

## Office of the President

### TO MEMBERS OF THE FINANCE AND CAPITAL STRATEGIES COMMITTEE:

#### ACTION ITEM

*For Meeting of March 13, 2019*

### **APPROVAL OF THE BUDGET, SCOPE, EXTERNAL FINANCING, AND DESIGN FOLLOWING ACTION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, KRESGE COLLEGE NON-ACADEMIC, SANTA CRUZ CAMPUS**

#### **EXECUTIVE SUMMARY**

The Santa Cruz campus proposes the Kresge College Non-Academic project to construct new space and renovate or demolish existing structures to result in 94,300 net assignable square feet (asf) to provide modern housing, student life, and academic support space. If the budget allows, following receipt of bids, an additional 2,800 asf of space will be added to provide a Town Hall for student activity space. The proposed project is one of two projects that comprise the overall Kresge College Renewal and Expansion project,<sup>1</sup> which will renovate the existing Kresge College to meet contemporary student needs while adding new buildings for student housing and academic space. While the project proposed in this item addresses non-academic needs, a separate project being presented at this meeting would provide new classrooms and lecture hall space. Reorganization of the site's programmatic uses will strengthen the academic presence in Kresge College and its connections to the campus community, address functional deficiencies due to inefficient programmatic adjacencies, and reinvigorate the living-learning environment.

The scope of the Kresge College Non-Academic project includes the use of both new construction and renovation to achieve the project goals and includes site improvements, utilities, and building construction. The project will construct 46,000 asf of new housing in residential halls for first year students and has the potential to include a 2,800 asf Town Hall for student gathering space. Renovated and repurposed space will include 35,500 asf of student apartments and residential life space; 10,000 asf of student support space; and 2,800 asf for a Kresge College Student Faculty Center. The scope includes a net approximately 550 residential beds and will reprogram uses at the College. Sited on eight acres, the project also includes new utilities, site infrastructure, accessibility improvements, and parking. The project budget of \$205.65 million is proposed to be funded by housing auxiliary reserves, parking auxiliary reserves, campus funds, student fee reserves, external financing supported by student housing/dining fees, and century bond financing.

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<sup>1</sup> For purposes of California Environmental Quality Act documentation, the entire Kresge College Renewal and Expansion Project, which also includes academic components (proposed separately), will be evaluated as one project.

At the September 2017 Regents meeting, this project was presented as a discussion item and, in November 2017, the Regents approved preliminary plans funding.

Consistent with the program proposed in the prior items, the project will optimize the development potential of the Kresge College site and provide student housing consistent with the UC Santa Cruz 2005 Long Range Development Plan. Recent campus projections indicate approximately 1,000 new beds will be needed by 2023-24; however, it is possible that enrollment increases could require that these beds be delivered earlier.

A separate State-funded project, Kresge College Academic, will provide new academic space as part of the overall renewal and expansion program. The State-funded project will be funded through campus funds and external financing supported by State General Fund appropriations. Both projects are being presented to the Regents for budget approval as separate items at this meeting; however, the Academic and Non-Academic projects will be bid and executed under the same contract in order to contain costs, minimize disruption to ongoing campus operations, and accelerate project completion. Environmental documentation pursuant to the California Environmental Quality Act was prepared for the entire Kresge College Renewal and Expansion Project, including both the Academic and Non-Academic projects.

The Regents are being asked to: 1) approve the project budget of \$205.65 million to be funded by Auxiliary Reserves – Student Housing/Dining (\$8.5 million), Auxiliary Reserves – Student Fee (\$1.2 million), Auxiliary Reserves – Parking (\$100,000), Campus Funds – (\$27,547,000), External Financing – supported by Student Housing/Dining Fees (\$161.5 million), and External Financing – Century Bonds supported by Campus Funds (\$6,803,000); 2) approve the project scope; 3) approve external financing supported by Student Housing/Dining Fees (\$161.5 million); 4) approve external financing from Century Bonds (\$6,803,000); 5) certify the Environmental Impact Report and adopt the related environmental documents for Kresge College Renewal and Expansion Project; and 6) approve the project design.

### **RECOMMENDATION**

The President of the University recommends that the Finance and Capital Strategies Committee recommend to the Regents that:

- A. The 2018-19 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: Santa Cruz: Kresge College Non-Academic – preliminary plans –\$9,661,000 to be funded from housing auxiliary reserves (\$8,127,000), Student Services Fee reserves (\$1.2 million), parking auxiliary reserves (\$100,000), and campus funds (\$234,000).

To: Santa Cruz: Kresge College Non-Academic – preliminary plans, working drawings, construction, and equipment– \$205.65 million to be funded by:

Auxiliary – Student Housing/Dining reserves (\$8.5 million), Auxiliary – Student Fee reserves (\$1.2 million), Auxiliary – Parking reserves (\$100,000), General campus funds (\$27,547,000), external financing supported by student Housing/Dining Fees (\$161.5 million), and external financing from Century Bonds (\$6,803,000).

- B. The base scope of the Kresge College Non-Academic project includes a net total of approximately 94,300 assignable square feet (asf). The project will provide approximately 84,300 asf of residential space, supplying approximately 400 new residence-hall-style beds for first year students, approximately 150 renovated apartment-style beds for continuing students, residential life space including a new café, study, and social lounges, and site improvements. The scope also includes approximately 10,000 asf of student programs space, 2,800 asf for academic office and support space, and outdoor program area, including circulation and parking lot improvements, outdoor commons, and a new accessible bridge. If the budget allows, an additional 2,800 asf of space will be added for a new Town Hall for student activities. If the budget also allows, the extent of renovation work performed in a portion of the academic support space may be increased but with no change to the project's total asf.
- C. The President be authorized to obtain external financing in an amount not to exceed \$161.5 million plus additional related financing costs to finance Kresge College Non-Academic. 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 Santa Cruz 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. External financing (Century Bond 2015) in an amount not to exceed \$6,803,000 to finance the Kresge College Non-Academic project be approved. The Santa Cruz campus shall satisfy the following requirements:
- (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 Santa Cruz 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.

- E. Following review and consideration of the environmental consequences of the Kresge College Renewal and Expansion Project Draft Environmental Impact Report, of which the proposed Kresge Non-Academic Project is a part, 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 24 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:
- (1) Certify the Environmental Impact Report for the Kresge College Renewal and Expansion Project.
  - (2) Adopt the Mitigation Monitoring and Reporting Program for the Kresge College Renewal and Expansion Project, and make a condition of approval the implementation of mitigation measures within the responsibility and jurisdiction of the Santa Cruz campus.
  - (3) Adopt the CEQA Findings and Statement of Overriding Considerations for the Kresge College Renewal and Expansion Project.
  - (4) Approve the design of the UC Santa Cruz Kresge Non-Academic Project.

## **BACKGROUND**

Since the inception of the Santa Cruz campus, housing facilities have been integrated into the colleges to enhance the development of a vital intellectual community, promote engagement in university life, and support student recruitment, retention, and graduation. UCSC's founding vision was to create an integrated living-and-learning environment through engaging academic and extracurricular programs centered around the residential colleges. When students enroll at UCSC they select to affiliate with a residential college regardless of whether or not they live on campus. Over 97 percent of first-year students reside on campus.

Kresge College (the College) was founded in 1971 as the sixth of ten colleges at UCSC. It was based on "participatory democracy" and envisioned to be a place where students enjoyed a sense of creativity, community, and individuality. Since its inception, students of the College have enjoyed creative community spaces, academic affiliations, and apartment-style housing that fostered independence amidst a supported environment. However, time has taken its toll on the College's facilities, and many of the spaces are in desperate need of renovation. Additionally, as the campus grows, additional space is needed for housing, student, and academic programs.

Currently, academic, residential, and student programs are interspersed throughout the College. This scattering of uses has contributed to a disjointed residential community, lack of privacy in the residential areas, and confusion when looking for academic or student programs. As part of

the proposed project, Kresge College would be reorganized to create zones that provide residential privacy, socializing, recreation, and a separate academic and student program focus.

***Project Drivers***

Each college on campus, including Kresge College, has been designed by renowned architects who created places that emphasize UCSC's commitment to environmental stewardship and community engagement. Designed by Charles Moore and William Turnbull of Moore, Lyndon, Turnbull, Whitaker, the College consists of 22 buildings clustered in a redwood forest, facing a pedestrian street, 21 of which are included in the scope of the Kresge Academic project and Kresge Non-Academic project (the Kresge College Provost's House is excluded). Maintaining the cultural character of the College, as well as the campus's investment in the cultural resource, demonstrates environmental stewardship, and responds to the interest in the project developed as part of the community engagement efforts during programming and pre-design studies.

Today the College shows signs of physical deterioration, suffers from lack of accessibility and other current code deficiencies, and performs inefficiently by contemporary energy and environmental standards. The buildings have issues with water intrusion and severe plaster cracking. The slope of the site is such that the College is difficult to traverse for those with mobility impairments. None of the restrooms, thresholds, clearances, handrails, or door widths meet current accessibility code requirements and some areas of the site can only be accessed by stairs. The drainage channels throughout the site create non-compliant routes, and there are no restrooms in the existing classroom building. Site drainage is inadequate and needs to be corrected so that water moves away from the buildings. Heating units have surpassed their useful lives or are nearing their end, and mechanical ventilation improvements are needed.

The following are the primary project drivers:

- 1) Deliver the project as efficiently as possible, in order to avoid adverse impacts on future student rates and fees;
- 2) Balance rehabilitation with new construction to demonstrate environmental stewardship and cultural resource management;
- 3) Improve the student experience in residential areas;
- 4) Continue operations of the College during the construction project;
- 5) Increase efficiency and creating a student support hub for instructional and student support spaces;
- 6) Maintain commitments by the University to provide a minimum number of beds to be available on campus in relationship to enrollment growth;
- 7) Meet high demand for on-campus rooms, which is caused by enrollment increases and a competitive private market for off-campus housing; and
- 8) Increase Kresge College bed capacity to be commensurate with the size of other Santa Cruz colleges.

The project addresses these drivers by:

- 1) Providing affordable student housing units to address current unmet demand for first-year and continuing students and improving the student experience in housing facilities;
- 2) Rehabilitating the existing buildings and site to meet current building codes and to provide accessibility, while maintaining the original design characteristics;
- 3) Creating a clearly defined residential zone with social amenity and outdoor gathering spaces within the College to support first year and continuing student life;
- 4) Implementing a phased construction to minimize programs, including beds, classrooms, and student support spaces, that will be required to be out of use during construction;
- 5) Concentrating student programs together in adjacent rehabilitated buildings in the southeast area of the site to provide convenient access to these resources for not only Kresge students, but students living on the west side of campus as well;
- 6) Providing housing to help address the campus's enrollment growth objective of 19,500 by 2020-21 and to contribute towards the goals of the President's Student Housing Initiative;
- 7) Providing affordable student housing units to address current unmet demand for freshmen and continuing students and improving the student experience in housing facilities; and
- 8) Providing approximately 550 beds for Kresge College, in line with the average number of beds at other colleges.

### ***Visioning***

The campus embarked on work for the Kresge College Renewal and Expansion project with a visioning phase from February to May 2016. The visioning phase developed program options and project principles based on feedback from campus interviews, discussions with staff, faculty, and students, and meetings open to the community. The initial planning and programming phase took place over the course of six months beginning in May 2016. Starting with a base of research, analysis, and understanding of the original design, the work included investigation of a spectrum of options to explore all physical planning possibilities, ranging from full demolition to full renovation. The strategies proposed were generated in response to feedback received, the existing programmatic and physical conditions, the vision for the College within the broad campus context, and an improved student experience, as well as financial feasibility.

A process of evaluating the options included feedback from the campus building and programming committee, public meetings, direct student outreach, and subject-directed UCSC staff consultation. Aspects of each of the strategies that best met the campus's criteria were pursued, and served as the basis for the planning approach, which ensured a careful balance of and vital relationship amongst the renewal, replacement, and addition of new buildings and landscapes. The approach also factored in considerations of life-cycle and initial capital costs and environmental sustainability to further develop the College. Detailed programming took place from May to September 2017, and culminated in a Detailed Project Program outlining the square footage needs for space within the project.

***Prior Approvals***

At the September 2017 Regents meeting the overall needs of the College's facilities were presented as a discussion item. In that presentation, the campus shared its intent to densify and reprogram the College through demolition and new construction of some structures and selective rehabilitation of others. Early studies suggested that this was the most cost-effective approach to achieving the campus's goals for the College.

At the November 2017 Regents meeting, funding (\$9,661,000) for preliminary planning for the Kresge College Non-Academic project was approved. Additional investigatory site and facility surveys and analyses were conducted during the preliminary plans phase to understand existing conditions, validate previous assumptions driving project costs, and reassess the project accordingly. Schematic design and design development were conducted to refine the program, as outlined in the project description. The project remains consistent with the 2017 presentations to the Regents.

**PROJECT DESCRIPTION**

The project renews Kresge College using several different approaches. Twelve existing buildings will be fully and partially renovated, with some reprogrammed to better serve the interdisciplinary student body and activate the public spaces that were so important to the original design. Eight existing buildings will be selectively removed – new interventions focus on areas where the original plan had already been significantly altered, or where the original design impeded accessibility or desirability of the residential spaces. This strategy allows the inward focus of the original street to fundamentally grow outward with new walkways and connections. Four newly constructed buildings will be located on the periphery of the site, where increased density is more easily achieved and sites can accommodate a larger footprint.

The essence of the new master plan for the College is the addition of a pedestrian loop that encompasses the original hill town street. The new plan selectively opens up the original street to the surrounding forest environment to strengthen the College's relationship with the site's ecology and connections to the academic core, while incorporating accessible pathways and additional program.

The project will increase density of the site from 365 to approximately 560 beds total. New student support services, including health programs, will be clustered together to support not only the College, but the campus as well. Site development will include accessibility improvements to an existing 400-foot pedestrian bridge spanning the Moore Creek ravine, utilities replacement and improvements, expansion of outdoor gathering spaces, and accessibility throughout the College. Some of the existing buildings will retain their original purpose, while others will be reprogrammed to optimize the use of the site and meet growing campus needs.

The majority of Kresge College's area would be dedicated to student housing arranged in residence halls and apartments. A series of existing structures would be repurposed for student service programs, providing access for the College residents and nonresidents alike. Proposed

outdoor gathering spaces would be located in a manner that supports the programs in adjacent buildings and integrates residential, academic, and student program spaces (see Attachment 5).

### ***Housing and Residential Life Programs***

The proposed student housing program will be concentrated in three new residential buildings located along Porter-Kresge Road at the western portion of the site (see Attachment 4). Design of these buildings would include dormitory-style rooms (singles, doubles, and triples) that would house approximately 400 first year students. Together with the approximately 150 renovated beds for continuing students, the new plan proposes approximately 550 beds within the site footprint. This size was driven by three factors: 1) increasing the size of the College to be commensurate with the size of other colleges, 2) delivering beds to complement, support, and not compete with the adjacent non-college affiliated Student Housing West project beds and 3) providing beds in proportion to College administration and student support spaces required to support the increase.

Dormitory-style room configurations were selected after an initial programming of suite-style rooms because it was a more efficient layout for the buildings, allowing more generous community space within the floor. This design encourages a supportive student environment while fostering a sense of community for students' first year. On the ground floor of the south and middle residential buildings, the program includes two community rooms with kitchens, and a new cafe in the north residential building, fronting the new academic plaza.

Student support staff will have significant connections with students similar to the existing residence halls. Social lounges with study spaces will be present on each floor for students to study and socialize. Freshmen residents can dine at any of the existing dining halls on campus, consistent with current campus practices. Dining facilities are typically shared by two colleges: Kresge and Porter share the Porter dining facility<sup>2</sup>, which is approximately a quarter-mile to the south of Kresge College.

Existing buildings would be renovated and/or repurposed to house approximately 150 students (mostly continuing students) in apartment-style units. These new and renovated residential buildings will now form a dedicated student-focused zone centered on a new landscaped "quad." Additional buildings will be rehabilitated for student housing and student co-op space surrounding the original outdoor piazzetta, creating a more active student gathering space.

The following table details the distribution of uses in the residential and student life program (see Attachment 4 for specific building locations):

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<sup>2</sup> The Porter dining facility is part of a planned dining hall expansion project as listed in the 2018-28 Capital Financial Plan accepted by the Regents in January 2018.



<b>Table 1: Housing and Residential Life Program</b>				
<b>Program Area/Room</b>	<b># Units/ Rooms</b>	<b># Beds</b>	<b>Avg. asf Per Unit</b>	<b>Total asf</b>
<b>Residence Hall Housing for First Year Students</b>				
RA Single Room	12	12	100	1,200
Single-bed Room	24	24	100	2,400
Double-bed Room	22	44	180	3,960
Small Triple-bed Room	20	60	180	3,600
Triple-bed Room	81	243	200	16,200
ADA Single	2	2	180	360
ADA Double	3	6	180	540
ADA Triple	3	9	200	600
Social and Study Lounges				4,850
Café				2,200
Ground Floor Student Commons				1,940
Laundry				750
Storage				600
Lobby				800
Toilets / Showers				6,000
<b>Total for New Residence Halls</b>	<b>167</b>	<b>400</b>		<b>46,000</b>
<b>Apartments for Continuing Students and Residential Life Space (Includes Buildings R1, R2, R4, A1, R12, R13, Town Hall)</b>				
Apartments (R1, R2, R4, R6)	30	103	700	21,000
Coordinator of Residential Education Apartments (R2, R6)*	2	2	700	1,400
Intentional House – Singles (A1)	15	15	120	1,800
Intentional House – Doubles (A1)	7	14	180	1,260
Intentional House – Triples (A1)	6	18	270	1,620
Intentional Community – Toilets / Showers				800
Student Commons (R4, R12)	1		700	1,700
Laundry (A1)				400
Mail Room (A1)	1			1,000
Administrative Offices (A1, R12)	4		125	620
Study Space (A1)	3			800
Social Lounge (A1)				800
Student Coops (R12, R13)				1,500
Recreation Room				800
Assembly Space (Town Hall)				2,800
<b>Total for Apartments</b>	<b>69</b>	<b>152</b>		<b>38,300</b>
*Not included in total student bed count				

### Cluster of Three New Residential Halls

On the west side of Kresge, three new residence halls totaling approximately 400 beds will accommodate the College's first year students. These three structures preserve the same scale of student community as the original residence halls, providing living and social spaces for approximately 35-40 students per floor. Designed to be glimpsed between the existing buildings along the street and surrounding the piazzetta, the residence halls bend and open to the forest

beyond. The bending of the buildings is calibrated to maintain as many redwood trees as possible, to frame intimate, more naturalistic landscape spaces, and to maximize use of the site. The three buildings step down with the topography from north to south, and are connected by an accessible path that weaves in and out of the landscape and ground floor levels.

Each building includes approximately 133 beds in single, double, and triple rooms. Social and study lounges anchor the ends of each building, and a central stair and common bathrooms punctuate the center. The buildings include a basement level of support space, a ground floor level of social lounges, and four stories of residential space.

#### Residential Apartments at R1 / R2 / R4 / R6

These two-story residences line the western edge of the pedestrian street, with their front porches opening onto the street as informal social gathering spaces. Originally designed as suites and apartments, they are being fully renovated as apartments for continuing students. Each of the apartments holds four to six beds. Two Coordinator Residential Education apartments are included in R6, and a college study space anchors the south end of R4.

The four residential buildings will be fully renovated, with new energy-efficient stucco envelopes and windows; new mechanical, electrical and plumbing systems; elevators; and accessible paths and units.

#### College and Residential Life Spaces at R12 / R13 / A1

Surrounding the original piazzetta, buildings R12, R13, and A1 will house college and residential life spaces. The piazzetta will remain as is, with improvements to outdoor seating and plantings. The programs surrounding the piazzetta are intentionally located to activate the area as a student hub. Building R13 is planned to include a recreational room and music co-op, and Building R12 will include a college seminar room, and student-run natural food co-op. Building A1 will include the college programs offices, laundry room, mail room, student social and study lounges, and residential units on the second and third floors, designated as “intentional communities” for students with similar interests.

Buildings R12, R13, and A1 will be partially renovated, focusing on accessibility and interior improvements where needed.

#### Town Hall

The current Assembly Building, commonly known as the “Town Hall”, at Kresge College includes a 250-seat auditorium, storage, and the Owl’s Nest café. It will be removed in Phase 1, demolished to clear the site for the Kresge College Academic project. A new Town Hall with a 275-seat auditorium will be constructed at the south end of the site in Phase 2, opening onto a new civic plaza. The space is proposed to be extremely versatile, following its tradition of hosting a variety of programs, community/student gatherings, exhibits, and performances. Kresge College was designed with the concept of participatory democracy as a means of encouraging a strong sense of community, and the Town Hall is central to that concept.

***Student Programs***

With the increasing size of the student population, and increased diversity of student needs, there are a host of programs at UCSC to assist students. Each of these groups needs room to grow, and much of this space is being planned for at Kresge College. The assistance from these groups comes in many forms, ranging from basic counseling to 12-step group meetings, providing sustenance to students with food insecurity, and beyond. Each group requires a combination of reception areas, offices, and group spaces.

Kresge College would continue to provide space for the following groups after project implementation:

- Services for Transfer and Re-Entry Students (STARS)
- Hispanic Serving Institution (HSI) Initiatives
- UCSC Campus Advocacy, Resources & Education (CARE)

The following student support programs would be partly or fully relocated to Kresge College after project implementation:

- Slug Support – This program provides early intervention for students experiencing personal, academic, or financial circumstances that often escalate into a crisis.
- COVE – The COVE is a group within the Student Health Outreach and Promotion Program that helps students who are committed to recovery from alcohol and/or other drugs.
- Counseling and Psychological Services (CAPS) – provides students with a wide range of mental health and wellness services.

These programs are integral to a successful college experience for students at UCSC. Currently, with these support programs spread around campus, students are unsure of where to go for services, and often miss the opportunity for help. Consolidating services at the College will allow for better support of the student, and better collaboration between those support groups to provide the needed assistance to UCSC students.

Campus-wide student programs would be clustered on the southeastern portion of the site, between the residential and academic programs. The services would occupy renovated buildings that are located adjacent to one another to share resources. This cluster is sited to provide easy access for students, regardless of mode of travel.

The CAPS, Slug Support, and COVE programs are being relocated from other spaces on campus. CAPS is currently located in the Cowell Student Health Center and has a mandate to increase staff to support the student body. Space is not available at the Health Center to accommodate additional staff, so a satellite office would be located at Kresge. Slug Support is currently located at Hahn Student Services and is proposed to move to Kresge to consolidate like

services in one location. COVE is currently located in a temporary trailer and requires permanent space. The distribution of student program space is as follows:

<b>Table 2: Student Programs and Academic Support Space</b>		
<b>Program</b>	<b>Building</b>	<b>Total asf</b>
<b>Student Programs</b>		
STARS	Building A2 (renovation)	1,950
HSI	Building A2 (renovation)	1,460
CAPS	Building R9 (renovation)	1,990
CARE	Building R10 (renovation)	1,050
Slug Support	Building R10 (renovation)	2,550
COVE	Building R10 (renovation)	1,000
<b>Total Student Program Space</b>		<b>10,000</b>
<b>Academic Support</b>		
Kresge College Student Faculty Center	Building G2 (renovation)	<b>2,800</b>

#### Student Support Spaces at A2 / R9 / R10 /G2

Clustered together where the pedestrian street turns north, the student program spaces will be located on a quiet area of the site facing the Moore Creek Ravine. Offering services that often work in conjunction with one another, these programs are located adjacent to one another to share resources. Building A2 houses the STARS program and HSI grant Space. This program consists of student lounges and offices. The building is repurposed from classroom space, where the student lounge and gathering spaces take advantage of the high ceilings and open volume.

Building R9 will house a satellite location for CAPS, including office space and therapy rooms, and Building R10 will house CARE, the COVE program, and Slug Support. The CARE and COVE programs include offices and conference rooms for student meetings; Slug Support includes offices, a food pantry, demonstration kitchen, conference rooms, and a shared breakout space for all of the student support programs. Both buildings have been reprogrammed from residential.

#### Kresge College Student Faculty Center

Building G2 will be home to the Kresge Student Faculty Center, which renovates the former Kresge Writing Center and is approximately 2,800 asf. It will be dedicated to the Kresge Academic Administration college enrichment programs, and includes academic office space, an assembly space, and student flex spaces.

#### ***Site Infrastructure, Circulation, and Parking***

Transportation and Parking Services (TAPS) supports the University mission of academics, research, and public service by providing and managing access to UCSC; overseeing the planning, design and operation of the transportation, parking, and circulation facilities; and programs associated with parking, transit services, and bicycle/pedestrian circulation. The

project includes improvements to an existing parking lot serving the College, improvements to access roads, and general circulation.

Site infrastructure improvements are proposed as part of the Kresge College Non-Academic project to allow for improved circulation and accessibility. In addition to upgrades and extension of standard utilities, outdoor amenities are planned including a new outdoor commons for the College, an activated piazzetta, a civic plaza/recreation area, and quiet respite areas. To aid in accessibility, the existing north pedestrian bridge will be made accessible and all buildings will be accessed via accessible paths; ramps and stairs will be added; and accessible parking spaces and pedestrian connections improvements will be made to existing parking lots. Bioretention areas, activating the existing runnel system, and a collection and filtering tanks are proposed to manage and collect storm water runoff.

### ***Delivery Method***

The Kresge College project is intended to be delivered as Construction Management at Risk (CMAR). The campus has found that CMAR allows the project team to gain feedback from the construction management team early to address project complexities, including existing site and building conditions, cost management, and project phasing. This project involves overlapping and competing interests of multiple stakeholder groups, critical adjacencies of multiple programs, and a combination of renovation of architecturally important buildings and new construction. CMAR delivery can deal effectively with these issues and with the environmental reviews necessary for this project. A construction management firm was brought on board during the preliminary plans phase to serve as UCSC's consultant during schematic design and design development.

### ***Bid Strategy and Alternate Additions or Deletions***

Due to the remote location of the Santa Cruz campus and the current volatile regional construction market-bidding environment, the UC Santa Cruz campus can be challenged in achieving competitive pricing with multiple bidders. In addition, because of continued economic unpredictability which is anticipated to still be applicable when the project is bid, the campus and its design team, together with the CMAR consultant, has developed a bidding strategy to address this uncertainty by creating a list of additive or deductive alternates. Should construction bids come in less than current construction cost estimates, the project will be in an advantageous position and would increase the level of renovation planned for a specific existing facility (Building A1); inversely, should the bid environment be disadvantageous, the campus would be in a position of having to reduce scope. The campus has identified the construction of the new Town Hall as discrete element of the scope that could be deferred to a later project without the need to affect other program elements, such as housing. This strategy is critical for the project to remain on schedule for delivery of Phase 1 by the start of the 2021 Academic Year.

To ensure delivery of the project as necessary to meet campus objectives, the project's bid strategy includes the following additive and deductive alternates:

- **Additive Alternate**  
Building A1 - Full Renovation: The current scope for this building includes a partial renovation, focused on interior improvements and accessibility upgrades. The additive alternate includes a full renovation of A1 including exterior envelope, windows, doors and upgraded building systems.
- **Deductive Alternate**  
Town Hall: If a bid overage exceeds the available budget, the Town Hall would not be included in the scope of this project. The Town Hall would be pursued as a separate project as funds were identified and would be subject to appropriate approvals.

### ***Phasing and Construction Schedule***

The project will be constructed in three phases, in order for the existing College to continue to function, to maximize beds remaining in use, and minimize the need for decant space. The first phase, starting in late fall 2019 and anticipated to be complete in September 2021, includes the new cluster of three residential halls, the academic building being provided in a separate project, and the Town Hall, as well as associated improvements to the pedestrian bridge, new utilities and site infrastructure, located at the north end of the site. The second and third phases primarily include the renovated buildings and related sitework, and will both be delivered in fall 2023. Phase 2, starting in July 2021, includes the residential and college life spaces, and Phase 3 includes the student support spaces. Both Phase 2 and Phase 3 will be complete in September 2023.

### ***Financial Feasibility***

The budget for the Kresge College Non-Academic project would be funded as follows:

#### **Housing - \$170 million:**

The housing portion of the project will be built in two phases. Phase 1 includes construction of new housing facilities estimated to cost approximately \$110,444,000 to be funded by auxiliary reserves (\$5.56 million) and external financing (\$104,884,000).

Housing phase 2 includes capital renewal of existing facilities for student housing and administration. The total housing cost for phase 2 is approximately \$59,556,000 to be funded by auxiliary reserves (\$2.94 million) and external financing (\$56,616,000).

For many years, the campus has held room rental rate increases to less than three percent per year. To meet the financial feasibility for this project, room rates would need to increase approximately 3.5 percent per year for four years beginning in 2019-20. In 2023-24, room rental rates will be reevaluated to determine whether they can be reduced.

Academic Administration (Century Bond) - \$7,037,000

A renovation of the Kresge College Library is planned to accommodate Kresge College Academic Administration. The total cost is approximately \$7,037,000 to be funded by campus funds (\$234,000) and external financing from Century Bonds (\$6,803,000).

Student Programs - \$27,012,000

The project scope for Student Programs includes the renovation of two existing buildings to accommodate six programs. The total cost of the renovations for Student Programs is approximately \$27,012,000 to be funded by Student Services Fee reserves (\$1.2 million) and campus funds (\$25,812,000).

The campus funds allocated for this work provide the principal for two campus loans; one to be repaid by an existing Student Services Fee (principal \$10,923,000) and a second loan to be repaid by new student measure to be voted on by the students in spring 2019 (principal \$14,889,000). If passed, both graduate and undergraduate students would be charged a new fee of approximately \$75 per year over 30 years to pay off the second loan. Campus funds remain committed to the project regardless of the status if the proposed fee.

Parking - \$1,601,000

The parking portion of the project includes accessible parking and paths. The total cost of these improvements is \$1,601,000 funded by TAPS auxiliary fee reserves (\$100,000) and campus funds (\$1,501,000). The campus funds allocated for this work provide the principal for a campus loan for TAPS. Parking rates would not increase to repay this loan.

***Housing Requirements, Demand, and Rates***

The campus 2005 Long Range Development Plan (2005 LRDP) was amended by a 2008 Comprehensive Settlement Agreement (CSA) with the City and County of Santa Cruz and nine citizens. The CSA requires the campus to provide housing in proportion to enrollment growth over the course of the 2005 LRDP. As of fall 2018, UC Santa Cruz provided a total of 9,104 on-campus student beds, which accommodated approximately 45 percent of the total enrollment. The CSA requires the campus to provide 7,125 beds for an enrollment of up to 15,000 students and then additional beds based on 67 percent of enrollment beyond 15,000. To recognize the 2005 LRDP target enrollment capacity of 19,500 students, a total of 10,125 beds are required, or approximately 1,000 additional beds. Based on current enrollment growth trends, it is anticipated the campus will require these additional beds no later than 2023-24 if it is to continue to grow enrollment while complying with the CSA.

Beyond compliance, there is existing strong demand for on-campus housing; in fall 2018, there were over 1,560 students on waiting lists for campus housing and a demand study conducted in 2018 revealed an existing unmet demand for 4,650 on-campus beds. The Kresge Non-Academic project is one of multiple new housing and renewal projects aimed to address these needs.

Kresge College currently provides housing for approximately 365 students in apartment-style suites. It was conceived originally as an “alternative” college that would provide an independent

type of living experience that would be appealing to students and offered a variety of housing types. Over the years it has become evident that this sort of independent living arrangement is not well suited for all first-year students who are moving away from home for the first time. In addition, the student housing apartments are integrated with academic and student service buildings in a linear layout that does not clearly identify programmatic areas. Unlike other colleges on campus, there is no distinct residential area; as a result, residents have fewer opportunities to gather and socialize. With sliding glass doors from the apartment bedrooms opening directly onto the public pedestrian street, there is little visual or acoustical privacy for residents. Additionally, the specific residential floor plans are sub-optimal at the College. Bathrooms typically do not have sufficient airflow and are susceptible to moisture intrusion. Some apartment bathrooms serve also as circulation space to bedrooms, compromising privacy. The renewal project continues to offer a variety of housing types at the College by providing residence halls, apartments, and an “intentional community” as housing options.

#### Affordability

Affordability and availability of housing is an issue for many students at the UCSC where geographic barriers and transportation limitations reduce the areas in which students can live, work, and study. There are few prospects for near-term supply increases in the private market. As a result, housing is in limited supply, rents continue to increase, and it is not anticipated that there will be much softening of demand or pricing for off-campus housing.

The proposed project would assist in addressing both housing supply and cost issues facing students. The Colleges, Housing, and Educational Services system has a goal of keeping rates as attractive as possible by limiting annual increases to 3.5 percent per year in the near term. The modest rate increases, in conjunction with operational adjustments, will be implemented to meet required debt service ratios. Providing rental rates below market aids in the recruitment and retention of students. The proposed project would offer students rental rates consistent with recently remodeled housing at other colleges. Additionally, the mix of housing types offers choices for students. Revenue and expenses for all student housing is syndicated; all beds in the system support projects across the system.

#### Off-campus Market

In 2018, a third-party consultant conducted a student housing demand study of the Santa Cruz market for the campus. According to the study, rental rates in the Santa Cruz market have grown by 30 percent since 2012. Subsequently, the campus engaged a separate consultant to conduct a market review in late 2018 which revealed an average occupancy rate in the downtown Santa Cruz area of 97.6 percent in the fourth quarter of the year with very few new projects being proposed to increase near-term supply. Consequently, off-campus rents are anticipated to continue to escalate for the foreseeable future until supply can meet demand. In comparison, the campus targets future on-campus rent increases at a much lower rate than experienced in the market.

#### Project Rental Rates

The bed rents for the housing at Kresge College will be consistent with rates charged at existing campus-owned housing facilities when the project is completed.



The proposed monthly rents per bed for the undergraduate student residing in residential halls will range from \$1,222 to \$1,823 per month while those residing in apartments will range from \$1,281 to \$1,916 per month for a nine-month academic year lease. By comparison, a student living in a private room in a two-bedroom apartment would currently be charged \$1,910 per month for rent (inclusive of utilities) and a single student living in a studio apartment would be charged \$2,180 per month for rent (inclusive of utilities) in the local market. It should be noted the local housing market does not offer academic year lease options and therefore 12-month leases are the norm. These estimated ranges were calculated using the same methodology from the recent market survey conducted for current housing projects on campus.

In addition to affordability, living on-campus offers intangible value for students in the areas of academic success, convenience, stronger sense of community, safety, and security. Year after year, increasing numbers of continuing undergraduate students have applied for on-campus housing only to learn that they cannot be accommodated. A primary goal of this project is to provide housing to freshmen and to continuing students in appropriately designed housing. The project would provide them a collegiate experience by living in a mixed-use environment that is adjacent to academic and social spaces and campus amenities.

## **DESIGN ELEMENTS**

### ***Location and Site Conditions***

UC Santa Cruz is located on coastal terrace lands overlooking the Monterey Bay in Santa Cruz, California. Kresge College is located at the western edge of the campus area, just east of Empire Grade. Porter-Kresge Road is an internal campus road that passes along the western edge of Kresge College complex, linking it to Porter College to the south (see Attachment 4).

Bounded by the Campus Natural Reserve to the east, north, and west, the College site consists of approximately eight acres of redwood forest and rolling topography. The site encompasses a grade difference of 40-50 feet from the south end to the north. The College connects to the rest of the campus by two pedestrian bridges that span over the Moore Creek ravine.

### ***Building Design***

The site is approximately eight acres and includes 22 existing buildings of two to three stories; 20 of the 22 buildings is included in the scope of work. The project proposes to remove eight buildings, renovate 12 buildings, and newly construct four buildings. The new construction is sited at the periphery of the site, taking advantage of larger open areas to build denser buildings with larger footprints. At the south end of the College, a new Town Hall will provide a welcoming gateway to the south entry of the College and a focal point for the main College plaza. Opening onto a much larger main College plaza, the Town Hall will be a multi-purpose space for college students with 275-seat capacity to facilitate performances and events.

Clustered primarily around the existing piazzetta and the serpentine “Waterfall Steps,” eleven existing buildings will be renovated for residential, college life, and student program spaces.

These buildings will be fully or partially renovated, based on the level of reprogramming required and the condition of the existing facilities. With their white stucco facades that front the pedestrian street, and ochre-colored backsides that blend in with the forest, these buildings are intended to appear as originally designed once renovated, keeping the original district intact but imbued with new function and programs to meet contemporary needs of students.

### ***Building Exterior and Materials***

The original College design utilized white stucco facades facing the pedestrian street. The back of each building was painted ochre to blend with the redwood forest. This clear distinction of front and back continues with the renewal project. The New Residential Halls are clustered in the redwood forest and clad in materials that blend in with the natural environment, such as wood siding or dark colored fiber cement board. The ground floor of each building, housing community social lounges, is primarily glass to encourage participation and social engagement. Glazing is also used for the social lounges at the ends of each building, offering views of the surrounding natural reserve and south to the meadow. A pedestrian trail weaves in and out of the cluster of three buildings, providing an accessible route through the residential cluster and connecting to the existing pedestrian street of the original College.

The Town Hall, located on the street, will follow a similar pattern from the original design, with a lighter material used where it fronts the pedestrian street, and darker colored materials to blend in with the natural surroundings on the sides and rear. The one-story structure will include a roof overhang to provide protected outside space for gathering.

### ***Long Range Development Plan***

The project is consistent with the 2005 LRDP. The LRDP land use designation for the site is Colleges Student Housing (CSH). The principal program elements permitted in CSH include Housing and Food Services, related recreational amenities, related parking, Student Services, Academic Support, Family Student Housing, Childcare, and Physical Education and Recreation. Some facilities for the academic divisions are located in the colleges. The project supports LRDP objectives by ensuring the long-term viability of Kresge College and renewing and expanding on the program elements that support students.

### ***Physical Design Framework***

The Kresge Non-Academic project is consistent with the principles of the campus Physical Design Framework accepted by the Regents in 2010.

### ***Sustainable Practices***

Per UC Policy, the Kresge Renewal Project would strive to achieve a Leadership in Energy and Environmental Design (LEED) Gold rating, with a minimum of LEED Silver. The buildings will use passive methods to reduce energy demand including improved envelope performance,

operable windows for natural ventilation, and maximizing usable daylight available on the heavily wooded site.

The project is targeting total carbon savings and will be quantifying the sequestration impact of the landscape and trees, embodied carbon of the building materials (including savings achieved by reusing the existing building structure) and operational carbon of the buildings.

Storm water management strategies including harvesting storm water for reuse in toilet flushing and irrigation, retaining water in extensive bioretention zones on the site, and reactivating the existing runnel system.

### ***Seismic Safety Policy***

The Kresge Renewal Project would comply with the University of California Seismic Safety Policy including independent seismic peer review.

## **CEQA COMPLIANCE**

### **Project-Specific EIR:**

Pursuant to the California Environmental Quality Act (CEQA), an Environmental Impact Report (EIR) for the Kresge College Renewal and Expansion Project has been prepared. The EIR is tiered from the Program EIR prepared for the 2005 Long Range Development Plan (LRDP), incorporates by reference the 2005 LRDP EIR, and summarizes its information where applicable. Findings have been prepared to support the University's determination regarding project impacts, mitigation measures, and CEQA alternatives (Attachment 12). Based on the analysis in the EIR, the Kresge College Renewal and Expansion Project would result in significant, unavoidable impacts to visual character and quality, historical resources within the Kresge College Historic District and to sensitive receptors exposed to construction noise. All other potentially significant impacts of the proposed project would be reduced to a less-than-significant level with implementation of mitigation measures identified in the EIR. The Regents are being asked to adopt the Mitigation Monitoring and Reporting Program, Findings, and Statement of Overriding Considerations. A summary of the CEQA process and the environmental impacts of the proposed project are provided in Attachment 8.

**KEY TO ACRONYMS**

ASF	Assignable-Square-Foot
CAPS	Counseling and Psychological Services
CARE	Campus Advocacy, Resources & Education
CEQA	California Environmental Quality Act
CMAR	Construction Management at Risk
CSA	Comprehensive Settlement Agreement
CSH	College Student Housing
EIR	Environmental Impact Report
GSF	Gross-Square-Foot
LEED	Leadership in Energy and Environmental Design
LRDP	Long Range Development Plan
STARS	Services for Transfer and Re-Entry Students
TAPS	Transportation and Parking Services
College	Kresge College

**ATTACHMENTS:**

Attachment 1:	Project Sources and Uses
Attachment 2:	Summary of Financial Feasibility
Attachment 3:	Alternatives Considered
Attachment 4:	Site Context
Attachment 5:	Summary of Building Demolition, Construction, and Renovation
Attachment 6:	Design Graphics
Attachment 7:	Comparable Project Information
Attachment 8:	Environmental Impact Summary
Attachment 9:	2005 LRDP: <a href="https://lrdp.ucsc.edu/final-lrdp.shtml">https://lrdp.ucsc.edu/final-lrdp.shtml</a>
Attachment 10:	2005 LRDP EIR: <a href="https://lrdp.ucsc.edu/final-eir.shtml">https://lrdp.ucsc.edu/final-eir.shtml</a>
Attachment 11:	Kresge College Renewal and Expansion Project EIR: <a href="https://ppc.brickftp.com/f/d158862449497cf6">https://ppc.brickftp.com/f/d158862449497cf6</a>
Attachment 12:	CEQA Findings and Statement of Overriding Considerations

# ATTACHMENT 1

## PROJECT SOURCES AND USES KRESGE COLLEGE NON-ACADEMIC

### PROJECT SOURCES:

	<u>Housing</u>	<u>Academic Support</u>	<u>Student Programs</u>	<u>Parking &amp; Site Work</u>	<u>Total</u>	<u>% of Total</u>
Auxiliary Reserves	\$ 8,500,000			\$ 100,000	\$ 8,600,000	4.2%
Campus Funds		\$ 234,000	\$ 25,812,000	1,501,000	27,547,000	13.4%
University Fee Reserves			1,200,000		1,200,000	0.6%
External Financing	161,500,000	6,803,000			168,303,000	81.8%
Total:	\$ 170,000,000	\$ 7,037,000	\$ 27,012,000	\$ 1,601,000	\$ 205,650,000	100.0%

### PROJECT USES:

Site Clearance	\$ 7,087,000	\$ 100,000	\$ 731,000	\$ 5,000	\$ 7,923,000	3.9%
Building	98,754,000	5,241,000	18,442,000	51,000	122,488,000	59.6%
Exterior Utilities	10,494,000	127,000	1,137,000	0	11,758,000	5.7%
Site Development	14,682,000	101,000	2,112,000	1,307,000	18,202,000	8.9%
A/E Fees <sup>(a)</sup>	12,443,000	489,000	1,621,000	59,000	14,612,000	7.1%
Campus Administration <sup>(b)</sup>	4,516,000	439,000	606,000	37,000	5,598,000	2.7%
Surveys, Tests	1,686,000	14,000	64,000	2,000	1,766,000	0.9%
Special Items <sup>(c)</sup>	4,609,000	183,000	795,000	49,000	5,636,000	2.7%
Interest During Construction	8,660,000	-	-	-	8,660,000	4.2%
Contingency	7,069,000	343,000	1,504,000	91,000	9,007,000	4.4%
Total	\$ 170,000,000	\$ 7,037,000	\$ 27,012,000	\$ 1,601,000	\$ 205,650,000	
Group 2 & 3 Equipment	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	
Total Project	\$ 170,000,000	\$ 7,037,000	\$ 27,012,000	\$ 1,601,000	\$ 205,650,000	

### Statistics

Gross Square Feet (GSF) <sup>(e)</sup>	139,800	4,900	17,900	N/A	162,600
Assignable Square Feet (ASF)	84,400	2,800	10,000	N/A	97,200
Efficiency Ratio ASF/GSF	60%	57%	56%	N/A	60%
Building Cost/GSF	706	1,070	1,030	N/A	\$ 753
Building Cost/ASF	1,170	1,872	1,844	N/A	\$ 1,260
Project Cost/GSF	1,216	1,436	1,509	N/A	\$ 1,265
Project Cost/ASF	2,014	2,513	2,701	N/A	\$ 2,116

- (a) Fees include executive architect and other professional design contract costs.
- (b) Campus administration includes project management and inspection.
- (c) Special items include Arborist; Commissioning Consultant; Environmental/EIR Services; Hazardous Materials Monitoring and Testing; LEED Certification and Registration; Plan Check Fees; Soils, Geology, and Hydrology Consultants; Special Consultants to the Executive Architect; Storm Water Protection Plan; Surge Space and Moving Expenses (\$100,000); Timberland Conversion Permit; Timber Harvest Plan; and Value Engineering.
- (d) Gross square feet (GSF) is the total area, including usable area, stairways, and space occupied by the structure itself. Assignable square feet (asf) is the net usable area.
- (e) Assumes inclusion of 2,800 asf Town Hall

**ATTACHMENT 2****SUMMARY OF FINANCIAL FEASIBILITY**

<b>SANTA CRUZ CAMPUS</b>	
Project Name	<b>Kresge College Non-Academic</b>
Project ID	<b>976383</b>
Total Estimated Project Cost	\$ 205,650,000
Anticipated Interest During Construction (included in total estimated project cost)	\$ 8,660,000

<b>Proposed Sources of Funding</b>	
Auxiliary Reserves	\$ 8,600,000
Campus Funds	27,547,000
University Fee Reserves	1,200,000
External Financing (Commercial Paper)	161,500,000
External Financing (Century Bond)	6,803,000
Total	\$ 205,650,000

Fund sources for external financing shall adhere to University policy on repayment for capital projects.

## SUMMARY OF FINANCIAL FEASIBILITY (CONTINUED)

## SECTION I. Externally Financed Projects

<b>Financing Assumptions – Housing Phase 1</b>	
External Financing Amount	\$104,844,000
Anticipated Repayment Source	UCHS Auxiliary Revenues
Anticipated Fund Source	
Financial Feasibility Rate	6.00%
First Year of Principal (e.g. FY 20XX)	FY 2024
Term (e.g. 30 years)	30 years (first two years interest only)
Final Maturity (e.g. FY 20XX)	FY 2051
Estimated Average Annual Debt Service	\$7,823,565

<b>Financing Assumptions – Housing Phase 2</b>	
External Financing Amount	\$56,616,000
Anticipated Repayment Source	UCHS Auxiliary Revenues
Anticipated Fund Source	
Financial Feasibility Rate	6.00%
First Year of Principal (e.g. FY 20XX)	FY 2026
Term (e.g. 30 years)	30 years (first two years interest only)
Final Maturity (e.g. FY 20XX)	FY 2053
Estimated Average Annual Debt Service	\$4,223,132

<b>Financing Assumptions – Century Bond</b>	
External Financing Amount	\$6,803,000
Anticipated Repayment Source	General Revenues of the Santa Cruz campus
Anticipated Fund Source	
Financial Feasibility Rate	4.767%
First Year of Principal (e.g. FY 20XX)	FY 2025
Term (e.g. 30 years)	10 years
Final Maturity (e.g. FY 20XX)	FY 2032
Estimated Average Annual Debt Service	\$850,375

**SUMMARY OF FINANCIAL FEASIBILITY (CONTINUED)**

Below are results of the financial feasibility analysis for the proposed project using the campus' Debt Affordability Model. The model includes projections of the campus' operations and planned financings. A new Debt Affordability Model with revised metrics was implemented August 1, 2015.

	<b>Campus Financing Benchmarks</b>		
<b>Measure</b>	<b>10 Year Projections</b>	<b>Approval Threshold</b>	<b>Requirement</b>
Modified Cash Flow Margin	7.76% (min), 2024	$\geq 0.0\%$	Must Meet
Debt Service to Operations	4.92 (max), 2024	$\leq 6.0\%$	Must Meet 1 of 2
Expendable Resources to Debt	Not Applicable	$\geq 1.00x$	
Auxiliary Project Debt Service Coverage	1.42x (min), 2026*	$\geq 1.10x$	Must Meet for Auxiliary Projects
Auxiliary System Debt Service Coverage	1.49x (min), 2026	$\geq 1.25x$	Must Meet for Auxiliary Projects

\* This is the Housing system debt service coverage ratio.



## ALTERNATIVES CONSIDERED

The following alternatives were considered:

- A. Perform deferred maintenance and required code upgrades on existing buildings
- B. Build new facilities, and renovate existing buildings to create better program synergies (Recommended)
- C. Redevelop the entire site and construct all new buildings
- D. Defer the project

Details of each alternative are provided below. Thorough studies and analysis indicate Alternative B would meet the primary project goals and minimize financial obligations.

### **A. Perform deferred maintenance and required code upgrades on existing student housing and student services buildings**

The least expensive path to extend the usable life of Kresge College student housing buildings would be to perform deferred maintenance and required code upgrades. Doing so would address existing building condition deficiencies as well as perform code and accessibility upgrades. Complexities would result from separating student housing scope from non-student housing scope as the buildings are interconnected. In addition, performing the minimum scope is not a prudent financial investment, as doing so would ignore the programmatic deficiencies of Kresge College and would continue to place freshmen in inadequate living accommodations.

Also, a major renovation project of this scope is not a candidate for a summer-only project and thus will have a significant impact on housing operations. Building envelope replacement, as well as anticipated repairs to building framing systems and infrastructure would take multiple months to complete. Subsequent to envelope repairs, interior work would need to take place. Each building would likely take nine to 12 months for project scope completion. Performing this scope on all buildings is not feasible as there are no decanting options for the existing Kresge occupants. The campus does not have the residential, classroom, and administrative space required to phase a project of this magnitude.

### **B. Build new “Res Hall” type facility for freshmen; renovate existing buildings to create appropriate apartments for continuing students; and renovate existing buildings for student services spaces.**

Constructing new residence-hall-style buildings and modifying the existing buildings is the recommended option. This option would be phased to allow moving of existing programs into new buildings so that the existing buildings could subsequently be renovated and repurposed.

While this project budget would be higher than some of the other alternatives, it would extend the usable life of the existing Kresge College buildings, while also addressing the fundamental programmatic issues. Doing so would address existing building condition deficiencies, as well as performing code and accessibility upgrades.

**C. Redevelop the entire site and construct appropriate freshman and continuing student housing; deliver all new facilities for student services spaces.**

Alternative C would be the best way to resolve the fundamental programmatic issues associated with the existing design at Kresge College. New housing, student support, and academic facilities would be compelling and attractive to future residents. However, constructing all new buildings is not the recommended option, due to numerous complexities associated with this type of project. The site is very constrained and consists of steep terrain. Open flat space for new construction exists only at the periphery along a road. Phasing of new construction would severely limit heavy construction equipment access into the middle of the site, driving up construction costs. Maintaining College operations and lack of decanting space across campus further exacerbates the delivery of the project.

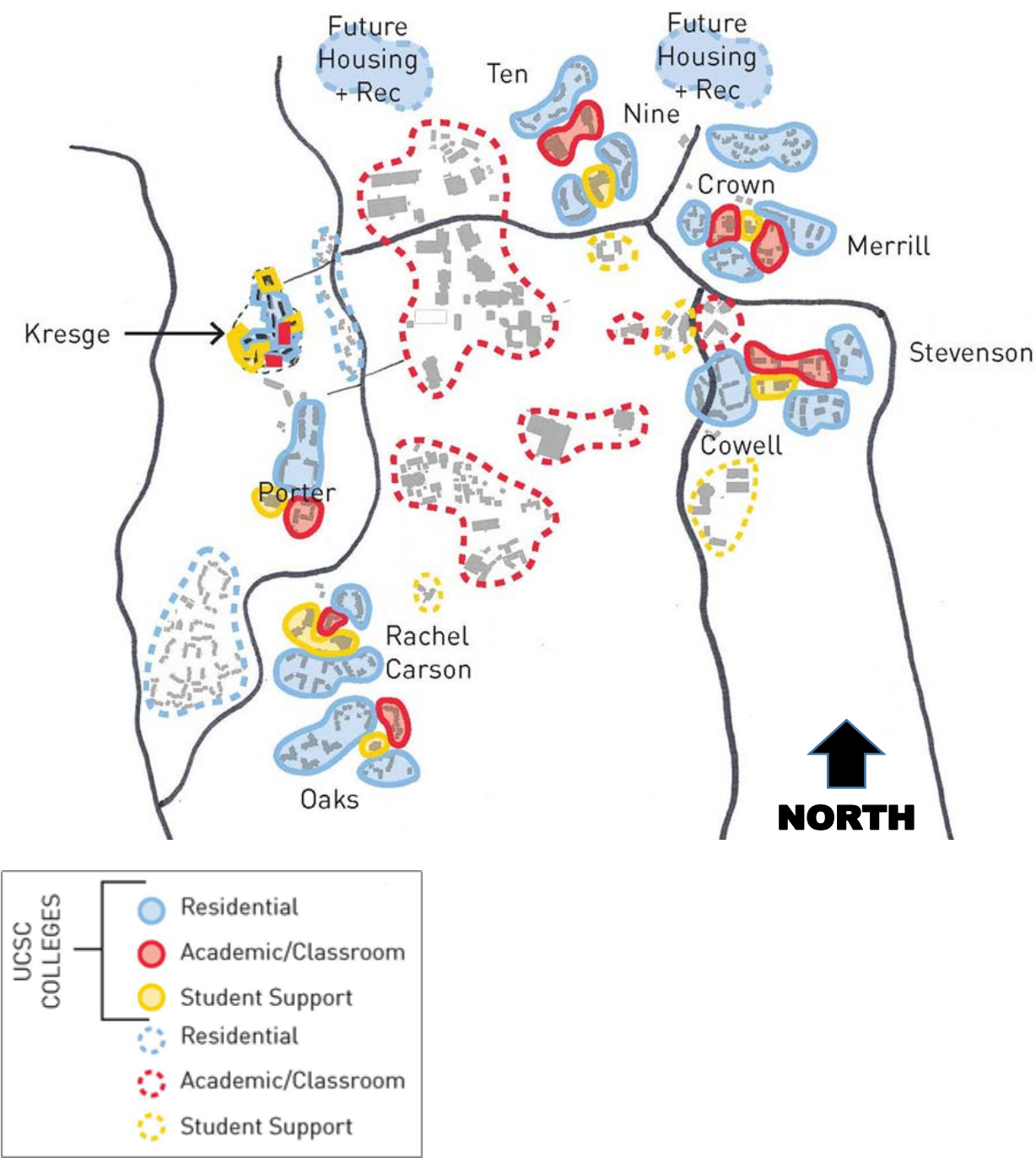
When considering the historic significance of the Kresge architecture there could be opposition to departures from the original design intent. Maintaining the cultural character of Kresge demonstrates environmental stewardship and responds to the interest in the project as developed during community engagement during programming and pre-design studies. The total replacement approach may not be practical, as the project schedule could be delayed substantially by community response to this approach, given the interest in the facilities and site context.

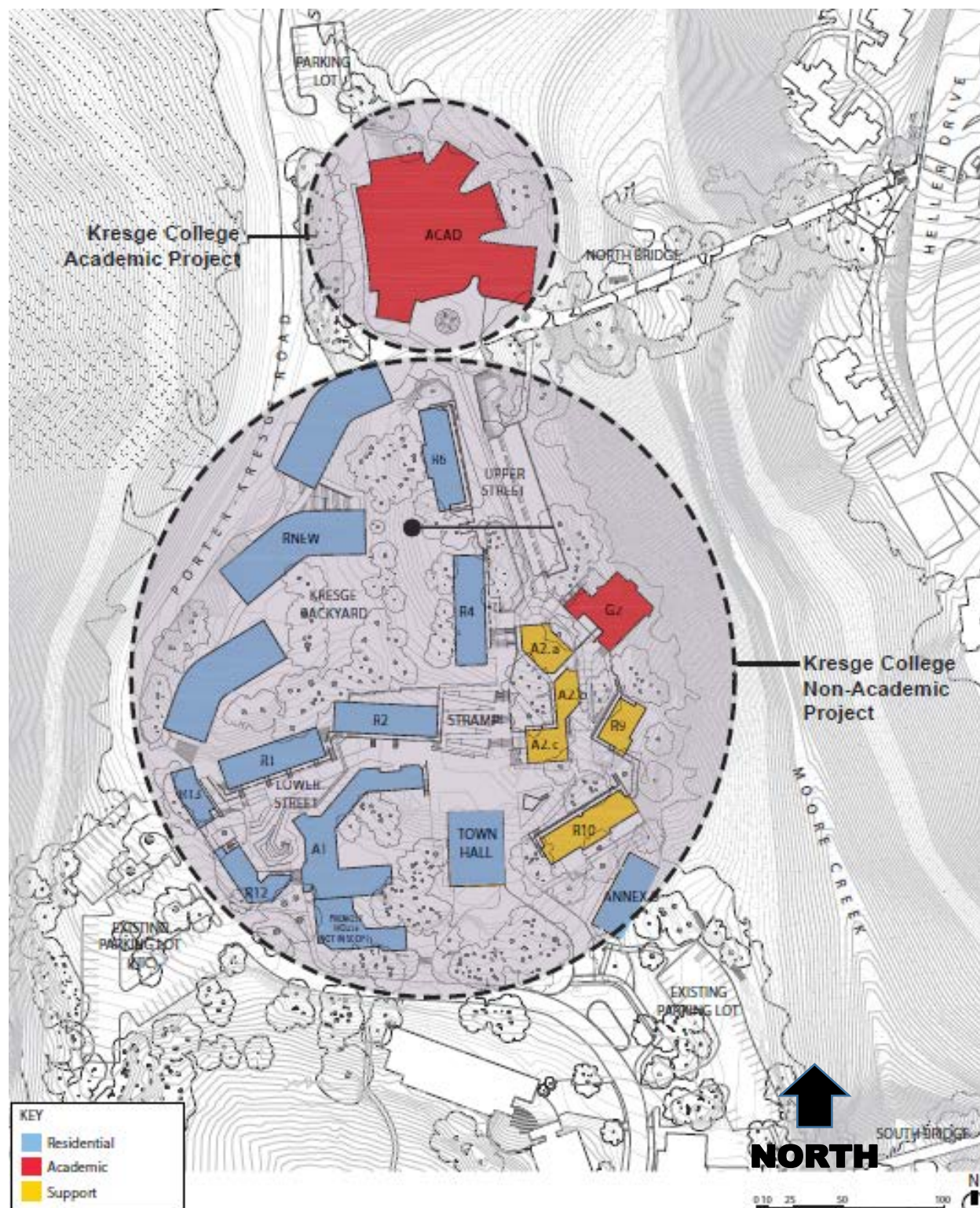
Of all the considered alternatives where work is performed, this option would have the largest financial impact on the campus. Preliminary rough order magnitude cost analyses indicated that the cost of this approach could be as great as 30-40 percent higher than Alternative B. In order to protect against risks associated with this approach, a significant contingency would need to be added to the total project budget forecast. The campus is not in a financial position to fund such a large commitment.

**D. Defer the project**

Given anticipated campus enrollment increases and serious existing space deficiencies, coupled with the physical state of Kresge College, the “no project” option is not considered reasonable. In addition, the rapid escalation trend in Santa Cruz construction costs would likely substantially increase the ultimate cost of the project.

SITE CONTEXT





## ATTACHMENT 5

### SUMMARY OF BUILDING DEMOLITION, CONSTRUCTION, AND RENOVATION

The existing and proposed buildings, assignable square footage, which buildings are being demolished, and which remain, are identified below. Where buildings are demolished, the table includes the building or function that will be in its physical place. Where different uses will occupy a renovated space, the new use is identified. All square footages are approximate.

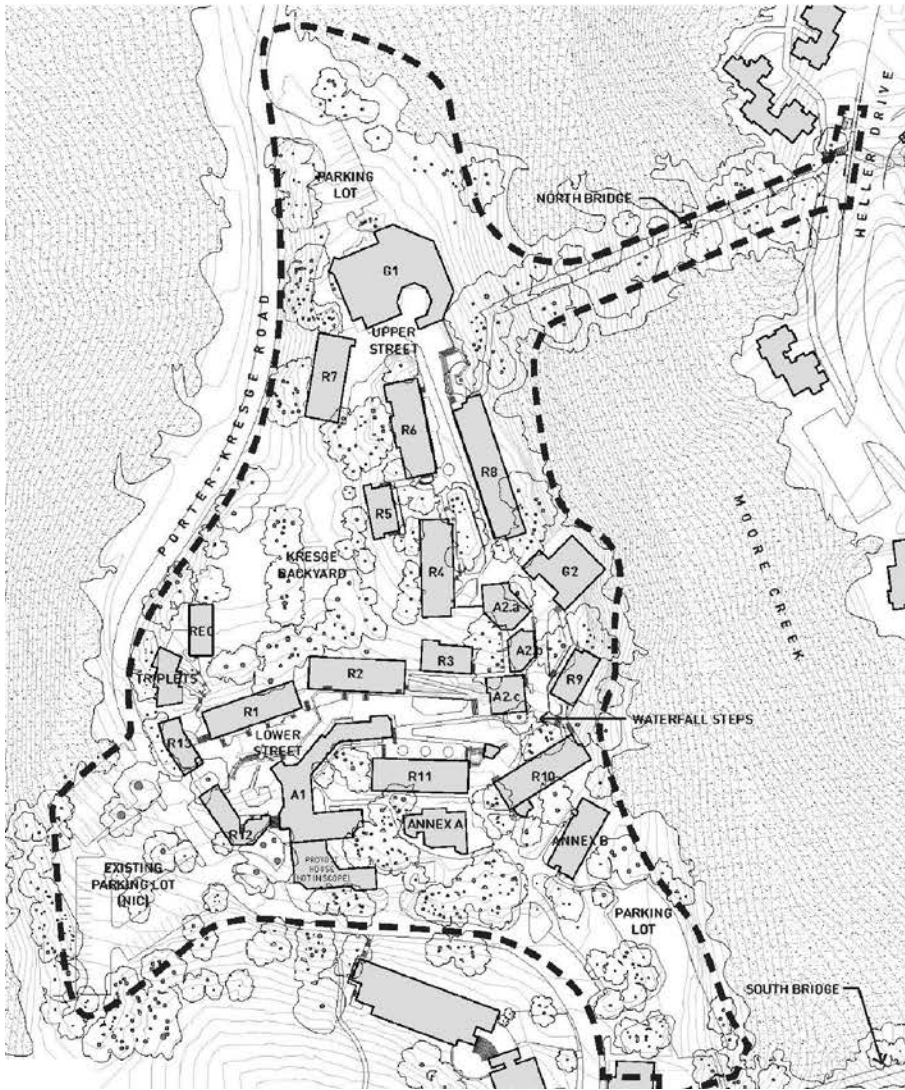
<b>Table 4: Existing and Proposed Project Program and Square Footage (<i>Kresge Academic and Non-Academic</i>)</b>					
<b>Existing Building</b>	<b>CAAN</b>	<b>Existing asf</b>	<b>Existing OGSF</b>	<b>Status</b>	<b>Replacement Building/Use</b>
G-1 (Town Hall and Owl's Nest)	7379	8,027	11,248	Demolish	New Academic Building ( <i>Separate Project</i> )
G-2 (Library)	7380	2,932	4,624	Capital Renewal	Kresge College Administration
A-1 (Academic Building)	7377	9,327	16,318	Partial Renovation	CHES and Residential Life administration and programs
A-2 (Classroom Building)	7378	4,332	5,791	Capital Renewal	Student Support Services
R-1 (College House 1)	7382	5,560	6,406	Capital Renewal	Upper class undergraduate apartment-style housing
R-2 (College House 2)	7383	5,560	6,449	Capital Renewal	Upper class undergraduate apartment-style housing
R-3 (College House 3)	7384	2,448	3,385	Demolish	Site circulation
R-4 (College House 4)	7385	5,560	6,379	Capital Renewal	Upper class undergraduate apartment-style housing
R-5 (College House 5)	7386	2,448	3,727	Demolish	Site circulation
R-6 (College House 6)	7387	4,880	6,142	Capital Renewal	Upper class undergraduate apartment-style housing
R-7 (College House 7)	7388	5,249	6,173	Demolish	New Residence Hall
R-8 (College House 8)	7389	7,249	9,937	Demolish	Site circulation
R-9 (College House 9)	7390	2,635	3,385	Capital Renewal	Student Support Services
R-10 (College House 10)	7391	5,468	6,102	Capital Renewal	Student Support Services
R-11 (College House 11)	7392	8,312	9,724	Demolish	New Town Hall
R-12 (Academic West Wing)	7393	3,099	4,353	Partial Renovation or Add Alt: Full Renovation	CHES and Residential Life administration and programs
R-13 (Student Lounge)	7397	1,323	2,033	Partial Renovation	CHES and Residential Life administration and programs
Triplets (Staff Apts)	7394	2,673	3,005	Demolish	New Residence Hall
Mini Gym	7395	1,617	2,458	Demolish	New Residence Hall
Annex A	7807	1,536	2,345	Demolish	New Town Hall
Annex B	7808	1,855	2,560	Remain as is	CHES support space
The Mayor's Stand	7372	159	191	Demolish or Add Alt: Reconstruct	Site circulation

**ATTACHMENT 6**

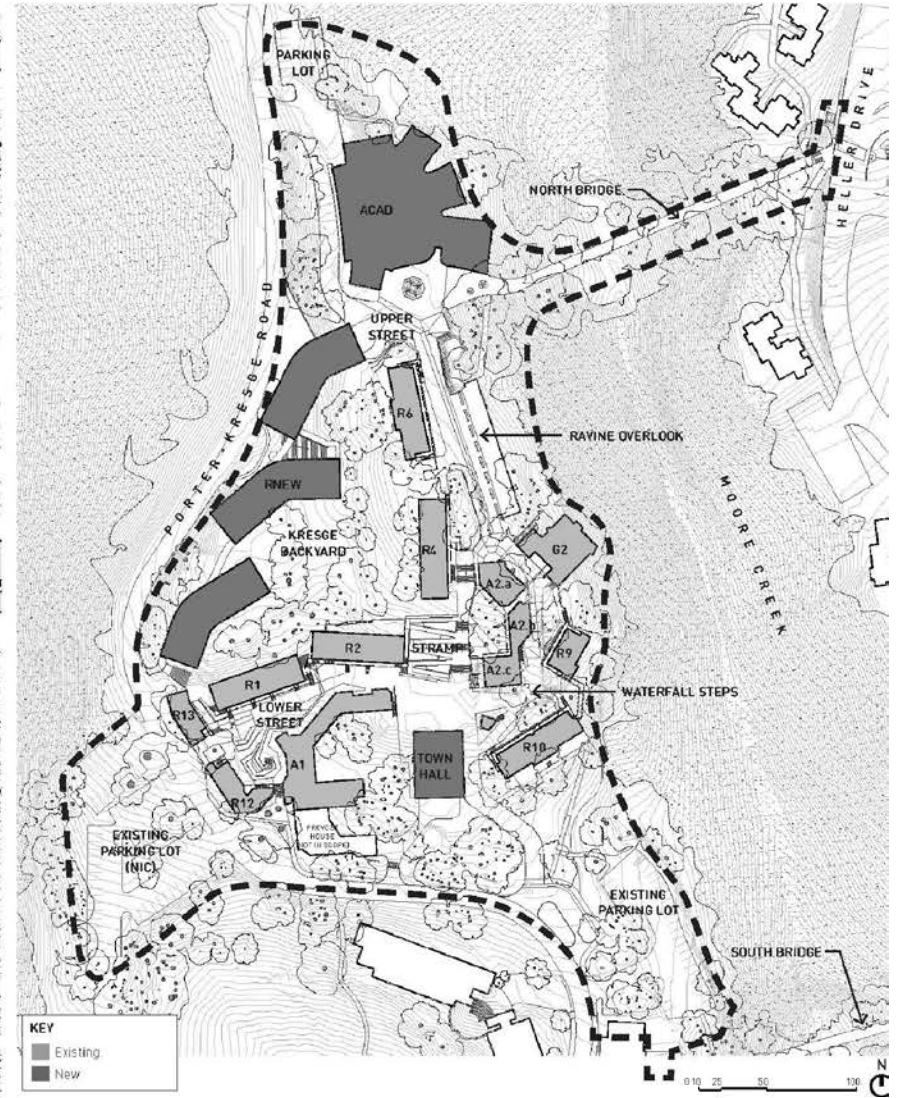
**DESIGN GRAPHICS**

Kresge College Non-Academic



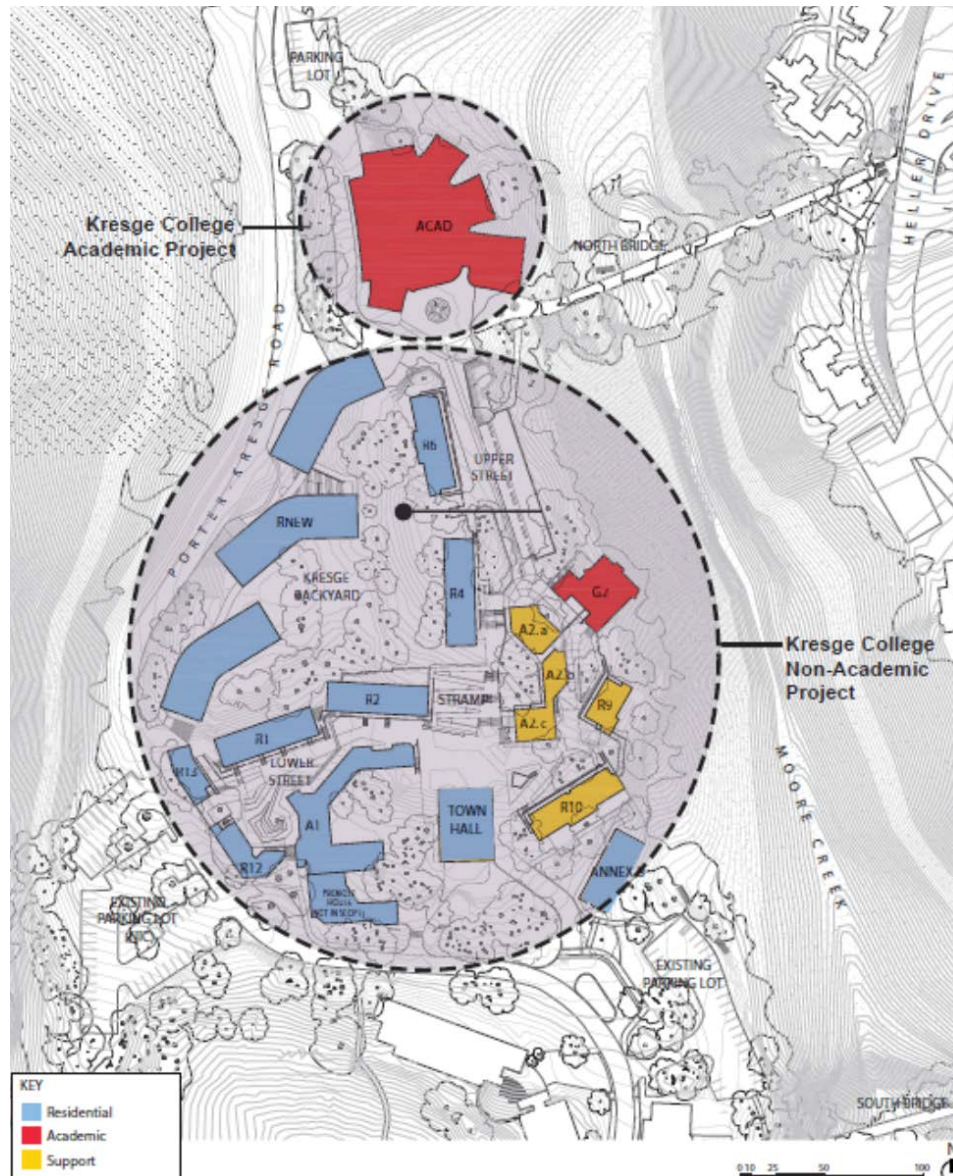


Existing Site



Proposed Site Plan





## KRESGE ACADEMIC PROJECT

25,000 asf: NEW ACADEMIC BUILDING

## KRESGE NON- ACADEMIC PROJECT

46,000 asf: NEW RESIDENTIAL HALL FOR FIRST YEAR STUDENTS

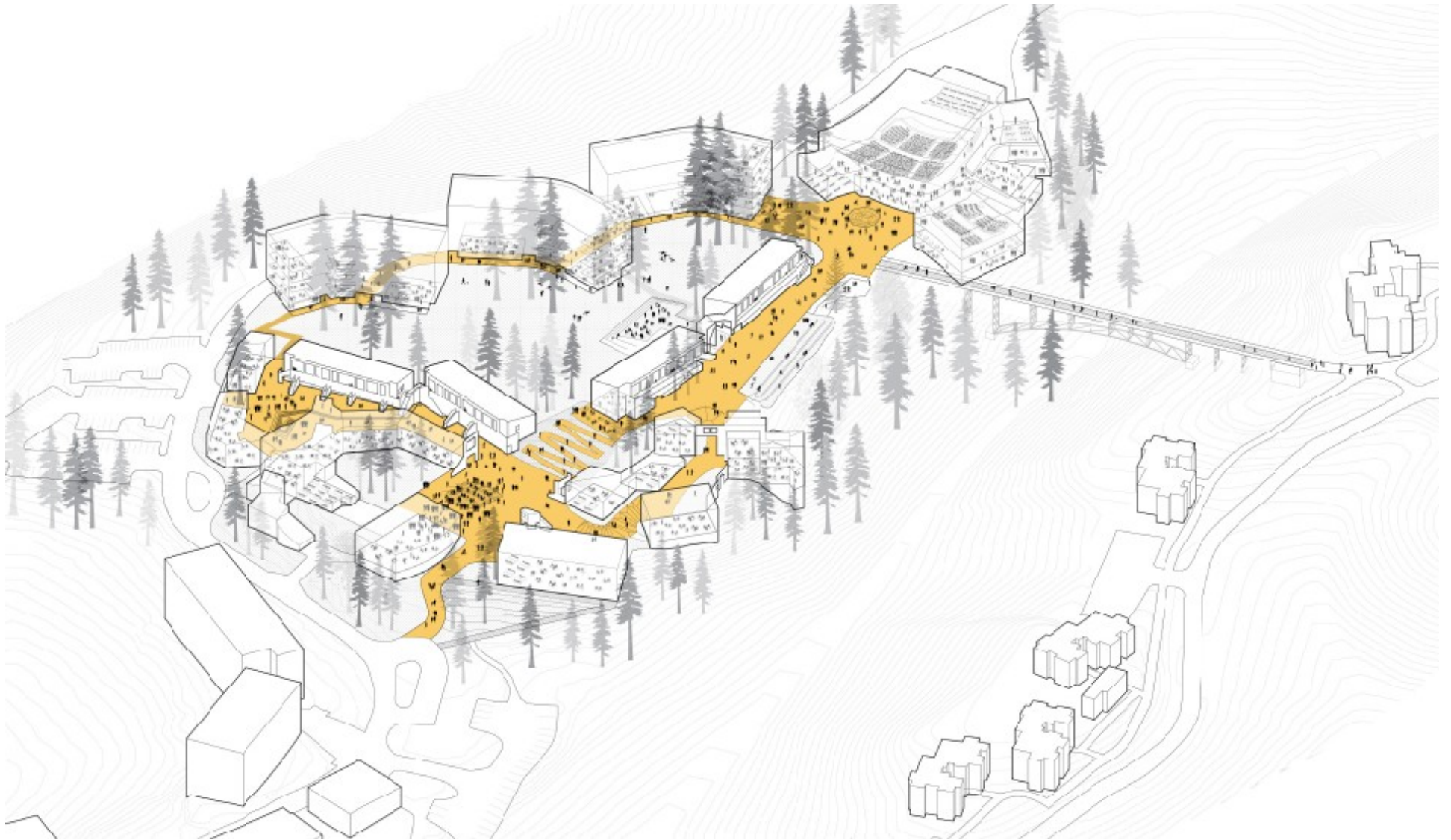
38,300 asf: APARTMENTS FOR CONTINUING STUDENTS AND RESIDENTIAL LIFE SPACE

2,800 asf: KRESGE COLLEGE STUDENT FACULTY CENTER

10,000 asf: STUDENT SUPPORT SPACE

SITE INFRASTRUCTURE, INCLUDING ACCESSIBLE CIRCULATION AND NEW UTILITIES



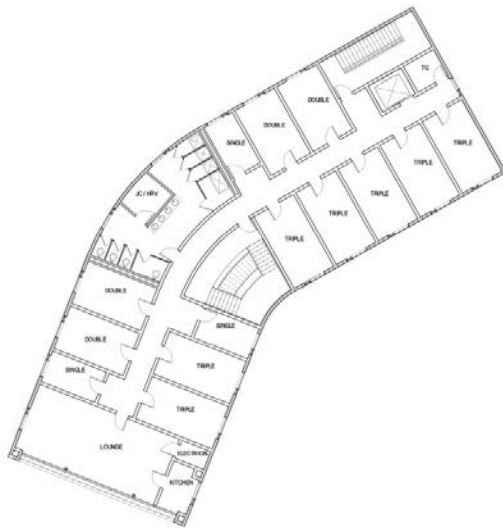


Site Plan Overview





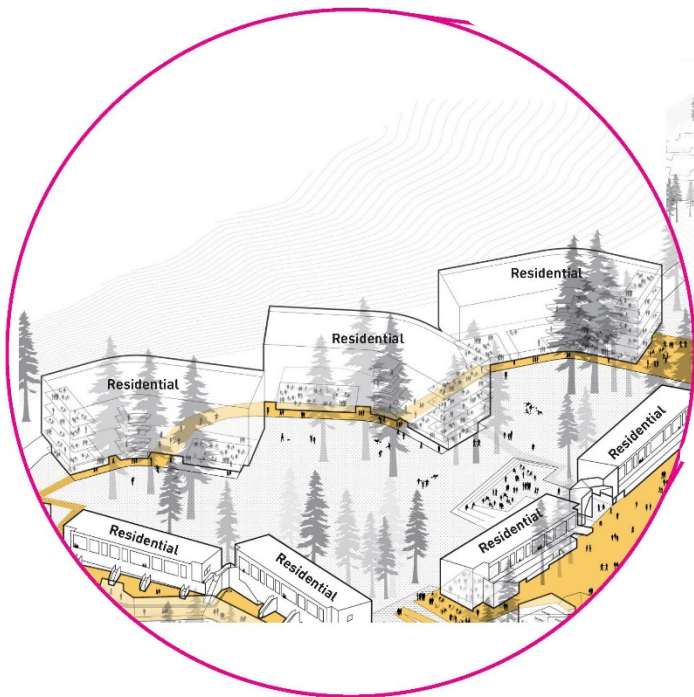
View of New Residential Hall Building



**New Residential Hall Typical Floor Plan**



**New Residential Hall Site Plan**







View of Existing Piazzetta with New Residential Hall Beyond





View of Town Hall, Civic Plaza, and South Entry





View of Renovated Student Support Buildings and Waterfall Steps

## ATTACHMENT 7

### COMPARABLE PROJECT INFORMATION

The cost figures shown in the following table demonstrate how the proposed budget for the Kresge College Non-Academic project at UC Santa Cruz compares to UC projects.

#### STUDENT APARTMENTS - Low Rise

<i>Project</i>	<i>Location</i>	<i>GSF</i>	<i>Start of Constr.</i>	<i>Building Cost *</i>	<i>Building Constr. Cost Adjusted to Subject Project **</i>	<i>Adjusted Building Constr. Cost (\$/GSF) **</i>	<i>Project Cost ***</i>	<i>Adjusted Project Cost to Subject Project **</i>	<i>Adjusted Project Cost (\$/GSF) **</i>	<i>No. of Beds</i>	<i>Adjusted Building Cost/Bed **</i>	<i>Adjusted Project Cost/Bed **</i>	<i>No. of Units</i>	<i>Adjusted Project Cost/Unit **</i>
1 UCSC Kresge College Non-Academic (Apartments Renovation)	Santa Cruz	43,102	11/15/2019	\$30,144,000	\$30,144,000	<b>\$699</b>	\$59,556,000	\$59,556,000	\$1,382	152	\$198,316	\$391,816	69	\$ 863,130
2 UCR Glen Mor 2 Apartments	Riverside	334,187	10/1/2011	\$78,822,000	\$102,430,000	<b>\$307</b>	\$122,886,000	\$159,691,036	\$478	814	\$125,835	\$196,181	230	\$ 694,309
3 UCLA Landfair Glenrock Apartments	Los Angeles	123,901	7/1/2012	\$30,712,000	\$38,599,000	<b>\$312</b>	\$42,884,000	\$53,896,574	\$435	355	\$108,730	\$151,821	100	\$ 538,966
4 UCSB Sierra Madre	Santa Barbara	220,325	7/1/2013	\$54,352,000	\$69,751,000	<b>\$317</b>	\$77,000,000	\$98,815,435	\$448	630	\$110,716	\$156,850	151	\$ 654,407
5 UCSB San Joaquin Apartments	Santa Barbara	283,873	10/1/2014	\$109,858,000	\$137,086,000	<b>\$483</b>	\$170,000,000	\$212,133,280	\$747	1,019	\$134,530	\$208,178	186	\$1,140,502
6 UCSC Crown College (Renovation)	Santa Cruz	91,277	1/18/2018	\$37,963,000	\$39,999,000	<b>\$438</b>	\$54,992,000	\$57,940,954	\$635	656	\$60,974	\$ 88,325		

\* Building cost at budget approval

\*\* Adjusted for several factors including location and inflation to the start of construction of the proposed project; CCCI for projects with a future start date have been indexed by 5% per year

\*\*\* All Projects Costs include interest during construction, but do not include other financing costs

## STUDENT DORMITORIES - Over 4 stories

<i>Project</i>	<i>Location</i>	<i>GSF</i>	<i>Start of Constr.</i>	<i>Building Cost *</i>	<i>Building Constr. Cost Adjusted to Subject Project **</i>	<i>Adjusted Building Constr. Cost (\$/GSF) **</i>	<i>Project Cost ***</i>	<i>Adjusted Project Cost to Subject Project ** ***</i>	<i>Adjusted Project Cost (\$/GSF) **</i>	<i>No. of Beds</i>	<i>Adjusted Building Cost/Bed **</i>	<i>Adjusted Project Cost/Bed **</i>	<i>No. of Dorm Rooms</i>	<i>Adjusted Project Cost/Dorm Room **</i>
1 <b>Kresge Non-Academic (Residence Halls)</b>	Santa Cruz	88,281	11/15/2019	\$68,610,000	\$68,610,000	<b>\$777</b>	\$110,444,000	\$110,444,000	\$1,251	400	\$171,525	\$276,110	167	\$ 661,341
2 <b>UCI Mesa Court Expansion</b>	Irvine	145,247	6/1/2014	\$47,558,000	\$58,731,000	<b>\$404</b>	\$65,940,000	\$81,431,684	\$561	746	\$78,728	\$109,158	249	\$ 327,473
3 <b>UCB Blackwell Hall</b>	Berkeley	169,701	11/1/2016	\$76,187,000	\$80,068,000	<b>\$472</b>	\$96,171,000	\$101,070,550	\$596	781	\$102,520	\$129,412	412	\$ 245,317
4 <b>UCLA Lot 15 Residence Hall</b>	Los Angeles	311,700	2/1/2019	\$165,201,000	\$178,309,000	<b>\$572</b>	\$203,741,000	\$219,907,155	\$706	1,781	\$100,117	\$123,474	613	\$ 358,739
6 <b>UCD Emerson Hall</b>	Davis	197,859	11/1/2019	\$83,424,000	\$86,808,000	<b>\$439</b>	\$109,300,000	\$113,733,686	\$575	809	\$107,303	\$140,586	374	\$ 304,101

\* Building cost at budget approval

\*\* Adjusted for several factors including location and inflation to the start of construction of the proposed project; CCCI for projects with a future start date have been indexed by 5% per year

\*\*\* All Projects Costs include interest during construction, but do not include other financing costs

## Building Construction Cost Comparables Classroom

<i>Project</i>	<i>Location</i>	<i>GSF</i>	<i>Start of Construction</i>	<i>Building Construction Cost *</i>	<i>Building Construction Cost Adjusted to Subject Project **</i>	<i>Adjusted Building Construction Cost \$/GSF **</i>	<i>Project Cost ***</i>	<i>Adjusted Project Cost to Subject Project ** ***</i>	<i>Adjusted Project Cost (\$/GSF) **</i>
<b>Kresge College Non-Academic (Student Programs)</b>	Santa Cruz	17,904	11/15/2019	\$18,422,000	\$18,422,000	<b>\$1,029</b>	\$27,012,000	\$27,012,000	\$1,509
<b>UCR Student Success Center</b>	Riverside	57,000	11/15/2019	\$42,587,000	\$45,191,000	<b>\$793</b>	\$56,950,000	\$56,950,000	\$999

\* Building cost at budget approval

\*\* Adjusted for several factors including location and inflation to the start of construction of the proposed project; CCCI for projects with a future start date have been indexed by 5% per year

\*\*\* All Projects Costs include interest during construction, where applicable, but do not include other financing costs



## Cost Drivers & Other Factors to Consider

The campus conducted a study of campus housing in 2015 which found some of the cost drivers unique to the Santa Cruz campus that need to be considered in the cost of construction including the following:

- Economy of scale. The project is of such a size, and when combined with other campus projects taking place during the same period (i.e., Student Housing West) will exceed the capacity of the Santa Cruz local residential construction market. This means the project will have to attract bidders and works from further afield thus adding to cost of labor decreasing overall cost efficiency.
- Regional market demand. The broader regional markets, in both the Bay Area and Central Valley, continue to experience strong demand for construction, such that competitive pricing is muted. This is of particular concern for Santa Cruz, since it means it must attract bidders away from strong local markets to come into the Santa Cruz market thus driving up bids and decreasing overall cost efficiency.
- Geology and topography. The geology and topography of the campus means the project must address both slopes and challenging ground conditions in order to construct buildings and also provide for exterior pathways which meet code requirements. An example for the Kresge project includes improvements to the existing pedestrian bridge to provide an ADA accessible path from the central core of Kresge College to the academic core. Another example includes traversing varying topography from north to south in order to provide an accessible, connected pathway throughout the college. These challenges increase costs for foundations and site improvements thus impacting overall cost per square foot efficiency for the project.

Addressing the marine environment: The climate and marine environment place a high demand on building materials. Specifically, high humidity accelerates mold and mildew growth, and salt air can lead to corrosion and rust. As a result, materials, particularly those exposed to outside air, have to be of higher quality and/or have specialized coatings to achieve the planned use life cycle. An example includes the extensive focus on designing a breathable yet waterproof building envelope to properly protect interior elements as well as ensure exterior construction withstands the test of time. This factor increases cost of building construction impacting overall cost per square foot efficiency for the project.

Incorporating life-cycle thinking in the building design: The project adopts design elements with a life-cycle perspective that consider the total cost to owner, which typically have higher initial capital costs but make sense for the project over the long term. For example, residential buildings are dual-plumbed to take advantage of recycled water for toilet flushing and irrigation. A passive approach to the building envelopes reduces the dependency on mechanical equipment and minimizes site utilities and disturbance.

Navigating ongoing operations during construction: The Kresge Project is essentially a redevelopment of an entire college within the campus which must be completed while maintaining a reduced level of college operations including housing. The project is phased to minimize need for temporary facilities, but this approach carries additional escalation for the project. The need for the project to be developed in such a manner contributes to a constricted site with limited laydown space and placement of requirements on construction activities (i.e., sound barriers). This factor is considered a cost driver specific to the Kresge Project. The campus has worked diligently and in collaboration with the design, engineering, and construction team to minimize these costs where possible through creative phasing and temporary relocations.

The campus recognizes costs associated with both student apartments and student dormitories for the Kresge Project are higher than listed UC comparison projects in the tables presented earlier. Review of project information reveals the size of the Kresge project is much smaller for each category in comparison to the size of other listed UC projects. Cost differentials between the projects could also be associated with an economy of scale as related to project size and corresponding purchasing power and cost efficiency as related to general conditions and overhead.

Cost Approach: The strategic approach to cost estimating includes partnering with both a cost consultant and a construction manager to obtain multiple perspectives and vet discrepancies to better isolate potential overruns and establish targets.

The cost estimating consultant has specific experience with projects on the UC Santa Cruz campus. Their total cost management approach is based on continuous involvement and testing of options in the design and engineering phases in order to track the cost plan against the budget, allowing the campus to make better-informed decisions during design. Their approach is grounded on continuous communication with the team to understand intent and manage risk. Pricing is based on historical bid data and reference information on a range of projects in the project vicinity that provides consistent market data and understanding.

Our construction manager prepares their estimates based on testing rates with the contractor community, where they have the benefit of sourcing information directly from projects currently in construction. Their ability to track work patterns in the subcontractor community to identify labor trends provides an additional measure of security in estimating. The construction manager also provides input into constructability, site logistics and phasing, all of which directly influence costs.

These two complementary approaches are then reconciled for a single integrated strategy providing a greater level of cost certainty for the project.

## ENVIRONMENTAL IMPACT SUMMARY

### *Environmental Impacts*

In accordance with University procedures and the requirements of the California Environmental Quality Act (CEQA), an Environmental Impact Report (EIR) was prepared for the Kresge College Renewal and Expansion Project (Project). The EIR is tiered from the Program EIR prepared for the 2005 Long Range Development Plan (LRDP) (UC Santa Cruz September 2006) but does not rely on the 2005 LRDP EIR for the analysis of water supply and population and housing impacts. The water supply and population and housing analyses in the EIR was entirely new and specific to the proposed Project.

The Draft EIR was circulated to responsible agencies and the State Clearinghouse for a 53-day public review period beginning November 15, 2018 and ending January 7, 2019. The availability of the Draft EIR for public review was announced to interested parties via mail and email and to the general public in a newspaper advertisement and on the UC Santa Cruz Physical Planning and Construction website. Digital copies were available for public review online and a hard copy was available at the Downtown Branch of the Santa Cruz Public Library. Two public hearings to solicit input from the public on the findings of the EIR were held on November 27 and 28, 2018, one in downtown Santa Cruz and the other on the UC Santa Cruz main campus.

The EIR analyzes all of the issues listed in Appendix G of the CEQA Guidelines. The EIR concluded that the proposed project may have a significant effect on the environment. Incorporation of project revisions and mitigation measures that have been agreed to by the University will avoid or reduce these potentially significant impacts to less-than-significant levels to the extent feasible. As disclosed in the EIR (Attachment 11) and associated CEQA Findings (Attachment 12), the Kresge College Renewal and Expansion Project would result in significant, unavoidable impacts to visual character and quality, historical resources within the Kresge College Historic District (KCHD) and to sensitive receptors exposed to construction noise. Mitigation for potentially significant impacts includes both programmatic mitigation identified in the 2005 LRDP EIR and project-specific mitigation. In addition, the project would have potentially significant impacts, which would be reduced to a less-than-significant level, in the following areas: special-status species, construction traffic, and tribal cultural resources. The project Mitigation Monitoring and Reporting Program, which details the mitigation measures and conditions required of the Projects, is included in the Final EIR, Chapter 5.

### *Public Comments*

Three individuals submitted oral comments at the public hearings. In addition, during the public review period comment letters were received from one State agency, one local agency, and six individuals. The key concerns identified in the comments were impacts to historic resources, off-campus traffic impacts, impacts to emergency vehicle access and response times, sustainability and climate change, and potential impacts of additional foot traffic to the adjacent Campus Natural Reserve. The comment letters did not raise any new significant impacts that were not

adequately analyzed in the Kresge College Renewal and Expansion EIR pursuant to CEQA. Therefore, only minor changes or amendments to the EIR were warranted based on public comments and recirculation of the document was not required. The comment letters and campus responses are included as Chapter 3 of the Kresge College Renewal and Expansion Final EIR.

### ***Findings***

CEQA Findings for the Project are provided in Attachment 12. Based on the analysis in the EIR, it has been determined that significant and unavoidable impacts would result from the Project, even with the incorporation of project-specific mitigation measures; therefore, the University acting as Lead Agency must prepare and adopt a “Statement of Overriding Considerations” before it can approve the Project.

The Statement of Overriding Considerations (SOC) states that the decision-making body has balanced the benefits of the proposed project against its unavoidable significant environmental effects and determined that the benefits of the project outweigh the adverse effects and, therefore, the adverse effects are considered acceptable. The SOC for the Project Final EIR is included in the CEQA Findings (Attachment 12).