPUS

The President recommended that, upon review and consideration of the environmental consequences of the proposed project as described in the Addendum to the 2020 Long Range Development Plan Environmental Impact Report (LRDP EIR), the Committee:

- A. Adopt the Findings.
- B. Approve the design, Law Building Infill, Berkeley campus.

[Background material was mailed to the Committee in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Committee Chair Schilling noted that the Committee members have been provided with the environmental documentation prepared pursuant to the California Environmental Quality Act (CEQA) and with copies of all public comments received and responses prepared by the University.

UCB Vice Chancellor Denton began his presentation by reminding the Committee that the campus had come before the Regents twice earlier this year for preliminary design approvals. They are now seeking final approval. The project, called the “infill,” takes an existing courtyard surrounded by the Boalt Hall School of Law on Bancroft Avenue, goes down two levels and builds a new library there, and on the upper level, builds a café and student lounge. Vexing design problems and the need for access between the existing building and new building have prompted significant breakthroughs in both design and cost control.

Associate Vice Chancellor Gayle reiterated that in January and March, the campus had indicated a desire to further study and refine the design in the interest of economy and value. The law school is in the southeast area of the campus. Dean Edley recounted the critical purposes of the project at the January meeting. The project site is currently an under-utilized plaza which would be transformed by this project, by excavation and the addition of a new pavilion for classrooms, student group use, and a café, as well as a rooftop terrace. From the street view, there will be trees added. The pavilion will be transparent and benign as it approaches the street, with the existing Boalt facility beyond.

Associate Vice Chancellor Gayle continued that the eastern entry will provide a clear entry point or front door, something that has, in the view of many, been missing. The west side, above street elevation, will provide opportunity for breakout space and meetings. The next level consists of library space, seminar rooms and library staff areas. The import of this project will be that except for the reading room, all existing law library functions will move to this new facility. In the lowest level, all stacks will be relocated from the existing building to this level. The project incorporates classroom and community, a café and student meeting space as well as an opportunity for major renovation. The roof terrace will have light wells and daylight. The new design will have a circulation spine that takes advantage of the roof garden level and brings the elevators into the new space, obviating the need for significant excavation and cost. The new design, with transparent building, maintains the perceived green, soft edge of the building by the addition of new street trees and a green edge consisting of trellises along the façade which provide a baffle and allow view out from the pavilion while screening its presence from passers-by. Materials used in the pavilion are related to the existing Boalt Hall complex but avoid the severity of the neo-classical presence. The structure will have wood soffits so pedestrians passing on the sidewalk, or students in the café or study spaces, will have a warm wood-toned environment.

As to sustainability, Associate Vice Chancellor Gayle advised the LEED Gold certification is being pursued with features that include a significant investment in rainwater runoff retention from both the existing building and the new construction. A significant increase in square footage has been effected by the design modification, from 60,000 to approximately 80,000 gross square feet, with budget and construction costs remaining the same. The investment has been leveraged to renovate more space than originally presented in January.

Regent Hopkinson complimented the project but questioned the conflicting statements of

actual square footage, and the square footage cost of \$705. She further inquired regarding legislative constraints which increase costs. Executive Vice President Lapp advised that earlier in the year there were positive developments, but it is not now anticipated that changes will come out of this session of the Legislature.

Regent Schilling suggested that the Office of the President communicate with the Committee regarding the legislation and use the Committee members to communicate with legislators regarding modification of the legislative constraints. Ms. Lapp offered to brief Committee members regarding proposed changes.

Regent Reiss expressed pride regarding current policies on sustainable practices but inquired regarding the failure to use solar energy. Associate Vice Chancellor Gayle advised that the generation of electricity by solar power is difficult to do on an individual building basis given the programmatic needs and design requirements of the project. Cost per square foot of a photovoltaic system at this scale would not be cost-effective. Vice Chancellor Denton added that the roof area is being utilized for plaza and roof gardens. Mr. Gayle noted that the use of photovoltaic systems is being explored whenever it is feasible on other projects.

Regent Hopkinson requested explanation of the square footage cost. Mr. Gayle agreed that the cost is higher than it would be for a library built on grade or without the construction complications of this project. The issue has been explored and less expensive configurations considered, but only this configuration advanced the Boalt goals of reorganizing space utilization and received program support. Mr. Denton emphasized that a significant issue is the shoring of existing buildings on three sides, and a street on the fourth side. Originally, building up was considered, but that option was not accepted by the design review committee. Regent Hopkinson praised the building design, but expressed misgivings about the square footage cost, estimating that it is twice the square footage cost she expected.

Faculty Representative Croughan thanked and commended the design team, adding that removal of the elevator issue, creation of light, student study areas, and a café at ground level with a courtyard, landscaping, and reconfiguration of library storage are major improvements. The design further allows space in other buildings to be emptied, improving utilization.

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board.

7. AMENDMENT OF THE BUDGET FOR CAPITAL IMPROVEMENTS AND THE CAPITAL IMPROVEMENT PROGRAM AND APPROVAL OF EXTERNAL FINANCING, HEALTH SCIENCES SURGE BUILDING, RIVERSIDE CAMPUS

The President recommended that:

- A. The 2008-09 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:
- From: Riverside: Health Sciences Surge Building – preliminary plans \$1,747,000 to be funded from funds available to the campus.
- To: Riverside: Health Sciences Surge Building preliminary plans, working drawings, and construction – \$36,371,000 to be funded from external financing (\$30,000,000) and funds available to the campus (\$6,371,000).
- B. The President be authorized to obtain external financing not to exceed \$30,000,000 to finance the Health Sciences Surge Building project, subject to the following conditions:
- (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, the Riverside campus' share of the University Opportunity Fund 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.
- C. The Officers of The Regents be authorized to execute all documents necessary in connection with the above.

[Background material was mailed to the Committee in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

UCR Vice Chancellor Bolar and Associate Vice Chancellor Ralston requested approval and finance authorization for the Health Sciences Surge Building with a total project cost of approximately \$36 million, \$30 million to be externally financed, with \$6 million provided by campus reserves.

The project will provide 37,000 assignable square feet for research laboratories, research support, office and office support space to accommodate the emerging biological sciences and biomedical areas of the campus and related research initiatives. The space will also be available to the proposed School of Medicine as transition space for that effort.

Regent Reiss requested information on the opportunity and education fund use by campuses for their debt service for fiduciary reasons. Executive Vice President Lapp offered to provide

such briefing to Regent Reiss at her convenience.

Upon motion duly made and seconded, the Committee approved the President's recommendation and voted to present it to the Board.

8. ADOPTION OF MITIGATED NEGATIVE DECLARATION AND APPROVAL OF DESIGN, PORTER COLLEGE HOUSE B ADDITION, SANTA CRUZ CAMPUS

The President recommended that upon review and consideration of the environmental consequences of the proposed project, the Committee:

- A. Adopt the Initial Study and Mitigated Negative Declaration.
- B. Adopt the Findings.
- C. Approve the design for 120 new student rooms to be added to the existing Porter College House B in connection with the Porter College Seismic and Capital Renewal Phase 1 and House B Addition project, including alterations to the fifth floor and addition of sixth floor, Santa Cruz campus.

[Background material was mailed to the Committee in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Committee Chair Schilling introduced this proposal for design approval for the Porter College House B Addition at the Santa Cruz Campus. The Committee has received the environmental documentation prepared pursuant to the California Environmental Quality Act which analyzes the impacts of the proposed Project, and with copies of all public comments received and responses prepared by the University. The members of the Committee have reviewed and considered the information received, including any comments presented orally or in writing to the Committee today.

Associate Vice Chancellor Zwart, campus architect, presented the project, which is an addition of 120 beds at Porter College. Porter College is the fifth of the UC Santa Cruz residential colleges and is located on the west side of the campus. The College, as with all the colleges at UCSC, is a combination of residential and academic space. There is a two-story academic wing with faculty offices and classrooms; to the west is a one and two-story dining hall and to the north are the two residence halls: House A and House B. Both of these houses are C-shaped and form a pleasant courtyard in the middle.

Mr. Zwart presented images to provide a general design sense. The buildings are low against the meadow with the taller portions of housing in the background. The general construction of the complex is exposed concrete frame infilled with white plaster walls and aluminum window glazing. Views of the college today maintain that general feeling. It is fairly

densely treed and there is a limited view of the face of House B. Access is across a moat of sorts used as a sculpture garden. The original architect made a significant effort to carve out the building so the façade would not overwhelm the courtyard. In adding floors to its top, they have followed that design. The fifth floor will be removed and reconstructed and another floor and roof will be added on top. The campus hopes to return in less than a year with a proposal for a similar addition at Porter House A, though in the case of Porter A, it is hoped that two floors of rooms will be added.

Mr. Zwart continued, noting that this project began as a seismic and major maintenance project. The structural engineers and architects put significant effort into a seismic solution that would neither reduce the number of available rooms nor have a marked visual impact on the exterior of the building. This design adds shear walls both at the interior of the building and near the stair towers at the north corner. The existing rooms on the first floor are singles and doubles, with a number of the rooms having exterior balconies. With the removal and reconstruction of this floor comes the opportunity to increase the bed count and many singles will be converted to doubles. Additionally, floor-to-ceiling glass will be added at the end of the corridors to bring natural light and views, thus enhancing livability. Student lounges which have been converted to rooms will be returned to student lounges. In the final design, the intention is to remove the existing clay tile roof, stockpile and then replace on the new roof surface. The added floors initially felt heavy on the courtyard, so to mitigate this impact, the architect developed a glazing system for the windows that will “dematerialize,” or reduce, the apparent mass of the building.

Mr. Zwart opined that this project is likely to be certified LEED Silver. There is a possibility of attaining LEED Gold, which will be strongly pursued by the design team, general contractor and construction manager. Many sustainable features common to all projects at UC Santa Cruz are involved in this project. Of special interest is adding rooms over an existing building, reusing an existing site and utilities, adding rooms without increasing the impervious surface and seeking sources of reclaimed or recycled water. In anticipation, the project is being plumbed to utilize that source, once identified and developed.

Mr. Zwart informed the Committee that the original project was categorically exempt from CEQA due to lack of effect on the environment. As the project was changed to add 120 beds, an initial study and a Mitigated Negative Declaration were prepared. Only one comment was received during the public review period, and one after the close of the period. Neither of the comments changed the conclusions of the initial study and the only significant impact identified was construction noise, which is being mitigated to less than significant levels with requirements to use noise sensitive construction techniques and limited construction hours.

Regent Hopkinson complimented the architecture but questioned the cost per bed computation. A cost of \$23 million for 120 beds would be \$200,000 per bed. The summary of statistics provided reflects \$87,000 per bed. Mr. Zwart explained that the \$87,000 figure

reflects subtraction for the seismic and dining hall costs. The capital renewal project alone, without the addition of beds, is \$59 million.

Regent Reiss expressed concern regarding the letter from the Department of Toxic Substances Control about soil contamination and requesting the mitigation of same. Mr. Zwart advised that the campus is in consultation with the Office of Environmental Health and Safety to ensure compliance.

Committee Chair Schilling asked about the potential for a lawsuit. Mr. Zwart advised that he is in regular communication with the mayor, who approves of the project, and no lawsuit is anticipated.

Upon motion duly made and seconded, the Committee approved the President's recommendation.

9. **PRELIMINARY REVIEW OF DESIGN, STUDENT HOUSING, PHASE 3, MERCED CAMPUS**

This item was withdrawn.

10. **ACADEMIC HEALTH FACILITIES RECONSTRUCTION PLAN, PHASE II, LOS ANGELES CAMPUS**

[Background material was sent to the Committee members in advance of the meeting, and copies are on file in the Office of the Secretary and Chief of Staff.]

Regent Hopkinson congratulated the UCLA team on the opening of the Ronald Reagan UCLA Medical Center. Dr. Gerald Levy, Vice Chancellor and Dean of the School of Medicine, spoke of his recruitment in 1994, the year of the Northridge Earthquake, and the ensuing daily challenge of rebuilding the medical campus. Five new medical research buildings have been constructed, with minimal funding coming from the State of California for those projects. The majority of the funding was private philanthropy and School of Medicine debt. UCLA remains a leader in scientific research while providing for the safety of its scientists. The Ronald Reagan UCLA Medical Center opened June 29, 2008, after fourteen years of negotiations with Federal Emergency Management Agency for funding. Dr. Levy described his task as keeping the dream alive and producing a hospital worthy of patients, their families, staff, nurses and physicians, as well as the name of President Reagan, UCLA, the University of California, and the State of California.

Dr. Levy observed that the seismic rebuilding of the Center for Health Sciences, containing the School of Medicine, the School of Public Health and the Biomedical Library, remains. This is a significant logistical challenge, involving rebuilding facilities for the David Geffen School of Medicine at UCLA, its associated research programs, educational programs and

physician offices, while maintaining their function. The space in the Center for Health Sciences is seismically rated poor by both the State and the University. It must be remediated as soon as possible. Major financial support is needed from the State. Failure to accomplish this could result in attrition of key faculty, impairing the research and teaching programs and diminishing the stature of the School of Medicine. The David Geffen School of Medicine's research programs, which generate approximately \$450 million per year in grant and contract dollars, would be at risk. Ranked seventh in National Institutes of Health funding and fourth overall in Association of American Medical Colleges rankings, UCLA will not continue this record of achievement absent recruiting and retention of the best faculty, medical students and residents. This loss would be tragic for both reputation and financial support for UCLA. Research dollars fuel the research engine, directly enhancing patient care. Loss of this capability and key physicians will negatively impact the Medical Center, currently ranked third in the United States by US News and World Report.

Vice Chancellor Olsen and Dr. Levy also appeared before this Committee in May 2006 and July 2007. The campus' goals for today are:

1. To receive the endorsement of the Committee on Grounds and Buildings for the Center for Health Sciences Phase II Seismic Repair Plan.
2. To express a deep conviction that seismic and life safety projects receive the highest possible priority within the University's State and non-State capital plans.
3. To make clear to the Committee, the Regents and the Office of the President the risks of inaction.

Dr. Levy acknowledged that these projects take a long time to come to fruition. The University has a responsibility to benefactors, students and staff and he seeks collaboration from the State and the Office of the President in securing funding without delay.

Vice Chancellor Olsen informed the Committee that his presentation is an update of the one made a year ago. Due to the complexity and size of the project, he invited the Regents to visit and tour the facility and to observe the challenges. Substantial progress has been made in planning for the renovation of the facilities. The two significant changes are a simpler procedure to repair the space currently occupied by the Pathology Laboratories and a new, better site for the medical education functions previously programmed for 700 Westwood Plaza. Many projects are planned relating to the renovation of the space but three are the centerpieces of the overall effort.

Mr. Olsen noted that the first project is the Pathology Laboratories renovation and renovation of the courtyard space at the Center for Health Services (CHS), South, the old hospital building and former site of the Westwood Hospital, which is now vacant. Second is the

medical education and biomedical library project. This is a new construction project rather than a renovation to consolidate necessary medical education and library functions in the School of Medicine. The Southern Regional Library Facility is a related project which is part of the University's five-year State-funded plan. The third major project is the renovation of the Life Sciences Building, a project made possible by the completion of the Life Sciences Replacement Building as well as Hershey Hall.

Mr. Olsen stated that the campus' primary objective is safety for students, faculty, and staff. A major seismic event is likely in the next thirty years and more than half of the space within the CHS is seismically deficient. The overall academic reputation of UCLA is at stake if these risks are not remediated.

Mr. Olsen observed that the campus has grown significantly from the 15 million built-out square feet in 1985 to the present 26 million square feet in 2006. The volume of seismically deficient space has been reduced by 75 percent from over 8 million square feet to just 2 million square feet in 2006. The majority of the remaining deficient space is in the Center for Health Sciences. Phase I began in the late 1990s and has been completed with the opening of the Reagan facility. The Life Sciences Replacement Building is under construction and is funded. Its purpose is to reduce the densities in the Life Sciences Building. The CHS South is an enormous project consisting of a ten story, 443,000 gross square feet structure above grade, plus two large basement levels. It will require interior demolition and abatement and a seismic retrofit to a good standard. Additional building shell upgrades and a number of code improvements related to fire safety, accessibility, heating, ventilating and air conditioning and general infrastructure support for research laboratories are included.

Mr. Olsen explained that a future project would include equipping the laboratory space for wet laboratories for the use of both the School of Medicine and the School of Public Health. Since the last update in 2007, significant improvements have been made to the overall strategy with respect to the renovation of the Center for Health Sciences. The first is a floor-by-floor heating, ventilating and air conditioning design which will allow flexibility, ultimately reducing the cost of equipping the laboratories. The second change, for the Pathology Laboratories, will involve a combination of staging and new construction, allowing repair and expansion of the laboratories without having to relocate them entirely out of the Center for Health Sciences.

Vice Chancellor Olsen continued, explaining that the second major project is the medical education and biomedical library facility, having three important objectives: remediation of seismic risks to the School of Medicine and the biomedical library facility, and significant programmatic deficiencies in the current educational space of the School of Medicine. The curriculum has been modified and the space, designed some 50 years ago, no longer serves the small-group instruction model currently required. Other rooms have been diminished to accommodate this new instruction model. This is a large project comprised of 250,000 gross

square feet in seven stories and two basement levels. The work would include all of the facilities necessary for the consolidation of existing medical education facilities and modern teaching facilities. There will also be a relocated biomedical library with a goal of substantially reducing the amount of space devoted to stacks by 75 percent. The site is available today, pending only funding.

Mr. Olsen indicated that the third component of this program is the Life Sciences Building renovation. Though rated fair from a seismic standpoint, there are other significant code deficiencies with respect to life safety, accessibility, and other issues. It is obsolete for the teaching of a modern curriculum. The scope of this project is to be determined based on programmatic priorities, but essentially will involve interior demolition, building shell upgrades, core infrastructure improvements, and interior finishes. The School of Public Health, currently located in seismically deficient space, is the targeted tenant for this building.

Vice Chancellor Olsen informed the Committee further that this is Phase 2A. These projects do not remediate all seismic risk in the Center for Health Sciences but represent the buildings which can be resolved first, from a staging standpoint. This is an item of significant cost (approximately \$750 million not including the courtyard repair, Pathology Laboratories renovation or Life Sciences renovation). The Life Sciences Replacement Building is fully funded and under construction. The Hershey renovation is ready to go, is included in the five-year State-funded plan for UCLA, and is identified as a University priority, but is not yet funded. The Center for Health Sciences electrical and fire safety upgrades have been identified as a UC priority, are in the five-year plan, but are not yet funded. The CHS South seismic renovation cost is estimated at \$209 million. This project is partially funded in the five-year plan at approximately \$135 million not including the cost of equipping laboratories. It would be staged based on available funding, but the Campus would like to complete it in a single phase. Other campus projects are not funded or included in the UCLA five-year plan for State projects. Putting this in perspective, Mr. Olsen advised that under the five-year plan, the current allocation to UCLA in State funds is approximately \$160 million, with the remaining items totaling \$600 million, not including those where cost estimates are not available. The entire scope of work is significantly greater than the funding currently available.

According to Mr. Olsen, upon completion of Phase 2A, significant space in need of seismic improvement will remain, including the outpatient wing, the School of Medicine East, the biomedical library, the School of Public Health, the School of Medicine West, the Jules Stein Eye Institute and the Marion Davies Children's Center. UCLA will continue to inform the Regents as the program continues to the third and final phase of seismic remediation.

Regent Hopkinson stated that the requests were not clear but opined that all elements were critically important to the State of California and that Regents should reinforce what was presented. It may not be possible to accomplish all these projects in a five or ten-year plan,

but without planning and goals, UCLA would not be where it is today in terms of the quality of its health programs. Regent Hopkinson conceptually concurred with the complete plan as presented and requested that the President and Chancellor Block work together to bring forward implementation phases for the plan. Priorities should be honored, but the University should also take advantage of opportunities.

Regent Hopkinson moved for an agreement seeking collaboration between the Office of the President and Dr. Levy and his staff to develop, over time, an implementation program.

Chair Schilling inquired whether this would be incorporated into the UCLA Long Range Development Plan (LRDP). Mr. Olsen clarified that the LRDP is a land-use plan which anticipates certain amounts of square footage assigned to different zones in the campus, including all space specifically addressed. UCLA is on the verge of developing a new long range development plan and impacts arising from these projects would be incorporated into the new plan.

Citing the experience of the Northridge earthquake, Dr. Levy suggested that the UC system could bundle one large request to correct seismically deficient space in the system as a whole as a result of their having the Northridge earthquake experience. The State's support of a large UC request to correct seismically deficient structures is critical. Dr. Levy urged action on these issues.

Regent Hopkinson noted that although the Regents are not able, today, to authorize immediate action, she recommended that when the President returns to the Regents on this matter, he return with a plan to obtain the required State funding for earthquake-related issues. She moved accordingly. Regent Reiss urged that the motion be broadened to include all other UC seismic retrofit issues of a similar nature so that both the State and Federal funding would be sought. Regent Hopkinson so modified her motion.

Regent Ruiz expressed appreciation for UCLA's presentation and he requested a listing of obstacles so the Regents can address them. This process could be benchmarked for all campuses, allowing the Regents to be most effective. He seconded Regent Hopkinson's motion.

Regent Hopkinson clarified her motion in the following words: "The Committee conceptually concurs with the plan as presented today and its priority, and asks the President, in conjunction with the Chancellor and Dr. Levy's staff, to return to the Committee with a program to implement this project, including a plan to obtain the required funds from the State for earthquake retrofitting and a plan to include all other campuses."

Upon motion duly made and seconded, the Committee approved the motion as amended and voted to present it to the Board.

The meeting adjourned at 1:30 p.m.

Attest:

Secretary and Chief of Staff