

Office of the President

TO MEMBERS OF THE FINANCE AND CAPITAL STRATEGIES COMMITTEE:

ACTION ITEM

For Meeting of March 15, 2023

BUDGET, SCOPE, EXTERNAL FINANCING, AND DESIGN FOLLOWING CONSIDERATION OF AN ADDENDUM TO THE 2018 LONG RANGE DEVELOPMENT PLAN ENVIRONMENTAL IMPACT REPORT PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, RIDGE WALK NORTH LIVING AND LEARNING NEIGHBORHOOD, SAN DIEGO CAMPUS

EXECUTIVE SUMMARY

UC San Diego proposes the Ridge Walk North Living and Learning Neighborhood project, which would provide 2,444 new undergraduate student beds on the San Diego campus. The program would include space for student dining, recreation, and fitness; replacement space for programs currently in structures to be demolished for the project; permanent space for the Marshall College academic program and student support services; a consolidated home for the Economics Department; expansion space for the School of Global Policy and Strategy; and general assignment classroom space.

This project supports diversity, equity, and inclusion by expanding access to the “living/learning community” model to a greater proportion of students. Living on campus gives students access to a rich variety of academic and social resources and supports student success. Students who have the benefit of living on campus are immersed in the University community with easy access (via campus shuttle, bicycle, or on foot) to adjacent academic, research, clinical, recreation, and retail facilities, supporting the campus’s Climate Action Plan¹.

In coordination with the UC Office of the President, UC San Diego submitted an application for this project that requests \$150 million from the State Higher Education Student Housing Grant Program (Senate Bill 169). If the application is successful, the campus would be able to offer discounted rates of \$936/month for 1,474 students. The financial feasibility analysis presented in this item does not include the proposed grant as a fund source since the application status would not be known until July 2023 at the earliest.

In January 2022, the Regents approved \$33.2 million of preliminary plans funding for the project, funded from housing auxiliary reserves. The Regents are asked to (1) approve the project scope, (2) approve the project budget of \$683 million, (3) approve \$683 million in external

¹<https://sustain.ucsd.edu/files/focus/UCSD-Climate-Action-Plan-2019-final.pdf>

financing, (4) adopt the California Environmental Quality Act Findings, and (5) approve the design of the Ridge Walk North Living and Learning Neighborhood project.

RECOMMENDATION

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

- A. The 2022-23 Budget for Capital Improvements and the Capital Improvement Program be amended as follows:

From: San Diego: Thurgood Marshall College Undergraduate Student Housing – preliminary plans – \$33.2 million, to be funded from housing auxiliary reserves.

To: San Diego: Ridge Walk North Living and Learning Neighborhood – preliminary plans, working drawings, construction, and equipment – \$683 million to be funded with external financing.

- B. The scope of the Ridge Walk North Living and Learning Neighborhood project be approved. The project shall redevelop an approximately 7.5-acre underutilized infill site to provide approximately 934,000 gross square feet for approximately 2,444 new student beds, student dining, wellness programming, study lounges, co-working spaces, housing and offices for residential life staff, general assignment classrooms, and other academic space. The scope also includes a permanent home for the Marshall College academic program and replacement space for housing operations administrative staff currently located at Eucalyptus Point. The project will also include public realm and site utility infrastructure improvements.
- C. The President be authorized to obtain external financing in an amount not to exceed \$683 million plus additional related financing costs to finance the Ridge Walk North Living and Learning Neighborhood. 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, general revenues from the San Diego campus shall be maintained in amounts sufficient to pay the debt service and to meet the related requirements of the authorized financing.
 - (3) The general credit of the Regents shall not be pledged.
- D. Following review and consideration of the environmental consequences of the proposed Ridge Walk North Living and Learning Neighborhood project, as required by the California Environmental Quality Act (CEQA), including any written information

addressing this item received by the Office of the Secretary and Chief of Staff no less than 48 hours in advance of the beginning of the Regents meeting, testimony or written materials presented to the Regents during the scheduled public comment period, and the item presentation, the Regents:

- (1) Adopt the CEQA Findings for the Ridge Walk North Living and Learning Neighborhood project, having considered the 2018 Long Range Development Plan (LRDP) Environmental Impact Report (EIR) for the La Jolla Campus and Addendum No. 12 to the 2018 LRDP EIR for the Ridge Walk North Living and Learning Neighborhood project.
- (2) Make a condition of approval the implementation of applicable mitigation measures within the responsibility and jurisdiction of UC San Diego, as identified in the Mitigation Monitoring and Reporting Program adopted in connection with the 2018 LRDP EIR.
- (3) Approve the design of the Ridge Walk North Living and Learning Neighborhood project, San Diego campus.

BACKGROUND AND PROJECT DRIVERS

The shortage of available and affordable housing for UC San Diego's students is a matter of urgent concern. At present, UC San Diego has tremendous demand for on-campus housing, exacerbated by its location in one of the highest-priced housing markets in the state. This shortage negatively affects the student experience and challenges the campus's ability to serve its students adequately. Affordable on-campus housing aids in the recruitment and retention of students and supports their success by expanding opportunities for integration into the academic and social life of the UC San Diego campus.

There are three key drivers for the Ridge Walk North Living and Learning Neighborhood (RWN LLN) project:

1. The need to provide affordable on-campus housing
2. The campus goal to provide a four-year housing guarantee
3. The Long Range Development Plan (LRDP) goal to house 65 percent of students on campus

Provide Affordable On-Campus Housing

The shortage of affordably priced rentals in the surrounding San Diego (private market) community strongly drives the demand for on-campus housing. UC San Diego is located adjacent to La Jolla and University City, where housing costs are higher than the regional average. Nevertheless, significant numbers of students reside in these neighborhoods.

The campus has committed to maintaining rental rates at least 20 percent below the private market rate in greater San Diego and 30 percent below the private market in La Jolla/University City for all new proposed on-campus housing. Table 1 below summarizes estimated rental rates for the proposed Ridge Walk North Living and Learning Neighborhood project compared to the surrounding average private market rental rates, escalated by 4.9 percent annually from today's rates to academic year 2025-26. On-campus rates are uniform across all units; two undergraduate students sharing a bedroom on campus pay the same rate, regardless of which campus housing facility they live in.

Off-campus leases require one-time, upfront fees for rental applications (including a credit check), and rental and utility deposits, increasing the total annual cost for the off-campus rate listed below. Students who live off campus may also choose to own a vehicle and purchase a campus parking permit, further increasing their annual expenses and placing further demand on the campus's limited parking supply.

There are further significant savings since off-campus leases require a 12-month contract, versus on-campus housing, which follows the academic year cycle and offers a nine-month contract. This leads to an additional savings of about \$6,000 annually.

Table 1: Rental Rate Comparison (Estimated for Academic Year 2025-26)

La Jolla/University City	FY26 Market		FY26 UCSD	FY26 UCSD
	2-Bedroom Market Unit* (12-Mo.)	2-Bedroom Market per Bed Rate (12- Mo.)	RWNLLN HDH per Bed Rate (Single 9- Mo.)	RWNLLN HDH per Bed Rate (Double 9-Mo.)
Monthly Rent Weighted Average	\$4,141	\$2,071	\$1,563	\$1,416
Bedroom ASF		100	100	90
Amenities:				
Utilities (Electricity & Internet)	\$221	\$111	Included	Included
Furniture	\$243	\$122	Included	Included
Streaming TV Services	\$24	\$12	Included	Included
Total Amenities per Month	\$488	\$245	-	-
Adjustment for Add'l Bathroom in 2-Bedroom Market Units**	(\$182)	(\$91)	N/A	N/A
Total Monthly Rent	\$4,447	\$2,225	\$1,563	\$1,416
% Below Market Rent per Bed			30%	36%

Notes:

*Market rent escalated by 4.9% per third-party analysis, and amenities escalated by 5.0% annually for inflation.

**Market unit rent decreased for additional bathroom in inventory per third-party analysis range of \$100-\$150/month.

HDH: Housing Dining Hospitality

UC San Diego students will save about \$6,000 annually since the academic year housing contract is for 9 months versus a 12-month contract in the private market.

Four-Year Housing Guarantee

In support of UC San Diego's Strategic Plan, the campus seeks to offer all eligible undergraduate, graduate, and professional students a four-year guarantee of on-campus housing. The proposed project would allow progress towards this goal.

As enrollment has significantly outpaced the construction of new student housing, UC San Diego can no longer offer even a two-year guarantee. As of August 2022, 870 undergraduate students remained on the waitlist for campus housing, from a high of 1,116 earlier in the year.

LRDP Goal to House 65 Percent of Eligible Students

The 2018 LRDP includes a goal to provide housing for 65 percent of eligible² students (including graduate and professional students) in University-owned facilities. As of fall 2022, the campus provided housing for approximately 39 percent of all eligible undergraduate students.

The proposed Ridge Walk North Living and Learning Neighborhood project is part of a strategic plan to provide more housing to all student groups. The campus anticipates that the completion of current and proposed projects, as shown in Table 2 (below), will allow the housing of approximately 50 percent of eligible students. The campus will require continued expansion of the student housing inventory through 2027-28 to achieve the 65 percent goal. This expansion is also critical to achieving the goal of a four-year housing guarantee for on-campus student housing.

Table 2: Current & Proposed Student Housing Projects

Project	New Beds	Regental Approval	Expected Delivery Year
Theatre District Living and Learning Neighborhood (in construction)	2,050	November 2020	2023
Pepper Canyon West Housing (in construction)	1,310	January 2022	2024
Proposed RWN LLN	2,444	Anticipated March 2023	2025
TOTAL BEDS	5,804		

PROJECT DESCRIPTION

The project would redevelop an approximately 7.5-acre underutilized infill site adjacent to Geisel Library and east of Ridge Walk to provide approximately 2,444 new student beds (2,194 net new student beds), with a residential life program, plus 11 beds for professional staff. The project would include student dining, wellness programming, study lounges, housing and offices

² To be considered eligible, students must be enrolled full-time and must have submitted their housing application by the specified deadline.

for residential life staff, and replacement space for housing operations administrative staff currently located at Eucalyptus Point. In addition to housing, the Living and Learning Neighborhood would also include general assignment classrooms, a permanent home for Marshall College academic and administrative programs, a consolidated home for the Economics Department, expansion space for the School of Global Policy and Strategy, and public realm and site utility infrastructure improvements.

Since 1975, the proposed project site (see also Attachment 5) has been the home of the Marshall College Lower Apartments, Buildings A through F (approximately 250 existing student beds); Eucalyptus Point (13,900 gsf), which includes offices for housing operations administrative staff; Goody's Market (4,100 gsf); Fireside Lounge (6,000 gsf); the Dean's Residence (2,400 gsf); Economics Building (22,300 gsf); Sequoyah Hall (7,600 gsf); the former Thurgood Marshall College Administrative Building (7,300 gsf); and three small temporary modular structures.

The project would demolish all of the aforementioned existing structures to make way for the proposed development. Built in the 1970s, the buildings on the site are in poor condition and very costly to maintain. The Thurgood Marshall Administrative Building was vacated in 2019 due to its extremely poor condition. The college administration was relocated to another campus location, where it will remain until permanent space is built as part of the proposed project.

The project will address about \$28 million of building and infrastructure restoration and renewal needs identified via the Integrated Capital Asset Management Program (ICAMP) program. This will be accomplished largely through the demolition of existing buildings.

The project site also contains 109 parking spaces in surface parking lot P308, which will not be replaced because the Hopkins Parking Structure is located directly north and adjacent to the site and can accommodate parking needs for the area. The project will include code-required accessible parking proximate to buildings and parking to accommodate UC operations, maintenance, service, and loading. (Refer to Attachment 4 – Project Location, and Attachment 5 – Project Site.)

The proposed area summary is provided in Table 3, below:

**Table 3: Ridge Walk North Living & Learning Neighborhood
Proposed Area Summary**

HOUSING			
Residential	Units	# of Beds	ASF
8-Bed Apartments (8 residents per apartment)	83		126,200
Student Beds		650	
Resident Advisor (RA) Beds		14	
10-Bed Apartments (10 residents per apartment)	178		334,600
Student Beds		1,744	
Resident Advisor Beds		36	
Subtotal – Student Residential		2,444	460,800
Residential Support			
Live-in Professional Staff	5	11	5,200
Community Kitchen, Laundry, Social Gathering Spaces, Wellness			56,000
Housing/Dining Facility & Building Services			5,800
Subtotal – Residential Support			67,000
ACADEMIC & STUDENT SUPPORT			
General Assignment Classrooms & Lecture Hall	# of Rooms	# of Seats	ASF
100-Seat Classroom	3	300	7,600
56-Seat Classroom	10	560	14,800
40-Seat Classroom	5	200	5,500
150-Seat Large Lecture Hall (auditorium-style)	1	150	2,300
Pre-function			10,500
Thurgood Marshall College Administrative and Academic (includes lobby/reception, administrative offices, academic advising offices, student affairs offices, DOC writing program, breakroom, and conference rooms)			11,300
Economics Department (includes academic offices, experimental labs and seminar rooms, lobby/reception, and support)			25,000
School of Global Policy & Strategy (includes academic office, conference rooms, and collaboration lounge)			4,800
Basic Needs			3,500
Student Recreation (e-Sports)			1,400
Subtotal – Academic & Student Support			86,700
COMMUNITY SUPPORT			
Residential Life			5,800
Hospitality			3,000
Glass Lab			10,700
Café Market			8,000
Housing/Dining Administrative Operations			3,100
Subtotal – Community Support			30,600
TOTAL PROJECT ASF			645,100

PROJECT DESIGN

The project is consistent with the UC San Diego Physical Design Framework and Long Range Development Plan. The building's exterior architecture provides a complementary and distinctive approach to the overall project, which will reside at the core of UC San Diego's West

Campus. The project comprises four structures of varying heights and scales between Ridge Walk and the Historic Grove. The project design and site work acknowledge an existing 50-foot grade difference between Ridge Walk and Hopkins Lane.

Four new buildings will house the overall program and provide the campus with 2,444 new beds for undergraduate students, residence life program space, student amenity space, a new home for Thurgood Marshall College and its Dimensions of Culture Writing Program, a new and consolidated home for the Economics Department with expansion space for Global Policy and Strategy, a new Basic Needs Center, Glass Blowing Facility, Café and Market, 19 new General Assignment Classrooms, and the E-Sports Center.

Refer to Attachment 6 for Design Graphics.

Buildings A and B (Residential Towers)

Building A is a high-rise residential tower containing 1,078 total beds and rising up to 18 stories above finish grade. This L-shaped structure anchors the northern edge of the project site along Voigt Drive. The residential tower contains a west-facing roof terrace and a large multipurpose room at the highest level; the ground floor level provides Housing, Dining, and Hospitality human resources space; study spaces; and professional staff unit space. Service and loading functions are provided at the walkout basement level facing east toward the project's service and fire access road.

Building B is a high-rise residential tower at the center of the project site and contains 930 total beds, rising up to 16 stories above finish grade. A large aperture is provided at ground level at the center of the building, which would provide a corridor for access between the northern and southern courtyards. Building B has a west-facing roof terrace at the top level. The ground floor level includes a community kitchen, game room, large multipurpose room, and residential life support space.

Building C (Mixed-Use)

Building C is a mixed-use high-rise tower that is up to ten stories tall and brings together numerous synergistic programs. The building's upper residential floors contain 436 total beds and student amenity spaces, including hospitality services, a multipurpose room, and a west-facing rooftop terrace. The lower levels include the market/café, glass-blowing facility, and Thurgood Marshall College program spaces directly adjacent to Ridge Walk. A wide public walkway wraps around the northern edge of the building providing access to the E-Sports Gaming Facility, residential lobby, commuter lounge, and general assignment classrooms before descending wide steps to the lower courtyard and additional classrooms. The academic wing of the building contains 950 seats of classroom space spread across two levels. At the lower level, a large breezeway passthrough allows students to move north/south through the academic wing providing flexibility of movement and access to the existing Solis Hall and Communication Building to the south.

Economics Building

The Economics Building is six stories tall and anchors the northwest corner of the project site. The Basic Needs Center and Global Policy and Strategy program will occupy the ground floor level with direct access to Ridge Walk for easy access by all students and faculty. The remainder of the building provides department classrooms, office space, conference space, two general assignment classrooms, and a rooftop terrace with west-facing views. The building is organized around a full-height, open-air atrium that brings natural light and air into all levels.

Use of Materials

The buildings are tied together by the exterior color and material palette, which integrates warm, welcoming, diverse, and timeless elements. Building bases will have warm-toned cast-in-place concrete with aluminum storefront systems and opportunities throughout the project for wall murals and the re-incorporation of existing artwork into the project. The high-rise residential towers are clad in a combination of textured fiber cement material and multi-colored chevroned metal panels with aluminum windows and formed metal sunshades. Colors and textures of neutral greens, taupes, and accents of terracotta are inspired by the Historic Grove. Warm-toned cast-in-place concrete at the building base, copper-colored metal panels and fins along with aluminum windows and formed metal sunshades clad the Economics Building and the Thurgood Marshall College Administration portion of Building C, framing the two sides of the gateway to the project.

Sustainable Practices

The project will comply with the University of California Policy on Sustainable Practices. The Sustainable Practices Policy establishes goals for green building, clean energy, transportation, climate protection, facilities operations, zero waste, procurement, food service, and water systems. A full range of sustainability practices for building design and operations is included in the budgeting, programming, and design effort for the project. The project is targeting Leadership in Energy and Environmental Design (LEED) Gold certification. See Attachment 6, Design Graphics, and Attachment 7, Project Sustainability Features, for further information.

This project has been analyzed by the UC Operational Carbon and Energy Assessment for New Construction (OCEAN) Tool (see Attachment 8). The OCEAN Tool identifies high-level estimates of target site energy use, utility costs, and operational greenhouse gas emissions for the proposed project. Building performance metrics are compiled within UC's capital projects database and will be utilized to compare and assess future projects.

Project Implementation and Schedule

The campus is utilizing the stipulated sum design-build delivery process in which three pre-qualified design-build teams were short-listed and invited to participate in a design and collaboration exercise which was scored by a UC San Diego selection committee. The final Design-Build team was selected in October 2022. The competitive nature of this approach has

shown that the teams strive not only to meet the program requirements and budget targets but are incentivized through a point system evaluation to convey their team building, creativity, communication, and technical skills.

In collaboration with the selected design-build team, the San Diego campus has assembled a diverse and inclusive team – both in selecting consultants and their workforce, and the trade partners and vendors who will support the construction of this project. Part of the ongoing mission will be to set goals to utilize small and diverse businesses from the local community.

The campus is committed to promoting and increasing participation of Small Business Enterprises (SBEs) and Disabled Veteran Business Enterprises (DVBES) in all purchasing and contract business, subject to any applicable obligations under State and federal law, collective bargaining agreements, and University policies. The campus regularly communicates with interested contractors and consultants to provide information about how to find opportunities to work at the campus and to encourage them to respond to the annual announcement soliciting interest to perform services. Providing qualified SBEs and DVBES with the maximum opportunity to participate will be encouraged with the selected design professionals and contractors with the goal of meeting 25 percent participation.

UC San Diego has established the Small Business First Program to augment the commitment to small, disadvantaged, and diverse businesses. Outcomes of this program thus far include 3,500 small business suppliers integrated into the campus procurement system, \$92 million in annual small business spending, and 13 percent of total business spending is directed to small businesses.

Preliminary plans funding was approved at the January 2022 Regents meeting. The approval requested now would enable the campus to begin construction in June 2023 and achieve a phased delivery of the project, focusing on completion of the student residences by fall quarter 2025, and delivery of the academic spaces by winter quarter 2026. The project is located in the Coastal Zone and requires a Coastal Development Permit from the California Coastal Commission, which will be obtained in advance of the start of construction.

Long Range Development Plan

The project is consistent with the 2018 Long Range Development Plan La Jolla Campus (LRDP) (Attachment 10) and supports the following LRDP objectives:

- Accommodate projected growth by providing new facilities needed to expand academic and non-academic programs in support of the UC mission and its commitment to excellence in teaching, research, and public service.
- Locate campus buildings according to the character, scale, and design goals expressed in the area-specific planning studies and the 2018 LRDP's guiding principles and its required elements.
- Seek to redevelop older, lower-density areas in addition to developing infill housing sites to optimize land usage.

- Increase the availability of on-campus student housing.
- Recognize the importance of campus open spaces and provide a balance between the built and natural environments by preserving the adjacent Historic Grove, a culturally important designation of the campus Open Space Preserve.
- Minimize environmental impacts through sustainable development practices related to campus planning, building siting, design, multimodal connections, construction, and operations.

Seismic Safety Policy

This project will comply with the University of California Seismic Safety Policy and independent seismic peer review. The proposed project will enable occupants to vacate the seismically non-compliant buildings such as the Economics Building and Sequoyah Hall. The project will address about \$22 million of seismic capital need through demolition of non-compliant buildings.

Funding Plan and Financial Feasibility

As shown in Attachment 1, Project Sources and Uses, the total project budget is \$683 million and would be funded from external financing. Over a ten-year period, the campus is projected to have a minimum modified cash flow margin of 8.9 percent and debt service coverage of 1.4x as required by the University's Debt Policy (Debt Policy). Days' cash on hand in the Short Term Investment Pool (STIP)/Total Return Investment Pool (TRIP) is 83 days as of December 31, 2022, which does not meet the requirements of the University's Debt Policy; an exception has been granted by the Office of the Chief Financial Officer at this time. Additional information about the project budget by scope and financial feasibility is provided below and in Attachments 1 and 3.

Non-Residential Scope

The project budget related to Community Support, Academic and Public Realm is \$215,109,000 and would be funded from external financing. The estimated debt service at a planning rate of 4.35 percent is \$12,399,000 per year, including principal and interest, over a 35-year term.

Housing Auxiliary

The project budget related to the housing program is \$467,891,000 and would be funded from external financing. The debt service related to the housing program would be sourced from housing revenues. The estimated debt service at a planning rate of 4.35 percent is \$26.97 million per year, including principal and interest, over a 35-year term. The project debt service coverage ratio is projected to be a minimum of 1.1x in FY 2028, which meets the requirements of the Debt Policy at time of full amortization. In addition, over a ten-year period, the campus is projected to have an overall auxiliary system debt service coverage of at least 1.1x as required by the Debt Policy.

CEQA COMPLIANCE

Pursuant to the California Environmental Quality Act (CEQA), Addendum No. 12 to the 2018 LRDP Environmental Impact Report (EIR) (SCH#2016111019) has been prepared for the Ridge Walk North Living and Learning Neighborhood (Attachment 9). The project is within the scope of and fully analyzed in the 2018 LRDP EIR (Attachment 11). None of the circumstances that would trigger subsequent or supplemental environmental review under Public Resources Code Section 21166 and CEQA Guidelines Sections 15162 or 15163 have occurred or are present. Findings have been prepared to support the University's determination that the proposed project would not require major revisions to the 2018 LRDP EIR (Attachment 12).

KEY TO ACRONYMS

ASF	Assignable Square Feet
GSF	Gross Square Feet
CEQA	California Environmental Quality Act
DVBE	Disabled Veteran Business Enterprise
HDH	Housing Dining Hospitality
EIR	Environmental Impact Report
LRDP	Long Range Development Plan
OCEAN	UC Operational Carbon & Energy Assessment for New Construction
RWN LLN	Ridge Walk North Living & Learning Neighborhood
SBE	Small Business Enterprise

ATTACHMENTS

Attachment 1:	Project Sources and Uses
Attachment 2:	Comparable Project Information – Scatterplots and Tables
Attachment 3:	Summary of Financial Feasibility
Attachment 4:	Project Location
Attachment 5:	Project Site
Attachment 6:	Design Graphics
Attachment 7:	Project Sustainability Features
Attachment 8:	UC Operational Carbon & Energy Assessment for New Construction (OCEAN) Tool
Attachment 9:	Addendum #12 to the 2018 LRDP EIR https://drive.google.com/file/d/1_PebsvKLcG-GbK43oqQA9PHSh3txizAR/view?usp=share_link
Attachment 10:	UC San Diego 2018 Long Range Development Plan https://drive.google.com/file/d/1-BSIAq5pOSYbFH6nQ1wuc-BY0CEmxxqn/view

Attachment 11:	UC San Diego 2018 LRDP EIR https://plandesignbuild.ucsd.edu/planning/lrdp/la-jolla.html#Environmental-Impact-Report
Attachment 12:	CEQA Findings

PROJECT SOURCES AND USES
RIDGE WALK NORTH LIVING AND LEARNING NEIGHBORHOOD

PROJECT SOURCES	Total	%
External Financing	\$683,000,000	100%
Total Sources	\$683,000,000	100%

USES Cost Category	Housing	Community Support	Academic	Public Realm	Total	% of Total
Site Clearance ^(a)	\$1,320,000	\$126,000	\$382,000	\$184,000	\$2,012,000	0.3
Building Construction ^(b)	357,506,000	35,274,000	91,503,000	1,893,000	486,176,000	79.9
Exterior Utilities ^(c)	14,087,000	-	7,257,000	350,000	21,694,000	3.6
Site Development	-	-	-	20,586,000	20,586,000	3.4
A&E Fees	21,943,000	2,089,000	6,444,000	3,046,000	33,522,000	5.5
Campus Administration ^(d)	4,323,000	412,000	1,252,000	600,000	6,587,000	1.1
Surveys/Tests/Plans & Specifications	2,777,000	265,000	804,000	386,000	4,232,000	0.7
Special Items ^(e)	4,165,000	797,000	1,190,000	571,000	6,723,000	1.1
Contingency	17,461,000	1,663,000	5,055,000	2,424,000	26,603,000	4.4
<i>Total P-W-C</i>	\$423,582,000	\$40,626,000	\$113,887,000	\$30,040,000	\$608,135,000	100.0
Groups 2 & 3 Equipment	16,150,000	1,100,000	14,114,000	600,000	31,964,000	
<i>Project Total Uses</i>	\$439,732,000	\$41,726,000	\$128,001,000	\$30,640,000	\$640,099,000	
Interest During Construction	28,159,000	2,681,000	8,152,000	3,909,000	42,901,000	
Grand Total	\$467,891,000	\$44,407,000	\$136,153,000	\$34,549,000	\$683,000,000	

(a) Includes abatement of assumed quantity of hazardous materials in the utilities found beneath the existing surface parking lots and cost of the demolition; removal and proper disposal of some assumed quantity of contaminated soils.

(b) Includes Prime General Contractor costs within 5' of building perimeter, University Facilities Management, Security, and ITS costs, temporary utility costs, Builders Risk Insurance and UCIP.

(c) Exterior Utilities include connections to existing utility tunnel for a number of different systems including high temperature water, chilled water, and redundant telecommunications pathways. Fiber optic from the Communications Building will be relocated for this project.

(d) Campus Administration includes campus staff time for planning and management, plan reviews and construction inspection.

(e) Special Items includes detailed project program, environmental documentation and monitoring, value engineering/peer reviews, plan check fees, environmental mitigation monitoring services, pre-construction services, hazardous materials testing/environmental soils sampling, LEED consulting services, special design consult, as-built building survey/documentation of existing conditions, building commissioning costs, local jurisdiction fees/potable & reclaimed water/sewer/SDG&E, other campus recharges, interior designer/graphic designer/color consultant, and other special costs.

ATTACHMENT 1

FUNDING SCHEDULE BY PHASE	
Preliminary Plans	\$33,200,000
Working Drawings	24,601,000
Construction	550,335,000
Total P-W-C	\$608,136,000
Financing Costs	42,900,000
Groups 2 & 3 Equipment	31,964,000
Total Project	\$683,000,000

PROJECT STATISTICS	Housing	Community Support	Academic	Total
ASF ^(f)	527,735	30,737	86,597	645,069
OGSF ^(g)	757,526	44,261	131,748	933,535
Building Cost / OGSF	\$472	\$797	\$695	\$521
Total PWC Cost / OGSF	\$559	\$918	\$864	\$651
Grand Total Cost / OGSF	\$618	\$1,003	\$1,033	\$732
<p>(f) ASF is the Assignable Square Footage and represents the net usable area.</p> <p>(g) OGSF (Outside Gross Square Footage) is the sum of all covered or roofed areas of a building located outside of the enclosed structure for all stories or areas that have floor surfaces. This area is calculated at 50% of the Covered Unenclosed Gross Area</p>				

Ridge Walk Living and Learning – Housing
Comparable Construction Analysis
February 2023

List of Construction Costs Available for Comparison

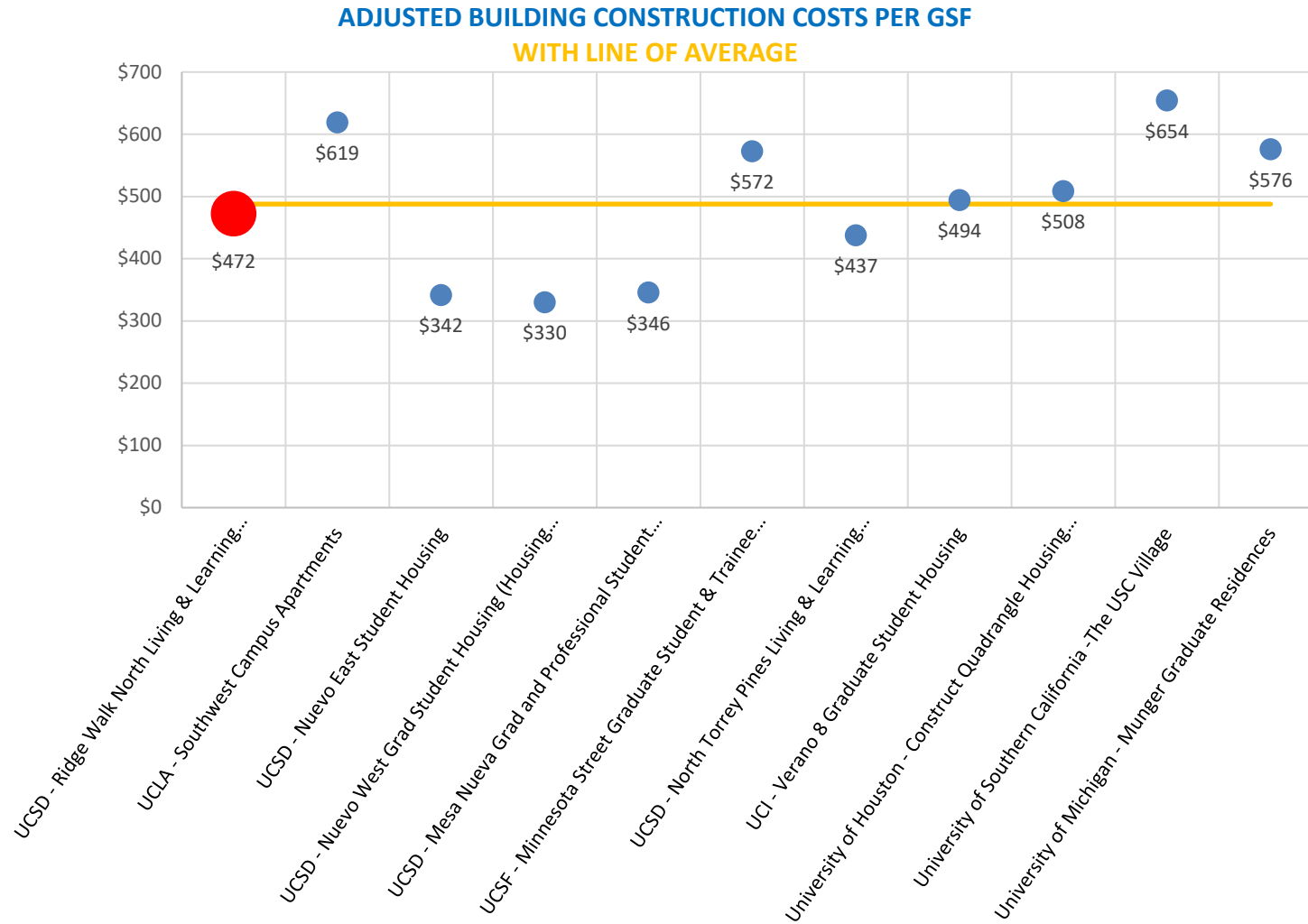
#	Project Name	City/ Campus	GSF	Md. Pt. Const Yr	Beds	Units	Building Construction Cost*	Adj. Building Cost**	Adj. Building Cost / GSF**	Total Project Cost*	Adj. Total Project Cost**	Adj. Total Project Cost/ GSF**	Adj. Building Cost / Bed**	Adj. Total Project Cost/ Bed**
							COMP AVERAGES		\$488				\$637	\$210,289
1	UCSD - Ridge Walk North Living & Learning Neighborhood - Housing	San Diego	757,500	2024	2455	266	\$357,506,000		\$472	\$467,891,000		\$618	\$145,624	\$190,587
2	UCLA - Southwest Campus Apartments	Los Angeles	563,200	2020	2279	358	\$287,890,000	\$348,589,000	\$619	\$354,249,000	\$428,939,000	\$762	\$152,957	\$188,214
3	UCSD - Nuevo East Student Housing	San Diego	729,300	2019	1374	653	\$191,972,000	\$249,102,000	\$342	\$254,446,000	\$330,168,000	\$453	\$181,297	\$240,297
4	UCSD - Nuevo West Grad Student Housing (Housing Only)	San Diego	401,909	2018	804	0	\$99,594,000	\$132,585,000	\$330	\$131,957,000	\$175,668,000	\$437	\$164,907	\$218,493
5	UCSD - Mesa Nueva Grad and Professional Student Housing	San Diego	607,083	2016	1355	0	\$143,789,000	\$209,816,000	\$346	\$187,838,000	\$274,092,000	\$451	\$154,846	\$202,282
6	UCSF - Minnesota Street Graduate Student & Trainee Housing	San Francisco	331,000	2018	706	595	\$163,925,000	\$189,429,000	\$572	\$223,843,000	\$258,669,000	\$781	\$268,313	\$366,387
7	UCSD - North Torrey Pines Living &	San Diego	816,000	2019	2048	407	\$274,981,000	\$356,814,000	\$437	\$391,376,000	\$507,848,000	\$622	\$174,226	\$247,973

#	Project Name	City/ Campus	GSF	Md. Pt. Const Yr	Beds	Units	Building Construction Cost*	Adj. Building Cost**	Adj. Building Cost / GSF**	Total Project Cost*	Adj. Total Project Cost**	Adj. Total Project Cost/ GSF**	Adj. Building Cost / Bed**	Adj. Total Project Cost/ Bed**
	Learning Neighborhood (NTPLLN)													
8	UCI - Verano 8 Graduate Student Housing	Irvine	421,715	2021	1050	409	\$175,092,000	\$208,314,000	\$494	\$240,398,000	\$286,011,000	\$678	\$198,394	\$272,391
9	University of Houston - Construct Quadrangle Housing Replacement	Houston	336,127	2019	1189	0	\$105,523,400	\$170,904,000	\$508	\$124,000,000	\$200,828,000	\$597	\$143,738	\$168,905
10	University of Southern California -The USC Village	Los Angeles	1,200,000	2016	2460	0	\$535,680,000	\$784,997,000	\$654	\$631,548,000	\$925,484,000	\$771	\$319,104	\$376,213
11	University of Michigan - Munger Graduate Residences	Ann Arbor	380,000	2014	634	0	\$130,849,200	\$218,802,000	\$576	\$184,999,200	\$309,350,000	\$814	\$345,114	\$487,934

* For University of California projects "building construction cost" is line 1 of the CIB form; "total project cost" is the Grand Total Project cost on the CIB or budget and includes total P-W-C (including interest during construction) and Group 2 & 3 equipment.

** All comparable projects have been adjusted to the project city and year using a combined factor of RS Means City Cost Index (to account for location) and RLB Construction Cost Index (to account for prior years).

**RIDGE WALK LIVING AND LEARNING – HOUSING
COMPARABLE CONSTRUCTION ANALYSIS
February 2023**



**RIDGE WALK LIVING AND LEARNING – ACADEMIC
COMPARABLE CONSTRUCTION ANALYSIS
February 2023**

List of Construction Costs Available for Comparison

#	Project Name	City/ Campus	GSF	Md. Pt. Const Yr	Building Construction Cost*	Adj. Building Cost**	Adj. Building Cost / GSF**	Total Project Cost*	Adj.Total Project Cost**	Adj. Total Project Cost/ GSF**
						AVERAGES	\$765			\$1,028
1	UCSD - Ridge Walk North Living & Learning Neighborhood - Academic	San Diego	131700	2024	\$91,503,000		\$695	\$136,153,000		\$1,034
2	UCLA - Teaching and Learning Center for Health Sciences	Los Angeles	110,000	2015	\$68,414,000	\$105,010,000	\$955	\$94,644,000	\$145,270,000	\$1,321
3	UCDH - Medical Center North Tower Office Addition	Davis	130,000	2018	\$55,760,000	\$72,869,000	\$561	\$87,500,000	\$114,348,000	\$880
4	UCB - Tolman Hall Seismic Replacement	Berkeley	325,000	2014	\$130,826,000	\$189,897,000	\$584	\$185,000,000	\$268,532,000	\$826
5	UCM - Downtown Center	Merced	67,400	2016	\$31,232,000	\$43,941,000	\$652	\$45,116,000	\$63,475,000	\$942
6	UCD - International Complex Phase 1	Davis	55,305	2015	\$20,202,000	\$29,759,000	\$538	\$29,837,000	\$43,952,000	\$795
7	UCLA - Anderson School of Management Addition	Los Angeles	63,750	2018	\$52,408,000	\$67,965,000	\$1,066	\$70,835,000	\$91,862,000	\$1,441
8	UCSD - Ridge Walk Academic Complex	San Diego	195,000	2019	\$88,034,000	\$112,754,000	\$578	\$118,138,000	\$151,311,000	\$776
9	UCSC - Kresge College Academic	Santa Cruz	36,000	2020	\$35,000,000	\$40,090,000	\$1,114	\$44,920,000	\$51,452,000	\$1,429
10	UCD - Teaching and Learning Complex	Davis	100,000	2021	\$59,000,000	\$72,172,000	\$722	\$86,337,000	\$105,612,000	\$1,056
11	UCR - Student Success Center	Riverside	62,000	2020	\$43,574,000	\$53,182,000	\$858	\$60,430,000	\$73,754,000	\$1,190
12	UCSD - Design and Innovation Building	San Diego	71,000	2020	\$44,317,000	\$55,104,000	\$776	\$67,000,000	\$83,308,000	\$1,173
13	UCI - Sue and Bill Gross Nursing and Health Sciences Hall	Irvine	71,500	2021	\$49,447,000	\$61,455,000	\$860	\$72,000,000	\$89,485,000	\$1,252
14	UCI - Susan and Henry Samueli College of Health Sciences Building	Irvine	108,200	2021	\$76,037,000	\$94,503,000	\$873	\$113,000,000	\$140,442,000	\$1,298
15	UCLA - Teaching and Learning Center for Health Sciences	Los Angeles	110,000	2015	\$68,414,000	\$105,010,000	\$955	\$94,644,000	\$145,270,000	\$1,321
16	Cornell University - Klarman Hall	Ithaca	67,511	2014	\$45,332,961	\$80,382,000	\$1,191	\$62,701,516	\$111,179,000	\$1,647

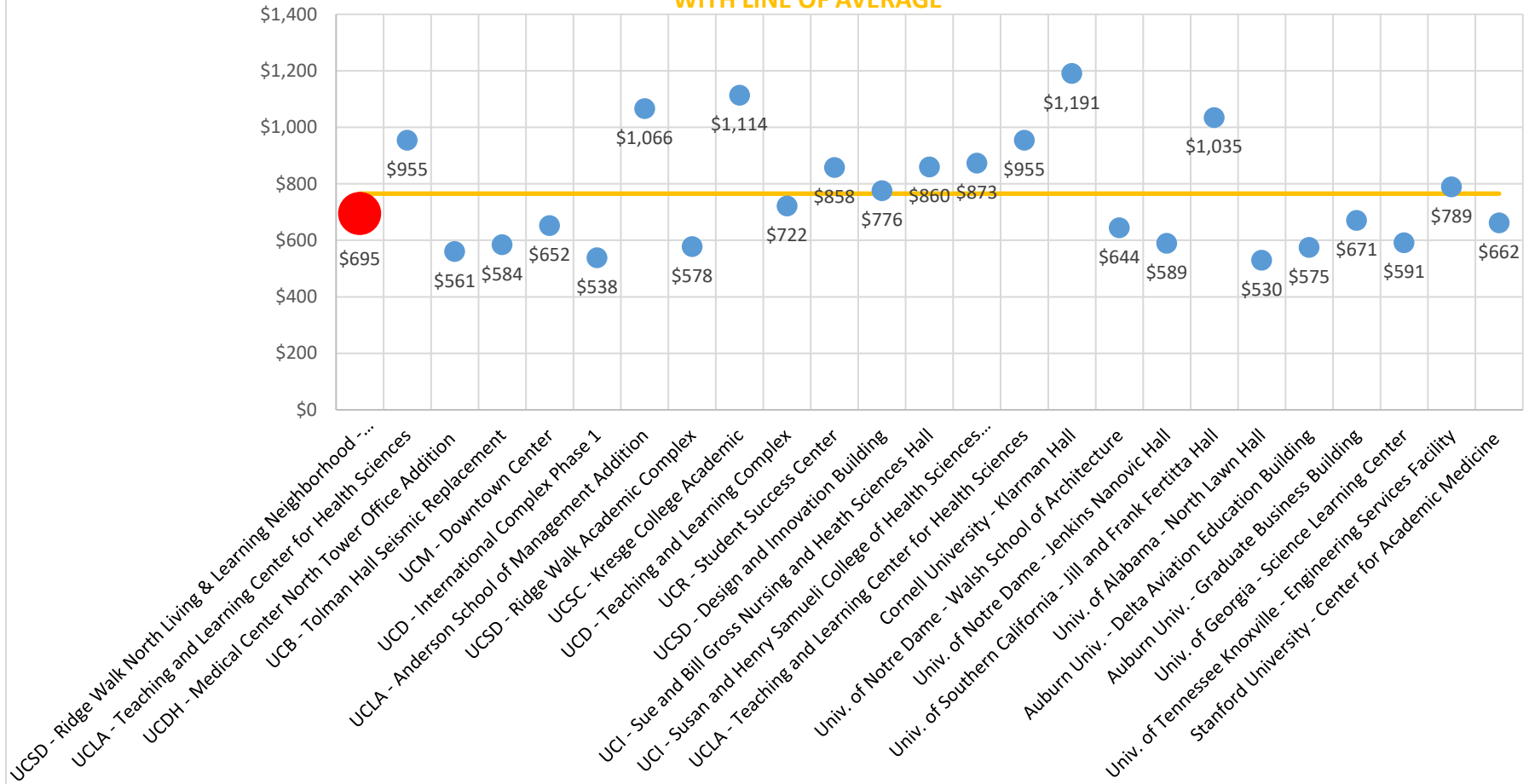
#	Project Name	City/ Campus	GSF	Md. Pt. Const Yr	Building Construction Cost*	Adj. Building Cost**	Adj. Building Cost / GSF**	Total Project Cost*	Adj.Total Project Cost**	Adj. Total Project Cost/ GSF**
17	Univ. of Notre Dame - Walsh School of Architecture	Notre Dame	97,232	2017	\$36,729,903	\$62,648,000	\$644	\$44,459,847	\$75,832,000	\$780
18	Univ. of Notre Dame - Jenkins Nanovic Hall	Notre Dame	181,440	2016	\$61,865,597	\$106,859,000	\$589	\$73,806,163	\$127,483,000	\$703
19	Univ. of Southern California - Jill and Frank Fertitta Hall	Los Angeles	104,555	2015	\$70,474,252	\$108,172,000	\$1,035	\$79,959,482	\$122,731,000	\$1,174
20	Univ. of Alabama - North Lawn Hall	Tuscaloosa	90,225	2015	\$26,788,000	\$47,782,000	\$530	\$31,982,000	\$57,046,000	\$632
21	Auburn Univ. - Delta Aviation Education Building	Auburn	47,756	2018	\$15,701,218	\$27,476,000	\$575	\$17,400,000	\$30,449,000	\$638
22	Auburn Univ. - Graduate Business Building	Auburn	105,000	2018	\$40,233,427	\$70,405,000	\$671	\$45,000,000	\$78,747,000	\$750
23	Univ. of Georgia - Science Learning Center	Athens	122,500	2015	\$37,174,000	\$72,416,000	\$591	\$48,000,000	\$93,505,000	\$763
24	Univ. of Tennessee Knoxville - Engineering Services Facility	Knoxville	232,250	2020	\$112,865,000	\$183,287,000	\$789	\$129,000,000	\$209,490,000	\$902
25	Stanford University - Center for Academic Medicine	Palo Alto	197,712	2019	\$111,509,568	\$130,840,000	\$662	\$167,857,488	\$196,955,000	\$996

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** All comparable projects have been adjusted to the project city and year using a combined factor of RS Means City Cost Index (to account for location) and RLB Construction Cost Index (to account for prior years).

RIDGE WALK LIVING AND LEARNING – ACADEMIC COMPARABLE CONSTRUCTION ANALYSIS February 2023

ADJUSTED BUILDING CONSTRUCTION COSTS PER GSF WITH LINE OF AVERAGE



ATTACHMENT 3**SUMMARY OF FINANCIAL FEASIBILITY**

SAN DIEGO CAMPUS	
Project Name	Ridge Walk North Living & Learning Neighborhood
Project ID	2018716
Total Estimated Project Cost	\$683,000,000
Anticipated Interest During Construction	\$42,900,000

PROPOSED SOURCES OF FUNDING	
External Financing – Tax-Exempt	\$683,000,000
Sources of Funding Total	\$683,000,000

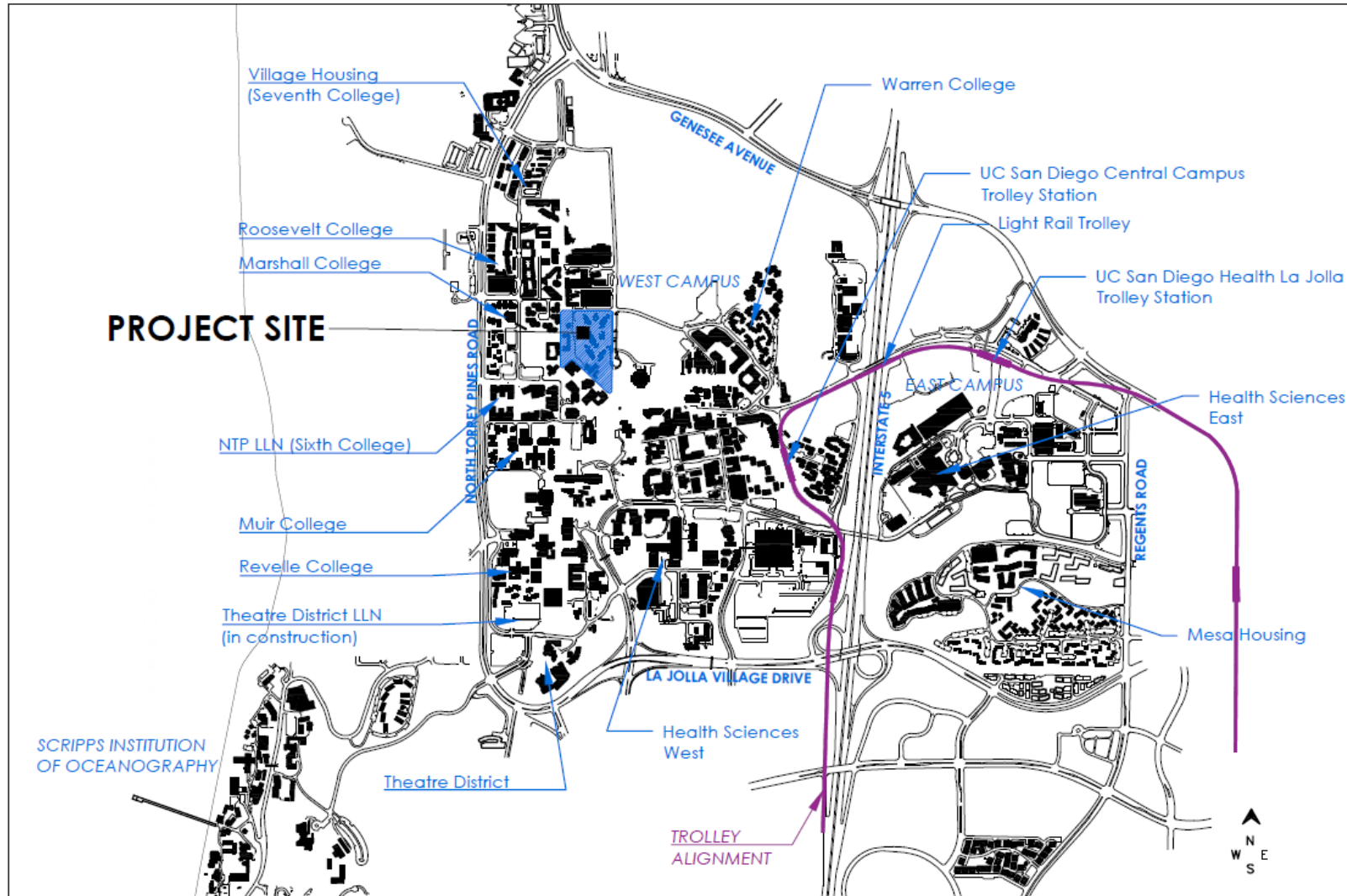
Fund sources for external financing shall adhere to University policy on repayment for capital projects.

FINANCING ASSUMPTIONS: HOUSING	
External Financing Amount	\$467,891,000
Anticipated Repayment Source	General Revenues of the San Diego Campus
Anticipated Fund Source	Housing Revenues
Financial Feasibility Rate	4.35%
First Year of Principal (e.g., year X)	FY 2028
Term	35 years (2 years interest only)
Final Maturity (e.g. FY 20XX)	2060
Estimated Average Annual Debt Service	\$26,970,000

FINANCING ASSUMPTIONS: NON-RESIDENTIAL	
External Financing Amount	\$215,109,000
Anticipated Repayment Source	General Revenues of the San Diego Campus
Anticipated Fund Source	Campus Funds
Financial Feasibility Rate	4.35%
First Year of Principal (e.g. year X)	FY 2028
Term	35 years (2 years interest only)
Final Maturity (e.g. FY 20XX)	2060
Estimated Average Annual Debt Service	\$12,399,000

CAMPUS FINANCING BENCHMARKS			
Measure	Campus Metric	Approval Threshold	Requirement
Modified Cash Flow Margin	8.9% (min), FY2031	$\geq 0.0\%$	Must Meet
Debt Service Coverage	1.4x (min), FY2030	$\geq 1.1x$	
Days Cash on Hand ¹	83 days, 12/31/2022	≥ 90 days	
Auxiliary Project Debt Service Coverage	1.1x (min), FY2028	$\geq 1.0x$	Must Meet for Auxiliary Projects
Auxiliary System Debt Service Coverage	1.1x (min), FY2023	$\geq 1.1x$	

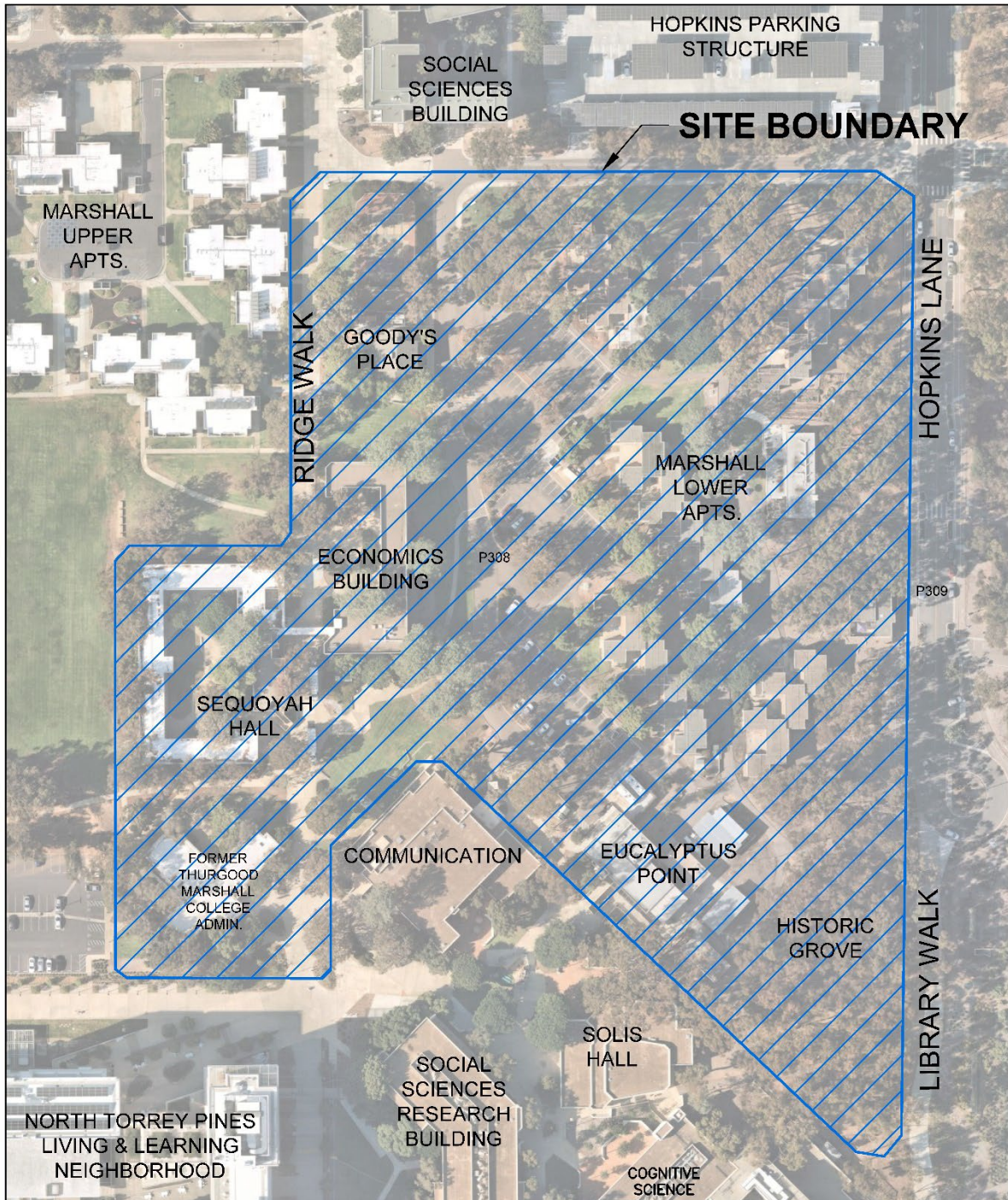
¹ The Days' Cash on Hand metric falls below the University Debt Policy's minimum requirement of 90 days. An exception has been granted from the Office of the Chief Financial Officer at this time.



0' 1550' 3100'

11/09/2022

RIDGE WALK NORTH LIVING & LEARNING NEIGHBORHOOD
UNIVERSITY OF CALIFORNIA SAN DIEGO
PROJECT LOCATION MAP



0' 130' 260'

1/12/2023

RIDGE WALK NORTH LIVING & LEARNING NEIGHBORHOOD
UNIVERSITY OF CALIFORNIA SAN DIEGO
PROJECT SITE MAP

PROJECT SUSTAINABILITY FEATURES

The project will embody UC San Diego's commitment to sustainable design, sustainable construction practices, and sustainable living. Sustainable strategies for the project have been organized around six primary focus areas:

- Site and Landscape: The project landscape program will include two large outdoor courtyards. These zones will be landscaped with native and adapted plant species that would be low-water use. The program is designed to provide ample spaces for students, faculty, staff, and visitors to connect with the outdoors. In addition, existing open space areas including the Historic Grove would be substantially preserved, with a 2:1 replacement of any tree removal within the Historic Grove.
- Water: Indoor water use will be reduced through low-flow fixtures in kitchens and bathrooms. Outdoor water use will be reduced through the selection of native and adapted plant species. In addition, where irrigation is required, water will be provided via the campus recycled water loop.
- Energy: Energy use for mechanical cooling will be greatly reduced by the provision of natural ventilation in all living units and student lounges and the use of operable windows for ventilation and exterior sunshades. Energy use for lighting will be reduced by the optimization of daylight in all occupied areas, except for outdoor safety lighting, which would be the minimum necessary for nighttime safety. A rigorous commissioning process will ensure that all building systems operate at their maximum efficiency. The project will also meter energy consumption at the end-use level to monitor and track energy consumption over time.
- Materials: Interior and exterior materials will be carefully evaluated for their health, durability, and maintenance requirements and selected through a life-cycle decision-making process. Recycled materials and materials from regional sources will be utilized where possible. Materials and products that disclose health-related information will also be utilized where possible.
- Location and Transportation: The project's location near the center of campus encourages pedestrian and bicycle transportation modes rather than single-occupancy vehicles. By placing more student housing on campus, the project would reduce the number of students who are commuting to campus each day, thereby reducing vehicular traffic and associated greenhouse gas emissions. The inclusion of amenities such as an on-site café, market, and bike storage for approximately 500 bicycles would further decrease reliance on fossil fuel-burning vehicles.
- Construction Methods: Off-site methods of construction will be utilized for some building components to decrease construction waste and provide a quieter, safer, less congested project site. Demolition materials will be recycled in accordance with UC San Diego policies.

