

TO MEMBERS OF THE COMMITTEE ON GROUNDS AND BUILDINGS:

ACTION ITEM

For Meeting of January 18, 2012

APPROVAL OF THE BUDGET AND APPROVAL OF DESIGN FOLLOWING ACTION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, PHASE 2 OF THE UNIVERSITY HOUSE REHABILITATION, SAN DIEGO CAMPUS

EXECUTIVE SUMMARY

The existing University House is currently uninhabitable due to seismic deficiencies and a multitude of life safety and code compliance issues including slope destabilization due to erosion and improper drainage. The Phase 1 slope stabilization work approved by the Regents in July 2011 is currently underway and is on schedule to finish no later than mid-February 2012. Phase 2 would consist of improvements for seismic safety, rehabilitation of the residence and associated utility improvements.

Previous Actions:

November 2008:

- Approval of preliminary plans (“P”) funding of \$413,000 for the full project.

July 2011:

- Approval of a portion of the Phase 1 budget (\$1,500,000).
- Certification of the Environmental Impact Report and adoption of Mitigation Monitoring and Reporting Program for entire (Phase 1 and 2) project and adoption of Findings for Phase 1.
- Approval of design for Phase 1.

October 2011 (Interim Approvals):

- Approval of total budget for Phase 1 (\$2,897,000).
- Grant of Third Party Indemnity to Obtain California Coastal Commission Permit for the University House Rehabilitation project. (Committee on Finance action)

Proposed Actions

- Approve the total project budget of \$10,504,000, with the addition of the Phase 2 budget of \$7,607,000.
- Adopt Findings for Phase 2.
- Approve the design for Phase 2.

Statement of Drivers/Issues

The University House is recognized as a Pueblo Revival style adobe structure and is listed on the California Register of Historical Resources and National Register of Historic Places. In March 2008, the site on which the University House rests was classified as a Sanctified Cemetery and a Sacred Site by the California Native American Heritage Commission. The San Diego campus has worked closely with community stakeholders, developing a plan that rehabilitates the facility, minimizes/avoids disturbances to the site, and promotes sustainable redevelopment. The original plan to demolish the structure was withdrawn based on concerns pertaining to historical and cultural resources. Funding for this project comes substantially from donors.

RECOMMENDATION

1. The President recommends that the Committee on Grounds and Buildings recommend that the Regents:
 - A. Amend the 2011-12 Budget for Capital Improvements and the Capital Improvement Program as follows:

From: San Diego: Phase 1 of the University House Rehabilitation – preliminary plans, working drawings, and construction – \$2,897,000 to be funded from gift funds earmarked for the University House Rehabilitation project.

To: San Diego: Phases 1 and 2 of the University House Rehabilitation – preliminary plans, working drawings, and construction – \$10,504,000 to be funded from gift funds earmarked for the University House Rehabilitation project (\$9,054,000) and Searles Funds (\$1,450,000).
 - B. Approve a project scope for Phases 1 and 2 that includes rehabilitation of the existing University House to provide seismic and structural upgrades, utility and site improvements, and improvements to the public and private spaces to address life safety and code compliance issues, while protecting tribal cultural, archaeological, and historical resources.
2. The President recommends, based on previous review and consideration of the previously certified University House Rehabilitation Project Environmental Impact Report (July 2011), that the Committee on Grounds and Buildings:
 - A. Adopt the Findings for Phase 2 of the project, including the Statement of Overriding Considerations.
 - B. Approve the design for Phase 2 of the project.

BACKGROUND

For nearly 40 years, UC San Diego Chancellors resided in the *University House* and hosted events in support of the campus. In 1967, the University purchased the residence of William Black, a prominent La Jolla developer, to serve as the University House for the San Diego campus. Included in the 130-acre purchase were 46 acres that are now part of the UC Natural Reserve System, 23 acres that comprise the Blackhorse Farms Townhouse development and hotel and conference center, 19 acres of coastal bluffs, 35 acres that were later subdivided and sold by the University, and approximately 7 acres that were retained for the University House, of which only 3.92 acres are developable due to the bluff slope to the south. Constructed in 1952, the one-story residence was designed by William T. Lumpkins, a noted Santa Fe-based architect. The existing building is located on the south edge of a coastal canyon in the La Jolla Farms development and overlooks coastal sage, the beach and the Pacific Ocean. The house underwent modifications and additions of public spaces over time. Currently, the approximately 11,400 GSF facility contains about 7,400 GSF of public spaces, including a reception room, a commercial kitchen, and various offices, and approximately 4,000 GSF of space for private living quarters.

In January 2004, the structure was deemed uninhabitable due to seismic code deficiencies, and a multitude of life safety and code compliance issues. Additional critical issues include slope destabilization due to erosion and improper drainage, deficiencies in major building systems components (e.g., plumbing, electrical, HVAC), mold infestation and presence of other hazardous materials.

The site has been determined to be a Sanctified Cemetery and a Sacred Site by the Native American Heritage Commission (NAHC), and the house is listed on the National Register of Historic Places (NRHP) for cultural, archaeological, and historical resources. If left in its existing condition without any improvements, the site and structure will be unstable, will remain unusable, and will continue to deteriorate with no progress being made towards preserving the cultural and historical resources. The campus has worked diligently with University and community stakeholders and consultants, to evaluate solutions that would resolve the life safety and code compliance issues, improve the functionality of the residence, and preserve the on-site cultural and historical resources of the property. (See *Attachment 3* for a timeline of previous activities.)

The *Regental Policy 7708* requires that campus chancellors reside in University-designated housing to carry out administrative, ceremonial, and development-related activities. However, with the University House being deemed uninhabitable in 2004, alternative solutions were undertaken to provide housing for the Chancellor until the University House could be occupied. Initially, a private house was rented for Chancellor Fox (as authorized in a delegation of authority to the President in an approved June 2004 Regental action under interim authority and later in a Regental-approved *Extension to Policy on University-Provided Housing* approved at the July 2006 meeting). In March 2010, the Committee on Compensation approved the request for the Chancellor to move to her own, recently-purchased home until the University-provided housing became available.

While these interim solutions have been made to work out of necessity, they are not permanent solutions for providing appropriate facilities for the Chancellor to conduct University-related duties and do not address the life safety and code issues or protect the cultural resource assets of the University House property. With the announced resignation of Chancellor Fox effective in summer 2012, the San Diego campus is in the process of searching for candidates to serve as the Chancellor. Although it will not be possible to occupy the University House at the beginning of the new Chancellor's term, it is important that the residence be available as soon as possible.

The campus has initiated a phased implementation plan to address the life safety and code compliance issues associated with the site and the structure, with Phase 1 addressing the site remediation to stabilize the slope to avoid further erosion. The slope stabilization phase includes: stabilization an eroding area of the bluff, protection of existing foundations, protection of existing walls and patio structures, and protection and restoration of the native habitat on the south facing bluff adjacent to the new stabilization wall. It would not have been possible to proceed with rehabilitation of the residence without first completing this critical site repair. Phase 1 is currently underway and is scheduled for completion no later than mid-February 2012.

Phase 2 of the project, now being considered for budget and design approval, would include the rehabilitation of the residence, upgrading of the public reception rooms and support facilities, upgrading of the landscaping on the west portion of the site and all new associated utility improvements. Phase 2 would be implemented to include the consultants currently being used for the Phase 1 work to ensure continuity of all site conditions by the biologist, the archaeologists and the Native American monitors in a manner to minimize disruption to the site.

The project is consistent with campus safety goals and diligence regarding risk management. Appropriate coordination among University and community stakeholders has taken place through the Advisory Workgroup that guided the planning and design of this project, including addressing recommendations from the Academic Senate, the campus and Office of the President staff. The campus has worked closely with Native American, La Jolla Historical Society and other community stakeholders to develop a rehabilitation plan for the facility.

PROJECT DESCRIPTION

Program: Phase 2 – Rehabilitation of Residence and Utility Improvements

The campus proposes to rehabilitate the residence. The *University House Rehabilitation* project scope includes: rehabilitation of the existing University House to provide seismic and structural upgrades, utility and site improvements, and improvements to the public and private spaces to address life safety and code compliance issues, while protecting tribal cultural, archaeological, and historical resources. The proposed rehabilitation project would address the following:

- Preserve cultural resources on the site and incorporate interpretive cultural history elements in the design of the University House, as well as its landscaped areas.
- Rectify seismic deficiencies.
- Rectify site drainage issues to prevent further erosion to reduce slope destabilization and

damage to University property.

- Stabilize the adjacent coastal canyon bluff face to prevent further erosion and damage to the University House itself and its foundations (accomplished as part of Phase 1).
- Provide a public venue for the UC San Diego Chancellor to conduct academic, social, and community outreach events.
- Provide permanent housing for the UC San Diego Chancellor on University property consistent with the *University of California Regents' Policy on University-Provided Housing*.

Design: Phase 2 – Rehabilitation of Residence and Utility Improvements

Given the consideration of the site as a Native American sanctified cemetery, the proposed project scope of work minimizes disruption to the site. Any ground disturbance would occur only as absolutely necessary in order to rehabilitate the existing facility; install new utilities; repair the existing driveway and parking areas; repair and replace a minimal amount of landscaping; and stabilize adjacent coastal canyon slope edge (accomplished with Phase 1). Work on the structure would be limited to the existing facility's footprint. Additionally, certain elements of the structure are detracting or non-contributing to the facility's historical significance and would be removed to bring University House back to near its original historical configuration. The implementation plan for the proposed project includes measures to avoid impacts to soils, cultural items, and human remains; these efforts would include hand excavation by qualified archaeologist and monitoring by Native American representatives.

Specific project components to be addressed are as follows:

- Life safety structural and utility upgrades include:
 - Provide seismic safety improvements, including anchorage between adobe walls and the roof, a bond beam, bracing of all parapets, and additional new shear walls in select areas.
 - Replace existing roof, decking, insulation, and support system as necessary; repair existing water damage.
 - Provide new air-conditioning system throughout the house.
 - Upgrade main electrical system to meet current code standards, and replace telephone system, network, and cable systems.
 - Install new smoke/fire alarm, sprinkler systems, and carbon monoxide detection system.
- Modify the interior spaces as required to improve the functionality of the existing public space and provide adequate catering and accessible restroom facilities for public functions, and to repair the private residential areas as follows:
 - Repair of existing bedrooms and bathrooms as necessary; redesign of master bathroom, and creation public restrooms that are ADA accessible.
 - Modify the front entry to the public rooms and upgrade thresholds and exit doorways to/from the adjacent patios and public areas to be code-compliant.
 - Remove existing family room addition, replace with enclosed portal for family dining area.
 - Open select walls between existing spaces to provide better efficiency; historic cabinetry in these areas would be relocated to other areas of the house.

- Combine existing servery and kitchen to provide larger updated catering kitchen that meets current code regulations and can accommodate public receptions and University events.
- Site and exterior utility improvements would include:
 - Upgrade existing site drainage; provide new drainage lines and filtration systems.
 - Provide new sewer line and domestic water service.
 - Replace gas and electrical lines.
 - Repair driveway, parking area, patios, and courtyard as necessary.
 - Provide accessible parking and path of travel.
 - Remove existing pool and associated decking and equipment, and create new outdoor gathering space.
 - Construct a pier-supported retaining wall to provide slope stabilization (accomplished in Phase1).
 - So as to avoid Native American cultural deposits, the water, sewer, gas, and electrical utilities would be provided in above-ground concrete vaults to minimize excavating trenches and to afford easier future repair and replacement; the vaults would be covered with fill and blended into the existing landscape.

Phase 2 is scheduled to start construction in April 2012, with project completion expected in April 2013.

Policy Compliance

Long Range Development Plan and Physical Design Framework. The project is consistent with the 2004 Long Range Development Plan, and the Physical Design Framework.

Capital Financial Plan. The *2011-21 Capital Financial Plan for the San Diego* campus includes the University House Rehabilitation project at a total project budget of \$10,504,000.

Independent Cost and Design Review. The project has undergone Independent Cost and Design Review in accordance with Regents policy. Additional value engineering and cost review is concurrently underway with the competitively bid Construction Manager/General Contractor. The University will provide inspection services in conjunction with the campus designated State Fire Marshal. The Office of Facilities Design and Construction will manage the project for the Campus. Independent testing agencies will be utilized as necessary. The Associate Vice Chancellor and Campus Architect, Facilities Design and Construction, will perform oversight during construction.

Sustainable Practices. The rehabilitation program is constrained as a result of respecting the State/Federal listing of the property for tribal cultural, archaeological and historical resources. The site is also designated as a sanctified cemetery and sacred site. For these reasons, the project was granted an exemption from complying with the *UC Policy on Sustainable Practices* with respect to LEED™ Silver certification by the Office of the President in February 2011. However, the project will incorporate as many sustainable features as possible as part of the rehabilitation program. In addition, rehabilitating and reusing the existing structure, rather than

demolishing and constructing a new building, is considered a more sustainable solution. The campus will continue to explore avenues for seeking LEED™ certification under the not yet released guidelines for LEED™ for Historic Preservation. The campus also is investigating the CalGreen guidelines for residences.

Environmental Considerations. The scope of the project remains unchanged from the project evaluated in the University House Environmental Impact Report (EIR), certified July 14, 2011, which is hereby incorporated by reference. None of the circumstances that would trigger additional evaluation under California Environmental Quality Act (CEQA) section 21166 or the CEQA Implementing Guideline section 15162 have occurred or are present. The Findings in support of the Phase 2 design approval, including any Statement of Overriding Considerations, are provided in Attachment 5.

ATTACHMENTS:

- Attachment 1: Project Budget
- Attachment 2: Funding Plan
- Attachment 3: Timeline of Previous Activities
- Attachment 4: Project Graphics
- Attachment 5: CEQA Findings**

ATTACHMENT 1

PROJECT BUDGET
 CCCI 5932

| Cost Category | Phase 1 (approved Oct. 2011) | Phase 2 (proposed Jan. 12) | Total | % of Total |
|--------------------------------------|------------------------------------|----------------------------------|----------------------|---------------|
| Site Clearance | \$ 50,000 | \$ 74,000 | \$ 124,000 | 1.2% |
| Building Construction | 3,000 | 4,445,000 | 4,448,000 | 42.3% |
| Exterior Utilities | 0 | 594,000 | 594,000 | 5.7% |
| Site Development | 1,014,000 | 321,000 | 1,335,000 | 12.7% |
| A/E Fees ^(a) | 290,000 | 1,010,000 | 1,300,000 | 12.4% |
| Campus Administration ^(b) | 195,000 | 290,000 | 485,000 | 4.6% |
| Surveys, Tests, Plans | 86,000 | 99,000 | 185,000 | 1.8% |
| Special Items ^(c) | 682,000 | 47,000 | 729,000 | 6.9% |
| Contingency ^(d) | 577,000 | 727,000 | 1,304,000 | 12.4% |
| Total | \$ 2,897,000 | \$ 7,607,000 | \$ 10,504,000 | 100.0% |
| Group 2 & 3 Equipment ^(e) | 0 | 0 | 0 | |
| Project Cost | \$ 2,897,000 | \$ 7,607,000 | \$ 10,504,000 | |

- Budget includes estimated costs for challenges associated with the site being designated a sanctified Native American cemetery and listed as a sacred site, and its listings on the California Register of Historical Places and the National Register of Historic Places. For example, all ground-disturbing activities require that a qualified archeologist and Native American monitor(s) be on site and that ground disturbing work be done by hand.
- The campus has competitively bid a Construction Manager/General Contractor (CM/GC) for the project. Part of the CM/GC's scope of services will be to provide preconstruction services to consider methods for managing cost risks and providing real-time construction cost estimate data.

Project Statistics (Rehabilitation of Residence)

| | |
|---------------------------|--------|
| GSF | 11,400 |
| ASF | 7,450 |
| Efficiency Ratio: ASF/GSF | 65% |
| Building Cost/GSF | \$390 |
| Project Cost/GSF | \$667 |

^(a) Fees include architectural and engineering services.

^(b) Campus Administration includes project and contract management staff and campus inspection services.

^(c) Special items totaling \$729,000 include: environmental documentation, preparation of the detailed project program and pre-design studies, and other costs.

^(d) The higher contingency reflects the potential unforeseen circumstances in the findings of Native American remains and the bluff's soil conditions.

^(e) Group 2 and 3 equipment consists of equipment which is not built-in or permanently affixed to the structure of the building.

Comparable Projects

There are no specifically comparable projects involving rehabilitation of existing residences with cultural and historical implications; however, the projects listed below are similar in that they include renovations of historical buildings, seismic upgrades, and several with slope stabilization components.

| Owner/Project Name/Architect/Date | Date | GSF | Project Cost | Project Cost/GSF |
|--|-------------|------------|---------------------|-------------------------|
| University of Southern California <i>Freeman House</i> , Los Angeles Frank Lloyd Wright, 1924 <ul style="list-style-type: none"> • Slope Stabilization • Building Restoration | 2005 | 2,500 | \$3,061,000 | \$1,224 |
| California Department of Parks and Recreation <i>Hotel Cosmopolitan and Restaurant / La Casa Bandini Restoration</i> , San Diego 1869 <ul style="list-style-type: none"> • Building Restoration • Seismic Upgrades • Adobe Restoration | 2008-2010 | 7,800 | \$4,146,000 | \$532 |
| Ennis House Foundation <i>Ennis House</i> , Los Feliz, Frank Lloyd Wright, 1924 <ul style="list-style-type: none"> • Site Wall Stabilization • Building Foundation • Rehabilitation • Unreinforced Masonry Upgrades^(a) | 2005-2007 | 8,500 | \$8,288,000 | \$968 |
| City of Pasadena & University of Southern California <i>Gamble House</i> Green & Greene, 1908 <ul style="list-style-type: none"> • Building Restoration • Seismic Upgrades • Unreinforced Masonry Upgrades^(a) | 2000-2007 | 8,200 | \$5,339,000 | \$651 |

^(a) Similar to unreinforced adobe

ATTACHMENT 2

FUNDING PLAN

Funding Sources

| | | |
|-----------------------------------|-----------------------------|-------------|
| Project Cost: \$10,504,000 | Gifts: | \$9,054,000 |
| | University / Searles Funds: | \$1,450,000 |

- Gift funds are in hand and earmarked for the University House Rehabilitation project.
- The Searles Fund is an endowment established in 1919 from a gift by Edward F. Searles to be used to fund general purposes of the University which cannot be covered by State funds.

Funding Schedule

| | |
|-------------------|-------------|
| Preliminary Plans | \$560,000 |
| Working Drawings | \$1,263,000 |
| Construction | \$8,681,000 |

ATTACHMENT 3

TIMELINE OF PREVIOUS ACTIVITIES

2004

- Consultants with expertise in geotechnical, structural, electrical, environmental, and other subspecialties hired to complete an extensive assessment of existing structure. Study disclosed a multitude of life safety and code compliance issues.
- Structure deemed uninhabitable.
- Work group charged by then Senior Vice President Mullinix to develop and evaluate options to remedy the documented deficiencies at University House.
- Work group was chaired by Senior Vice President Emeritus Kennedy and included campus students, staff, faculty, and alumni representatives. A number of renovation and redevelopment options were evaluated, and work group concluded that most cost-effective option would be to redevelop existing University House property by constructing a new facility at current location.
- A Building Advisory Committee was charged to oversee the planning, design, and construction of a new project titled, *University House – Meeting Center and Chancellor Residence*.

2006

- Budget and scope for construction of the *University House – Meeting Center and Chancellor Residence* project was approved by the Regents. The project proposed to demolish the existing University House and construct a new 10,800 GSF meeting center and residence.

2007

- EIR distributed for public review.

2008

- Final EIR, including public comments and responses, transmitted to the Regents for consideration at January 2008 meeting.
- Although the report was discussed, the Regents did not move to certify the document, but rather asked the campus to work with interested parties on cultural resource issues associated with the University House site.
- In spring, campus committed to forego demolition and new construction and instead work with the Native Americans and other community stakeholders to develop a rehabilitation plan for the facility.
- The site on which the University House rests was classified as a sanctified cemetery and sacred site by the California Native American Heritage Commission.
- In summer, meetings among various historical and cultural groups took place.
- In fall, an advisory group was formed from summer partners to work closely with architect specializing in historic preservation and adobe structures.
- Regents approved preliminary plans (“P”) funding for the new project titled, *University House Rehabilitation* project in November 2008. This project replaces the original *University House – Meeting Center and Chancellor Residence* project, which has been deleted from the campus’ Capital Improvement Program.

- Advisory group has worked continually from fall 2008 to bring this project to the Regents for budget and design approval and environmental certification.

2011

- At the July 2011 Regents' meeting, the EIR for the University House Rehabilitation project was certified, design for Phase 1 – slope stabilization work and partial budget for Phase 1 were approved.
- In October 2011, through an interim action, the remaining budget for Phase 1 was approved.