

Office of the President

TO MEMBERS OF THE FINANCE AND CAPITAL STRATEGIES COMMITTEE:

ACTION ITEM

For Meeting of May 15, 2024

SAN BENITO STUDENT HOUSING, SANTA BARBARA CAMPUS: PRELIMINARY PLANS FUNDING

EXECUTIVE SUMMARY

The Santa Barbara campus proposes to construct the San Benito Student Housing project, which would provide approximately 2,140 new undergraduate student beds in apartment-style units on the Santa Barbara Main Campus. The project will help meet the demand for on-campus housing and make progress toward planned campus goals to increase housing for students on campus.

The Regents are asked to approve preliminary plans funding of \$19.15 million from campus funds. The proposed funding would support schematic design and design development, specialty consultants, project budget confirmation, and preparation of environmental documentation. The campus anticipates returning to the Regents in September 2024 to request approval of the full budget, external financing, scope, and design following action pursuant to the California Environmental Quality Act.

RECOMMENDATION

The President of the University recommends that the Regents amend the 2023-24 Budget for Capital Improvements and the Capital Improvement Program to include the following project:

Santa Barbara: San Benito Student Housing – preliminary plans – \$19.15 million to be funded from campus funds.

BACKGROUND AND PROJECT DRIVERS

Enrollment Growth

The UCSB 2010 Long Range Development Plan (LRDP) calls for the development of at least 5,000 new beds in student housing to support projected enrollment growth. The campus has developed 1,500 beds since the adoption of the 2010 LRDP and is currently planning to build housing for at least 3,500 additional new student beds in locations identified in the Campus Housing Study and consistent with the LRDP. The campus is working with a design team to

develop plans for both San Benito Student Housing (San Benito) and a subsequent Phase 2 student housing project to deliver these beds.

With the proposed 2,140 new student housing beds provided by the San Benito project the campus would be able to provide housing to over 12,200 students.

Since 2021, fall quarter occupancy in campus-provided housing exceeded the designed capacity by 117 percent, with over 1,550 students living in tripled rooms originally designed for double occupancy.

Local Market Conditions

Campus-provided student housing is critical to providing affordable accommodation in an incredibly expensive housing market.¹ Over the last ten years, rents for multi-family units in the surrounding Santa Barbara County south coast market area have increased by 47 percent, and vacancy rates remain well under five percent. The most recent data from February 2024 reports a vacancy rate of just 2.2 percent in the immediately adjacent community of Isla Vista. The current average rent for an apartment is approximately \$2,400 per month in the Isla Vista market area and \$3,000 per month in the adjacent Goleta market area.

The campus currently provides approximately 2,800 undergraduate bed spaces in apartment-style units, which are priced approximately 38 percent below comparable student housing offerings in the Isla Vista community (see Table 1). With the relative scarcity of affordable apartments within the surrounding communities, there is considerable unmet demand for Regents-owned apartments.

Table 1: Annual Student Apartment Cost Comparison 2023-24 (per person)

Accommodation	Monthly Rate	Monthly Utilities	Annualized Cost	% Difference
Regents-Owned	\$829	\$0	\$9,948	-38%
Off-Campus Privately Owned Student Housing	\$1,012	\$157	\$16,120	0%

*Regents-owned cost annualized from a typical nine-month occupancy
Source: Brailsford & Dunlavey, Housing Rate Analysis February 2024

Prioritizing Undergraduate Housing on the Main Campus

The proposed student housing project aligns with campus goals to provide: (1) housing for all first- and second-year students, and (2) a four-year residential experience for undergraduates within the vibrant campus community. Students living on the Main Campus are immersed in the campus community with the academic, research, retail, and recreation resources offered by UCSB.

¹ “Most Expensive Places to Live in the U.S. in 2023-2024”. *US News & World Report*, <https://realestate.usnews.com/places/rankings/most-expensive-places-to-live> (retrieved 27 Mar 2024).

PROJECT DESCRIPTION

The project will construct a new residential community on the Main Campus comprising approximately 517,800 assignable square feet (ASF) and 698,500 gross square feet (GSF). The project will include seven mid-rise buildings arranged along a central pedestrian plaza. The building program consists of apartment-style units intended to house undergraduate students in their second year and beyond, designed for a higher degree of independence than in first-year residence halls. The apartments will predominately be four-bedroom units with double occupancy per bedroom, likely in mid-rise buildings (six to eight stories). Two-bedroom double occupancy units and singles will be provided to accommodate resident staff and students with special housing needs.

Residential uses will be supported by community amenities, student support services, and retail and dining facilities including a market and café. Programming and conceptual design efforts for the project have been overseen by a Building Committee with representation from students, faculty, and professional staff, and informed by student outreach events and student preference surveys. See Table 2 for more information on the program.

Table 2: Proposed Building Program

Space Use	ASF
Residential Units	459,200
Residential Floor Amenities	14,700
Community Amenities	30,200
Retail and Dining	13,700
TOTAL ASF	517,800
APPROXIMATE TOTAL GSF	698,500

Project Site

The Project would be located in the northwest corner of the Main Campus on an approximately nine-acre site, bounded by Mesa Road to the north and Stadium Road to the west. Neighboring campus uses include the Environmental Health and Safety building on the east and Caesar Uyesaka Stadium and Parking Lot 30 to the south (see Attachment 2).

The proposed site is less than three-quarters of a mile from and a 15-minute walk to the Library. San Benito’s location on the Main Campus will be a significant attraction to undergraduates, particularly considering that nearly 40 percent of campus enrollment lives in the Isla Vista community.

The building site is a manmade circular depression, excavated from the mesa in the 1940s during the construction of the former Marine Corps Air Station runways. The site has a flat bottom bordered by vegetated slopes that rise approximately 20 feet above the ground plane to the south and east.

Project Delivery Method

The campus is presently selecting a Construction Manager At Risk (CMAR) to partner with campus and the design team for preconstruction services, cost estimating, scheduling, and risk analysis. The CMAR will also assist in evaluating constructability options as well as expedited delivery options including early procurement of long-lead items, prefabrication, design-assist, and delegated design.

Sustainability

San Benito Student Housing would be designed as an all-electric building using no fossil fuel combustion for space and water heating nor for private or commercial kitchens. Residential units will be naturally ventilated. The project is also exploring the use of reclaimed water for toilets and other non-potable uses. The project will achieve a Leadership in Energy and Environmental Design™ (LEED) Gold rating, with the goal of achieving a LEED Platinum certification.

Project Schedule and Future Actions

The campus expects to seek the Regents’ approval of the budget, scope, external financing, and design following action pursuant to the California Environmental Quality Act in fall 2024. The project is planned for occupancy in fall 2027.

Project Funding Plan

The expected sources of funding include long-term external debt financing and housing reserves. Campus funds will initially fund preliminary plans. When the campus requests full budget and external financing approval, the action will also request reimbursing the campus funds used for preliminary plans.

Consistency with Select UC Policies and Practice

See Attachment 4.

KEY TO ACRONYMS

ASF	Assignable Square Feet
CMAR	Construction Manager At Risk
DVBEs	Disabled Veteran Business Enterprises
GSF	Gross Square Feet
LEED	Leadership in Energy and Environmental Design
LRDP	Long Range Development Plan
OCEAN	UC Operational Carbon and Energy Assessment for New Construction
SBEs	Small Business Enterprises

ATTACHMENTS

Attachment 1:	Preliminary Plans Budget
Attachment 2:	Project Location Map
Attachment 3:	UC Operational Carbon and Energy Assessment for New Construction (OCEAN) Tool
Attachment 4:	Statement of Consistency with Select UC Policies and Practice

PRELIMINARY PLANS BUDGET

SAN BENITO STUDENT HOUSING, SANTA BARBARA CAMPUS

Category	Amount	Percentage
A/E Fees ¹	\$13,400,000	70.0%
Campus Administration ²	\$650,000	3.4%
Surveys, Tests, and Plans ³	\$500,000	2.6%
Special Items ⁴	\$4,600,000	24.0%
Total Budget	\$19,150,000	100%

The preliminary plans budget includes:

1. Full architectural and engineering design through schematic design and design development document.
2. Campus project management, contract administration, and plant accounting.
3. Surveying, testing, geotechnical analysis and utility surveying as needed.
4. Pre-design studies, physical and environmental planning, California Environmental Quality Act costs, Construction Manager at Risk fees, and reviews related to engineering, design, and other disciplines.

PROJECT LOCATION MAP



STATEMENT OF CONSISTENCY WITH SELECT UC POLICIES AND PRACTICE

The project is consistent with selected UC Policies and Practice:

Sustainable Practices Policy

This project will comply with the University of California Sustainable Practices Policy. 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 design and operations is included in the budgeting, programming, and design effort for the project.

This project has been analyzed by the UC Operational Carbon and Energy Assessment for New Construction (OCEAN) Tool and results are provided as Attachment 3. 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 being compiled within UC's capital projects database and will be utilized to compare and assess future projects.

Small Business Enterprises (SBEs) and Disabled Veteran Business Enterprises (DVBES)

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 with the maximum opportunity to participate will be encouraged with the selected design professionals and contractors with the goal of meeting 25 percent participation.

Seismic Safety

This project will comply with the University of California Seismic Safety Policy, including independent seismic peer review.