

CAPITAL PROGRAM UPDATE

March 14, 2019

Eric Smith
Associate Vice Chancellor, Capital Program Management

Joel King,
Assistant Vice Chancellor, Design & Development Services

Robert Clossin
Director, Campus Planning

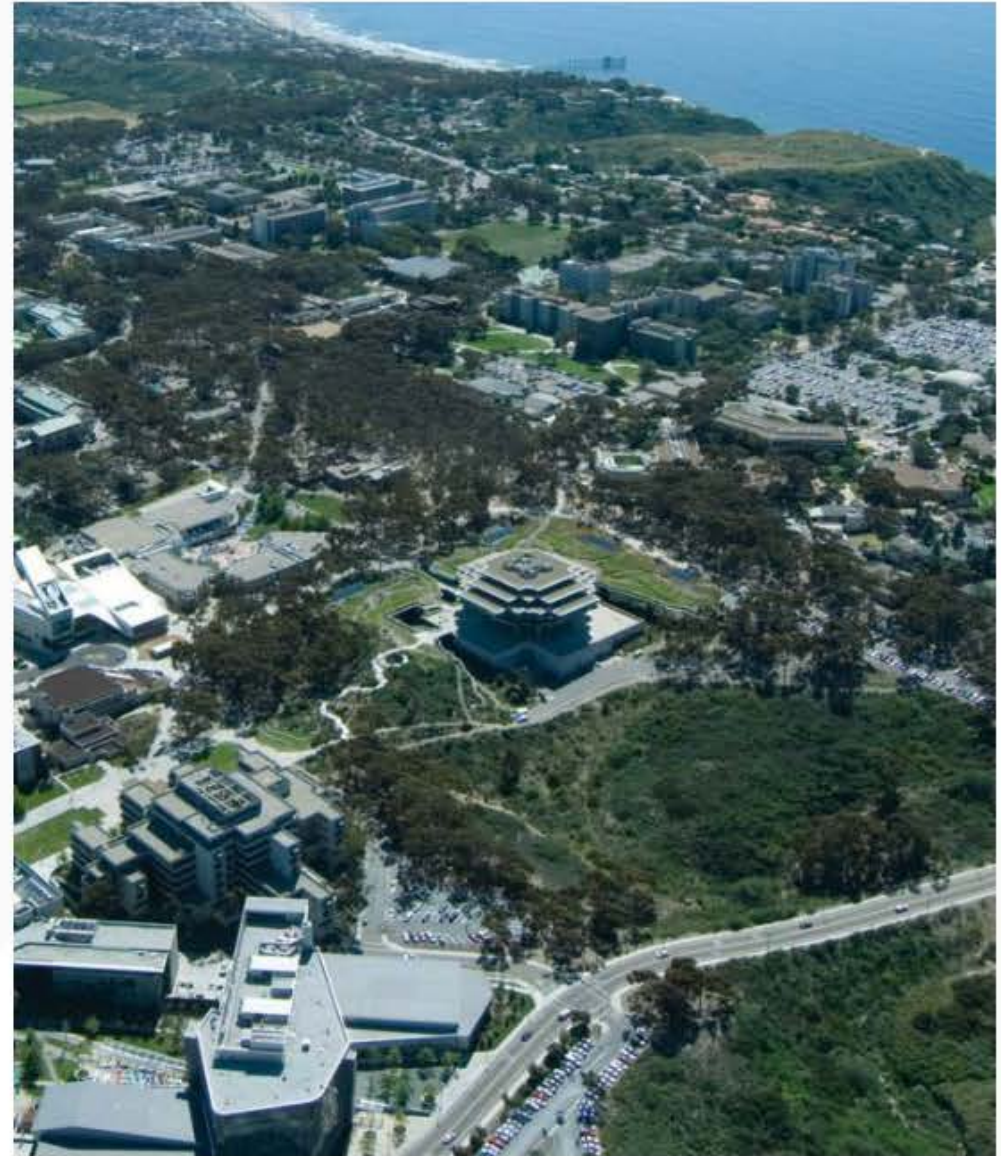
Jeff Graham
Executive Director, Real Estate

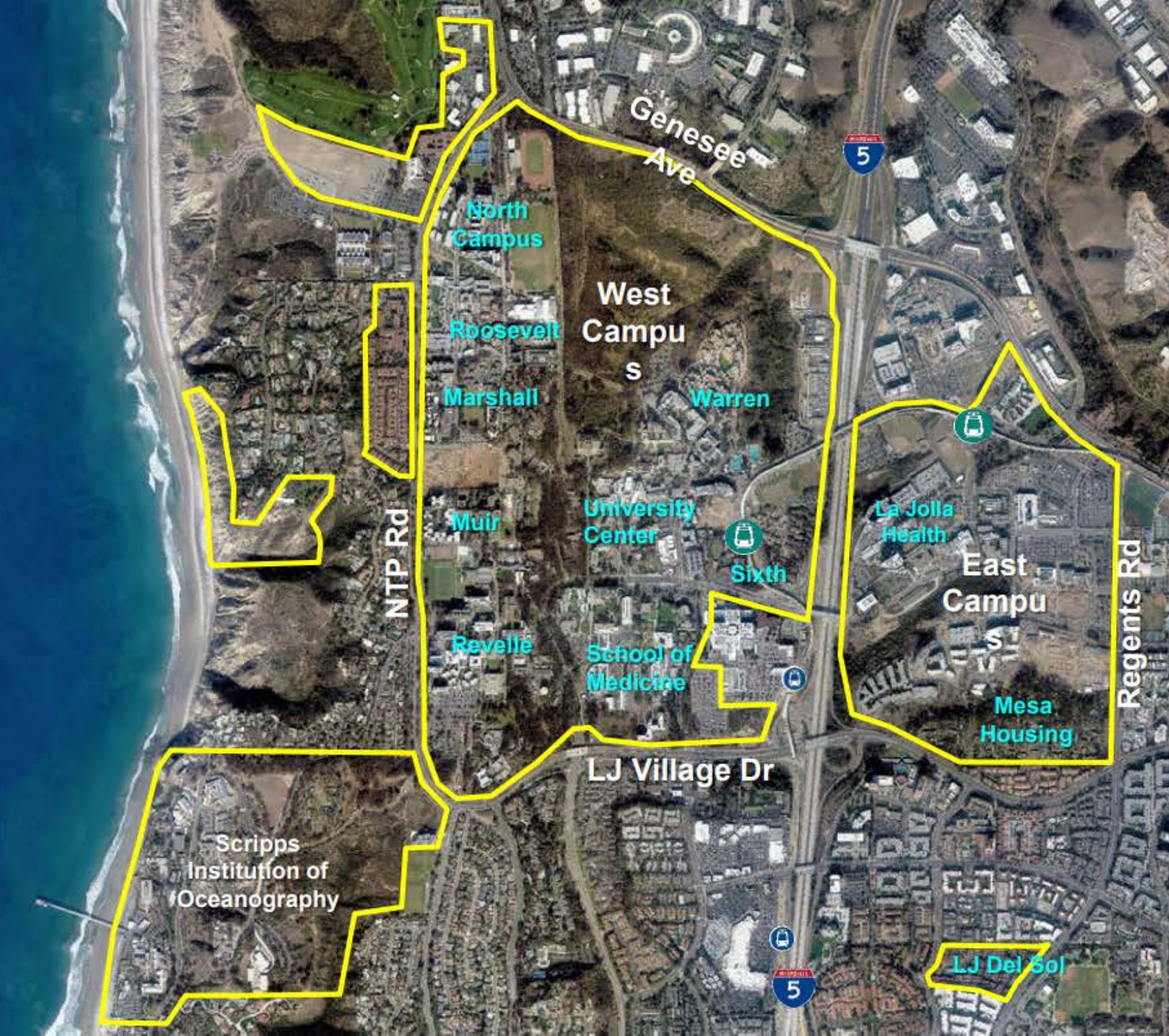
Harley Crace
Assistant Director of Project Management, Facilities Management



UC SAN DIEGO STRATEGIC VISION

- Our **VISION**, as defined in the **2014 Strategic Plan**, is to become a **student-centered, research-focused, service-oriented** public university.
- Our **GOAL** is to be a **destination** for students, patients and the community.
- We will achieve this by transforming the campus:
 - **Intellectually**, through scholarly, artistic, pedagogical, and medical initiatives that draw on multiple disciplines and approaches;
 - **Physically**, to become a residential campus designed to support the needs of our increasingly diverse student cohort;
 - **Culturally**, by renewing our entrepreneurial spirit of non-tradition and connecting strongly with the broader San Diego community.





CAMPUS FACTS:

- 38,000 students
- 25,000 total employees
- 40% of students live on campus, with growing waitlist
- Goal of carbon neutrality by 2025

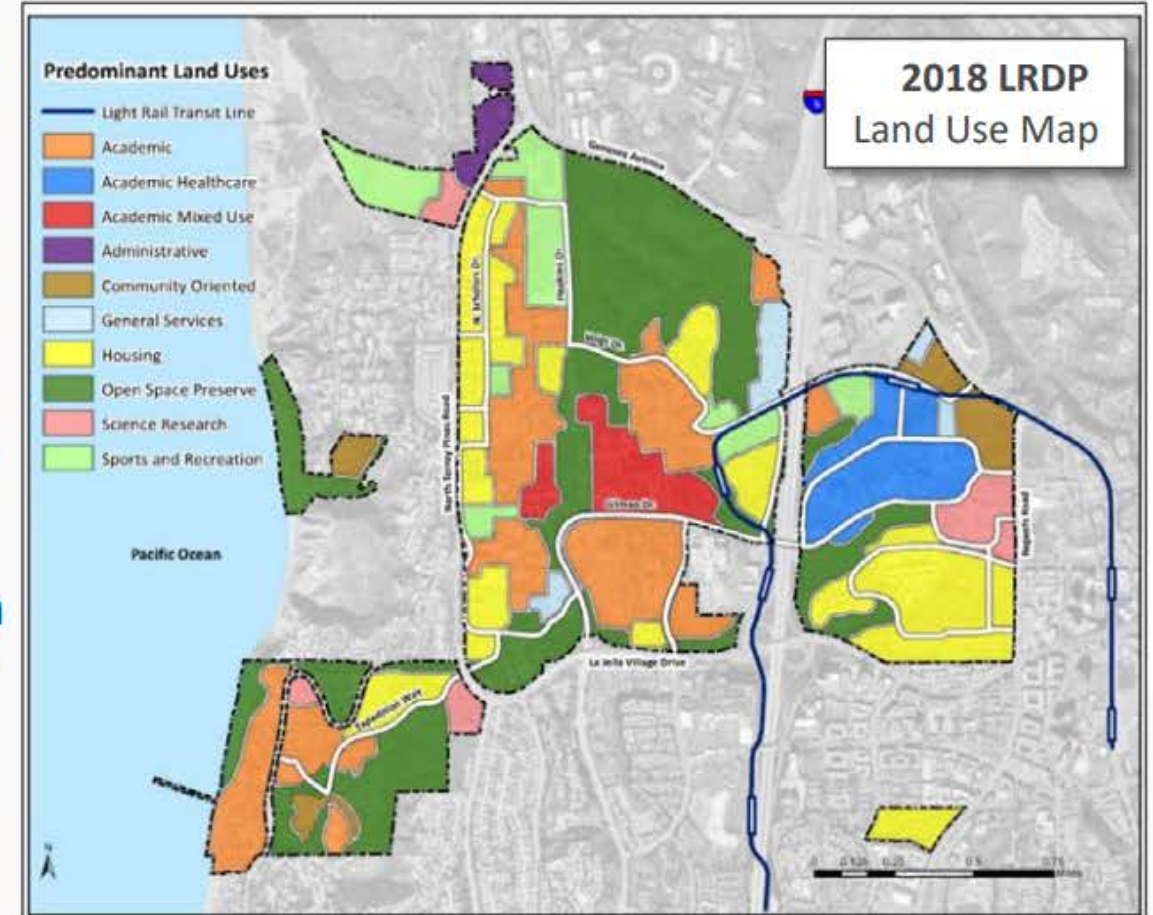
IN LESS THAN 60 YEARS:

- **#1 public university** in the nation for contributions to social mobility, research and public service (*Washington Monthly*)
- **#17 university in the world** and the nation's **#5 public university in 2018 for research** (*U.S. News and World Report*)
- **\$1.2B** - UC San Diego is 7th in the nation among research universities for sponsored research

UC SAN DIEGO 2018 LONG RANGE DEVELOPMENT PLAN

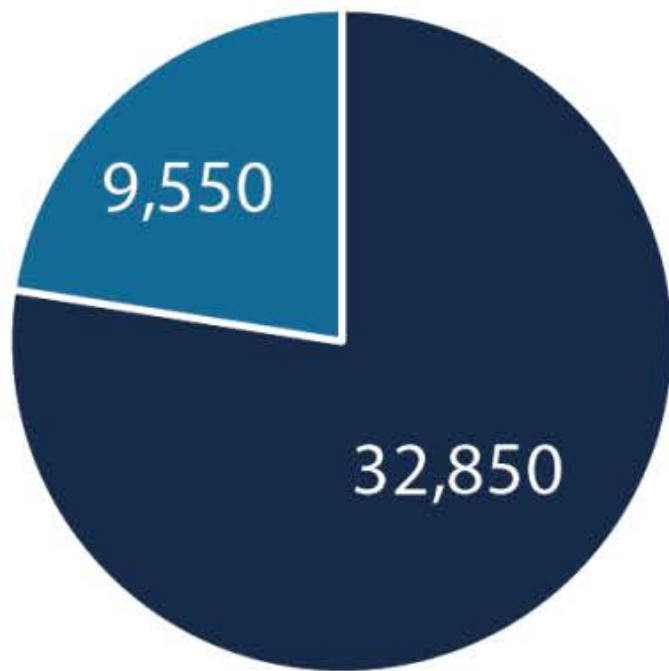
KEY OBJECTIVES

- Approved by Regents in November 2018, the 2018 LRDP is a comprehensive plan that guides physical development of the campus through 2035.
- Anticipates future enrollment of **42,400 students**, a **total campus population of 65,600** and potential addition of up to **8.9 million gross square feet** of academic, research, housing and public-serving facilities.
- Our strategies for the future are aimed at transforming our campus into an **inclusive and welcoming destination** for lifelong education, accessible arts & culture, engaged research, and outstanding patient care.
- **Live – Learn – Play (with opportunities for all)**



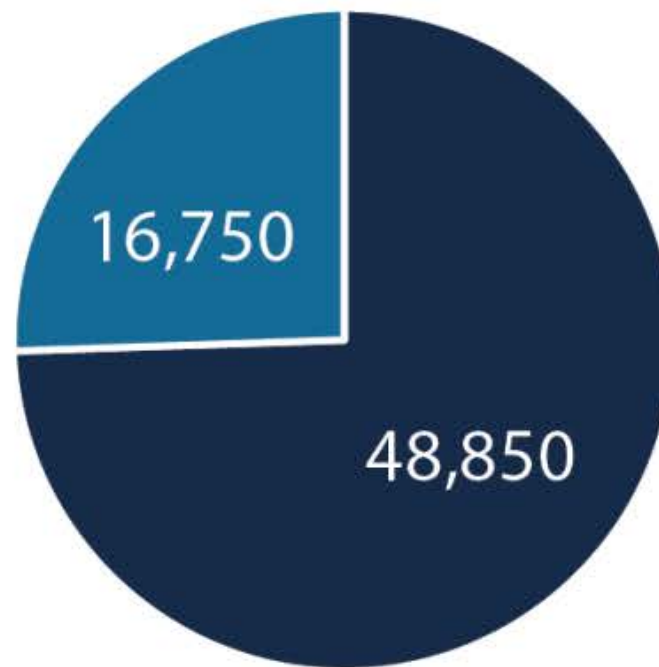
UC SAN DIEGO 2018 LRDP GROWTH PROJECTIONS

STUDENT POPULATION



Total by 2035 = **42,400**

STUDENT, STAFF AND FACULTY POPULATION

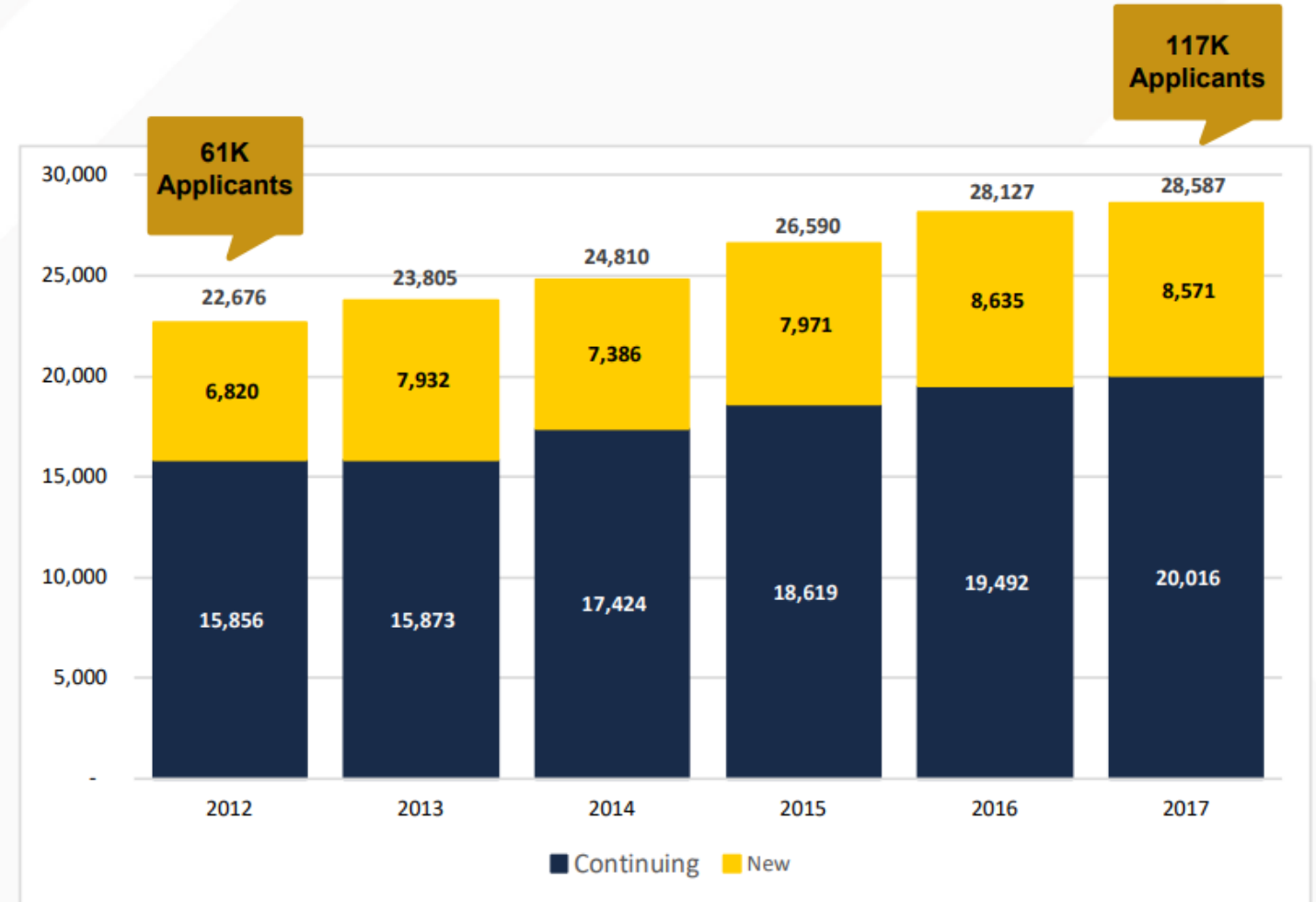


Total by 2035 = **65,600**

- Existing 2015-16
- Net New by 2035

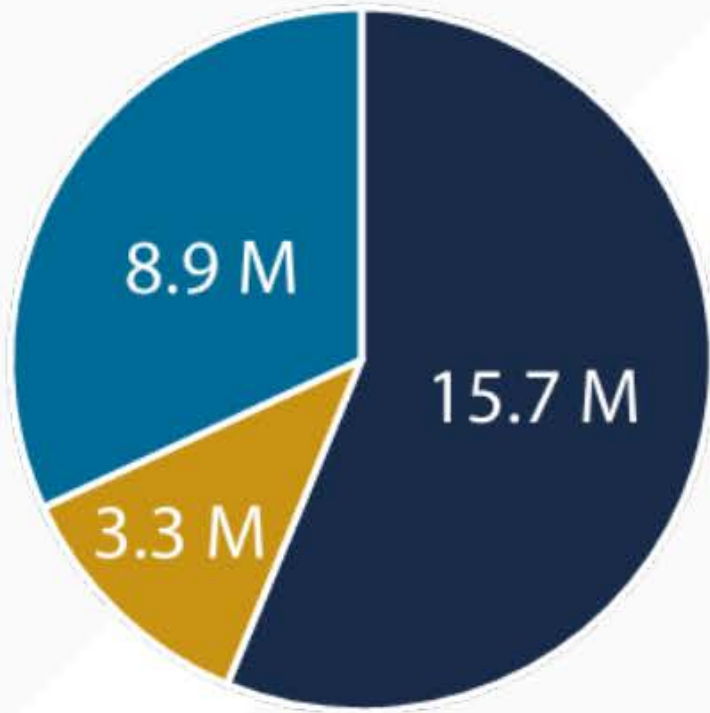
INCREASING UNDERGRADUATE ENROLLMENT DEMAND

- Undergraduate applications have nearly doubled since 2012
- In response, enrollment has grown by 26% in the same time period
- Meeting this growth requires investments in faculty, advising, student services, academic infrastructure and housing



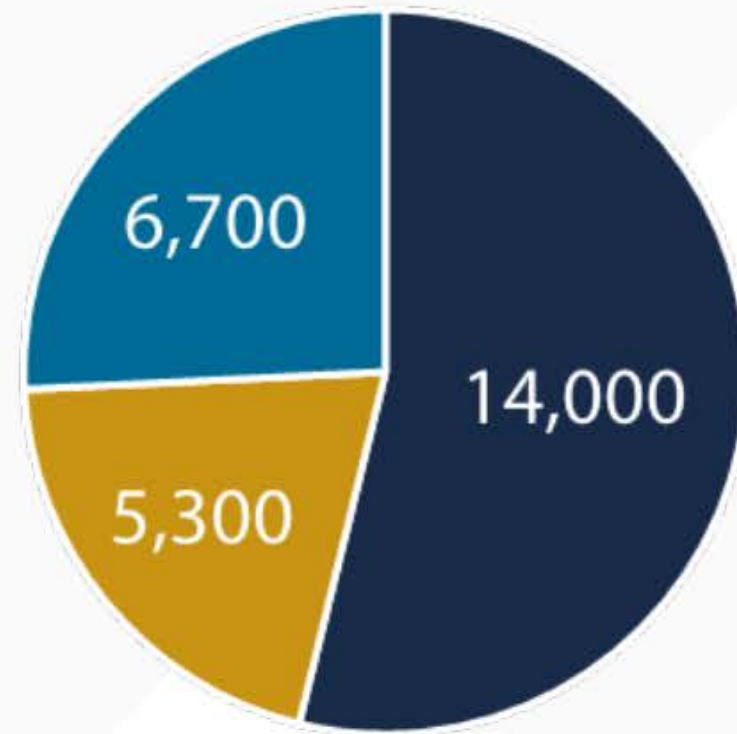
UC SAN DIEGO 2018 LRDP GROWTH PROJECTIONS

TOTAL DEVELOPMENT (GSF)



Total by 2035 = **27.8M GSF**

STUDENT HOUSING (BEDS)



Total by 2035 = **26,000**

- Existing 2015-16
- Under 2004 LRDP
- Net New by 2035

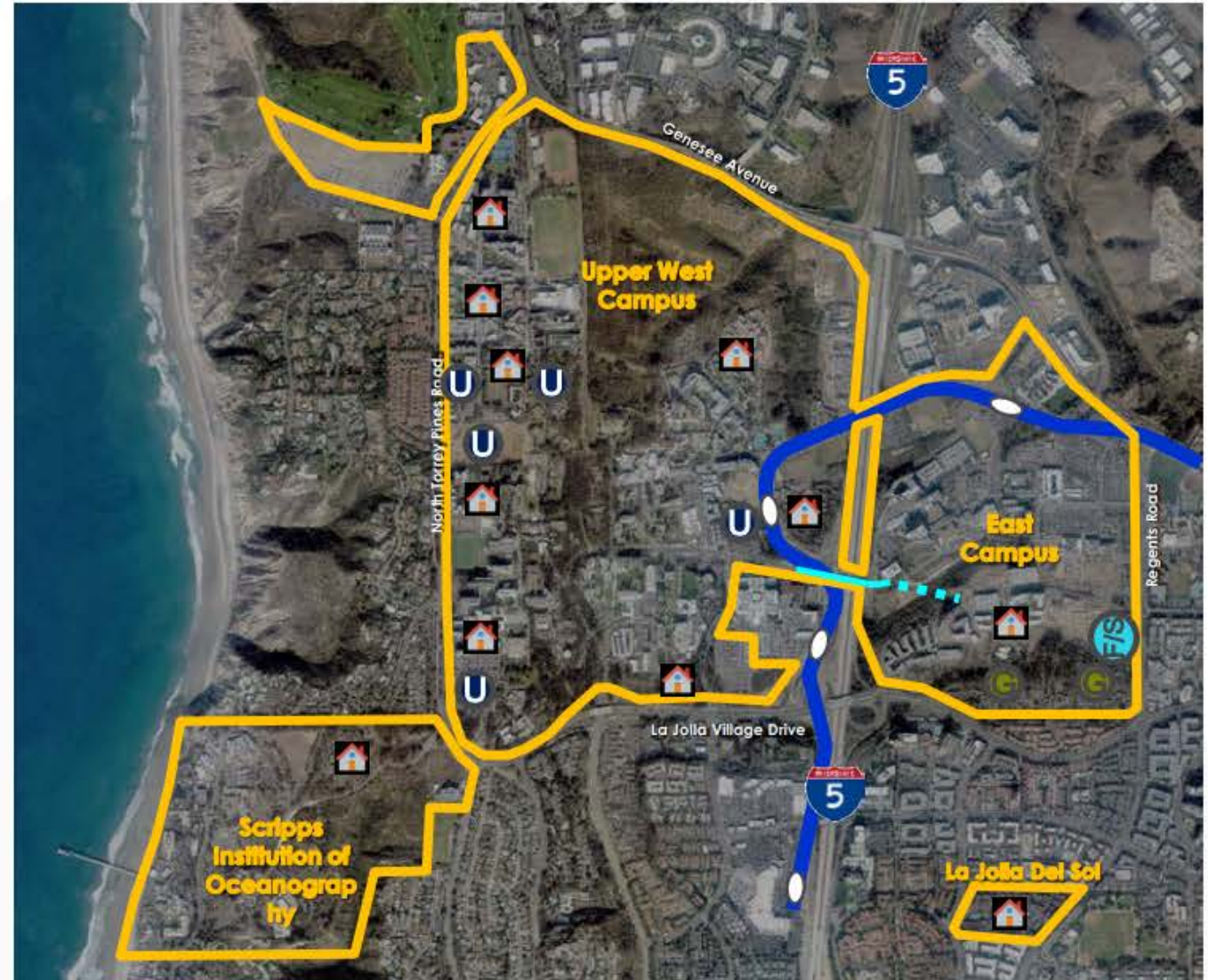
BECOMING THE NATION'S LARGEST RESIDENTIAL CAMPUS

- From 16,000 Beds to close to 30,000
- Goal of housing more than 60% of students on campus
- House approximately 19,000 undergrads and nearly 7,000 grad/professional
- Achieve housing guarantees for undergraduate and graduate students at below market rates

Enhancing the Campus Experience:

- Improved affordability and access to services
- Without long commutes: more time for studying, classes, recreation, student organizations
- Stronger cohort experience for undergraduates living in their residential colleges

Plan includes over 2,000 units for Faculty/Staff



UC SAN DIEGO HEALTH

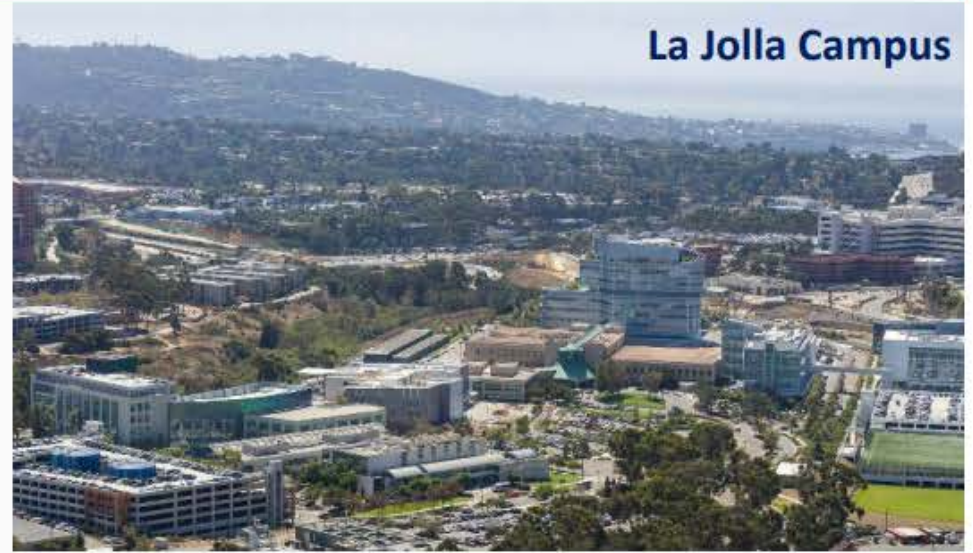
Building and opening state-of-the-art facilities

- Jacobs Medical Center
- Altman Clinical and Translational Research Institute
- Koman Family Outpatient Pavilion
- Connecting East and West Campus via Gilman Bridge and Light Rail
- 2018 LRDP enabling future opportunities

Hillcrest Campus Revitalization

- Need new hospital to comply with seismic requirements by 2030
- Looking at ways to better serve the community through outpatient service and well-being facilities
- Connections to Light Rail; campus-to-campus
- LRDP under development

La Jolla Campus



Hillcrest Campus Revitalization



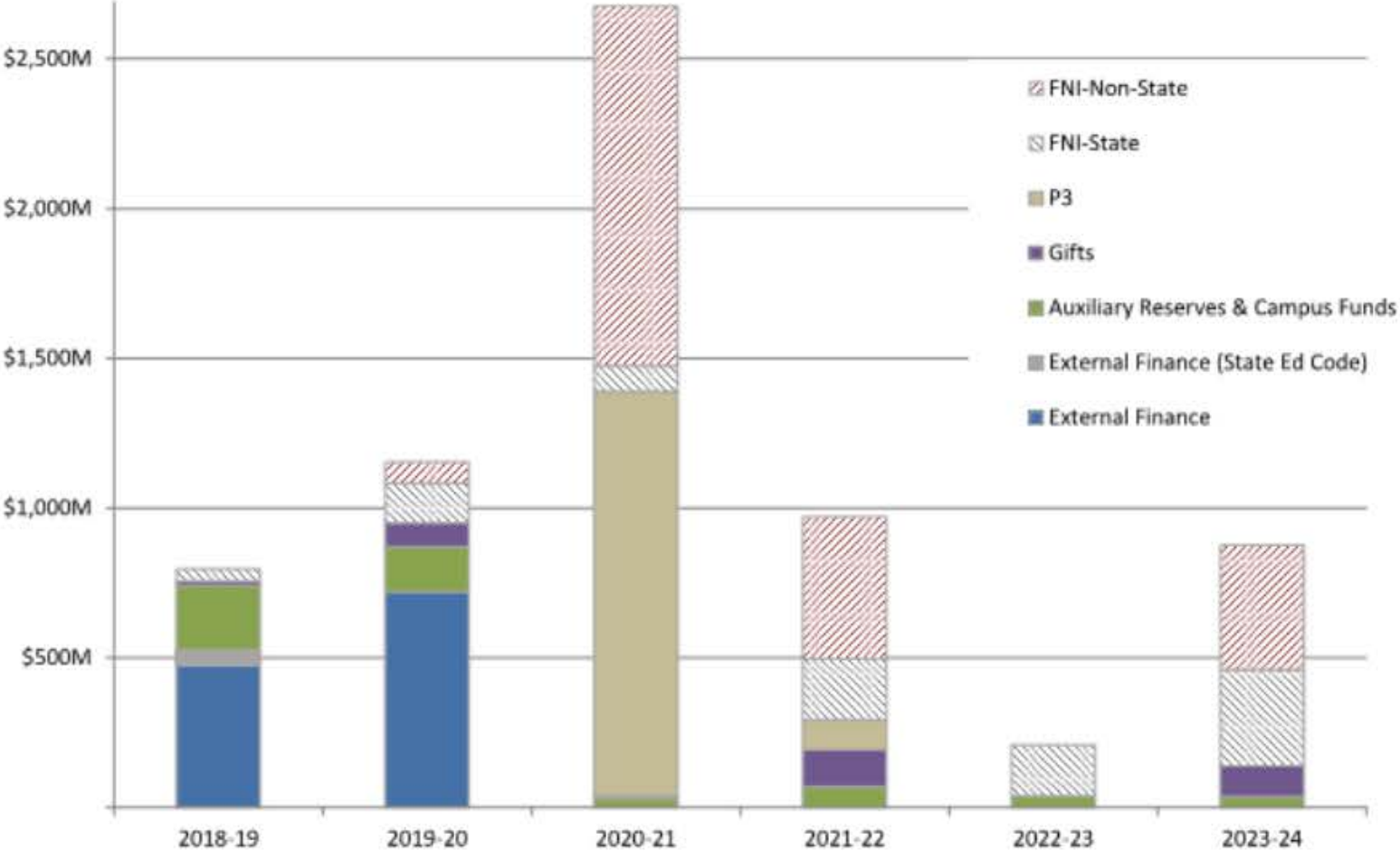
CAMPUS VISION / TRANSFORMATION

- Physical
- Cultural
- Intellectual



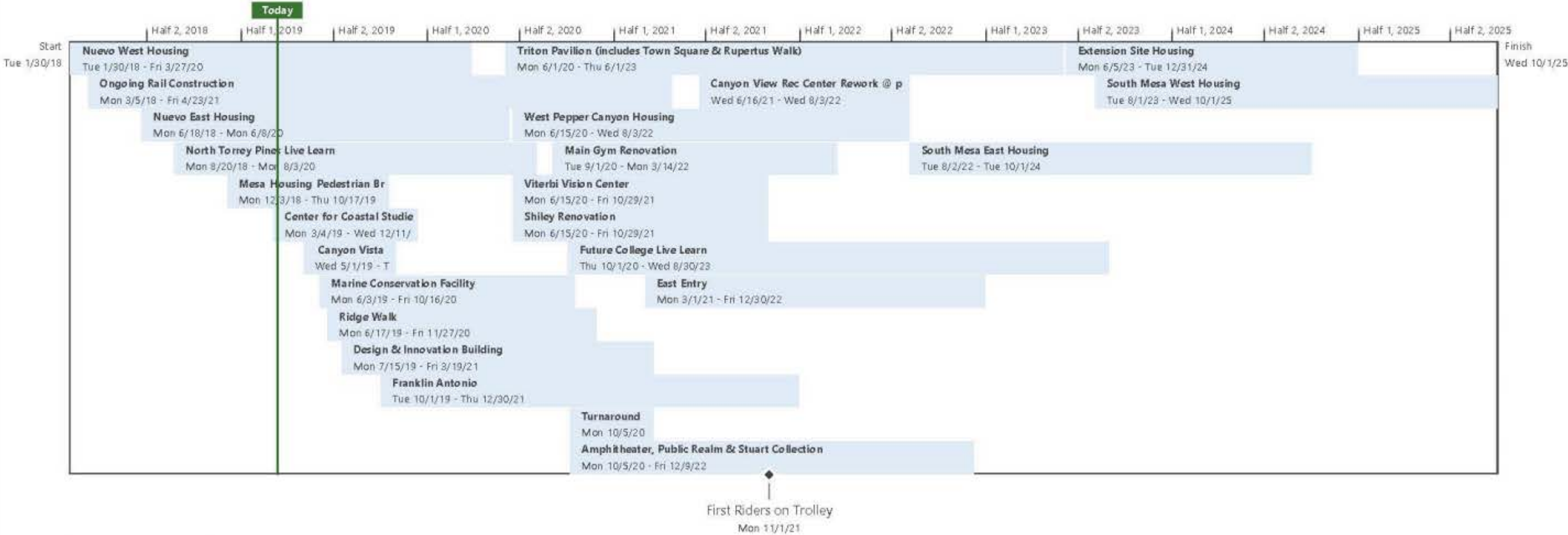
CAPITAL FINANCIAL PLAN

Display 2. \$6.7B Current Term (2018-19 to 2023-24) Capital Need



TRANSFORMATIONAL BUILDING PROGRAM

Forecast as of March 14, 2019



CAMPUS PROJECTS

- Student life – East Mesa, 6th, 7th & 8th Colleges, Pepper Canyon & beyond
- Academic research and teaching – Franklin Antonio Hall, Design & Innovation
- Medical research and clinical – Viterbi Eye Center, Biomedical Research Facility
- University Center Urban Core – Triton Pavilion
- Pepper Canyon – transit oriented development



CAMPUS PROJECTS

- East-West campus connections
- Scripps Institution of Oceanography
- Hillcrest campus redevelopment
- Public realm
- Utilities infrastructure



REAL ESTATE DEPARTMENT

Public-Private Partnership Development Opportunities

- Development teams competitively selected – RFQ/P
- Typical structure:
 - Long-term ground lease
 - Fixed annual ground lease payments adjusted every 5 years
 - Possible participation in cash flow above cash flow breakpoint
 - Improvements revert back to UC at ground lease expiration
 - Prevailing wage required
- UC is lead agency for CEQA and delegated authority for entitlements, design review, permitting, inspections, fire-life safety, COO
- Possible applicability of certain UC/campus policies: design guidelines, sustainability, fire-life safety, structural, inclusion, building specifications

DEVELOPMENT OPPORTUNITIES: HILLCREST

Wellness Center + Housing (2020)

- Full block
- Recuperative therapy
- Preventative medicine
- Community recreation
- Fitness and well-being education
- Below-grade parking
- Faculty/staff rental housing

Housing Phase 1 (2023)

- Faculty/staff rental housing (~500 units)
- Amenities/retail
- Below-grade parking

Housing Phase 2 (2029)

- Faculty/staff rental housing (~500 units)
- Amenities/retail
- 3-acre park and dog park
- Below-grade parking



DEVELOPMENT OPPORTUNITIES: HILLCREST



HOTEL/CONFERENCE CENTER (2020)



- Approx. 11-acre site
- Approx. 300-key dual branded hotel (200 full service; 100 extended stay)
- Approx. 35,000 SF upscale conference facility
- Restaurants, retail
- Possible wellness/fitness center
- Above or below-grade parking

LIGHT RAIL TRANSIT – EAST CAMPUS

REGENTS ROAD: FACULTY/STAFF HOUSING (2020)



- Approx. 7-acre site
- Approx. 1,650 rental faculty/staff housing units (developed in phases)
- Approx. 70,000 RSF of retail/restaurants/cultural space
- Amenities and open space improvements
- Below-grade parking

DEL SUR CORPORATE CENTER: MEDICAL OFFICE (2019)



- Approx. 6.5-acre site (5.7 net)
- Maximum development potential: 110,000 GSF
- UC San Diego Health Medical Office Need: ~15,000-20,000 RSF primary care clinic
- Development may be phased
- Surface parking
- Balance of space may be leased as medical or other professional office or retail (competing practices prohibited)

BERNARDO CENTER DRIVE: MEDICAL OFFICE (2019)



BIRD'S EYE - NORTH



- Approx. 7-acre site (3.9 net)
- Maximum development potential: 175,000 GSF
- UC San Diego Health Medical Office Need: ~125,000 GSF regional integrated hub (clinical/procedure space, labs, PT/OT, infusion, pharm, advanced imaging)
- Above-grade structured parking
- Balance of space may be leased as medical or other professional office (competing practices prohibited)

FM PROJECT MANAGEMENT AND CPM

FM Manages:

- Renovation & Alteration Projects under \$750K
- Deferred Maintenance Projects (any budget)
- Strategic Energy Projects (any budget)

*** Med Center and Housing & Dining work is not managed by FM

CPM Manages:

- Renovations over \$750K
- Capital Utility Projects
- New Construction

FM PROJECT MANAGEMENT OVERVIEW

- Annual Project Execution = \$40M - \$45M
- Annual Projects Completed = 500-600
- Backlogged Work = \$90M+
- Project Managers = 10
- Average Projects/PM = 25
- 80% of Project Volume is under \$50K
- 17% of Project Volume is between \$50K & \$750K
- 3% of Project Volume is over \$750K

UPCOMING WORK

Pending Construction Bid Totals

- QTR 2 2019 = \$6.2M
- QTR 3 2019 = \$9M
- QTR 4 2019 = \$5.5M

Pending Design Work

- 25+ projects in the Planning Phase

PROCUREMENT METHODS

JOC Contracts:

- Abatement & Demo (Clancy)
- Civil (RORE)
- Electrical (Baker Electric)... bidding again in March 2018
- Medium Voltage (Baker Electric)... bidding again in March 2018
- Mechanical (University Mechanical)
- Fire Sprinkler & Fire Alarms (Schmidt)
- General Construction (Helix Mechanical)

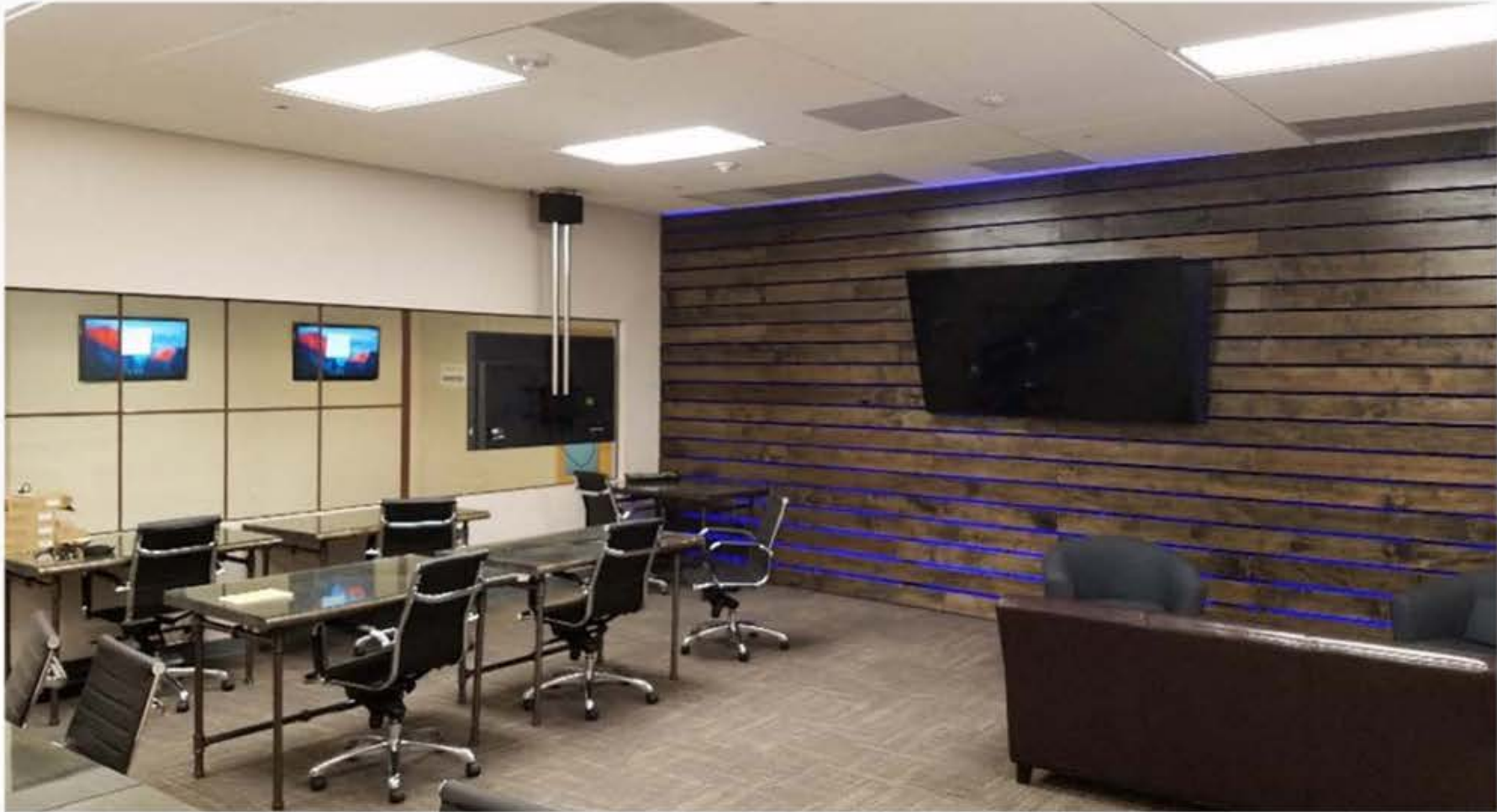
Hard Bid (Design-Bid-Build)

- <\$640K: Informally bid (no advertisement required)
- >\$640K: Pre-Qualified and Competitively Bid

DESIGN DELIVERY

- 95% of all projects are Design-Bid-Build
- Design Fees < \$100K = Sole Source / Negotiated
- Design Fees > \$100K = RFQ

DRY LAB RENOVATION



WET LAB RENOVATION



OFFICE RENOVATION



ENERGY STORAGE FACILITY



STARBUCKS RENOVATION



CHILLER REPLACEMENT



HTHW VALVE REPLACEMENT



GREENHOUSE REHAB



EXHAUST FAN REPLACEMENT



COASTAL TRAIL



PHOTOVOLTAIC PROJECT





UC San Diego

Facilities Management



UPDATE: PROJECT DELIVERY MODELS

A/E Various Pools

- Faculty Recruitment Laboratory Renovation Projects
- As-Needed Landscape Projects (Public Realm Improvements)
- UCSD Medical Center
 - Hillcrest Infrastructure Architects
- As-Needed Environmental Consultants
- As-Needed Exec. Architects Clinical TI (Real Estate)
- As-Needed Exec. Architects Various Reno & TI (HDH, RMP, SIO, AA)
- Real Estate Reno
- TI Projects



UPDATE: PROJECT DELIVERY MODELS

Integrated CM/GC

- Key Drivers
 - Optimize value
 - Predictable outcomes
- Key Features
 - Engage CM/GC early
 - Emphasis on precon
 - Design-Build behavior
- Underway
 - Design & Innovation Building
 - Franklin Antonio Hall
 - Hillcrest Phase 1
 - Housing & Dining
- Next
 - Pepper Canyon



UPDATE: PROJECT DELIVERY MODELS

- As-Needed CM/GC

PROJECT VALUE	A \$640,000 up to \$2,000,000	B \$2,000,000 up to \$10,000,000	C \$10,000,000 up to \$25,000,000
1 Laboratory and Research Space Renovations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Real Estate/Tenant Improvements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Clinical (OSHPD 3) Renovations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Academic Facilities (Offices, Classrooms, Student Spaces)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Housing Dining Hospitality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

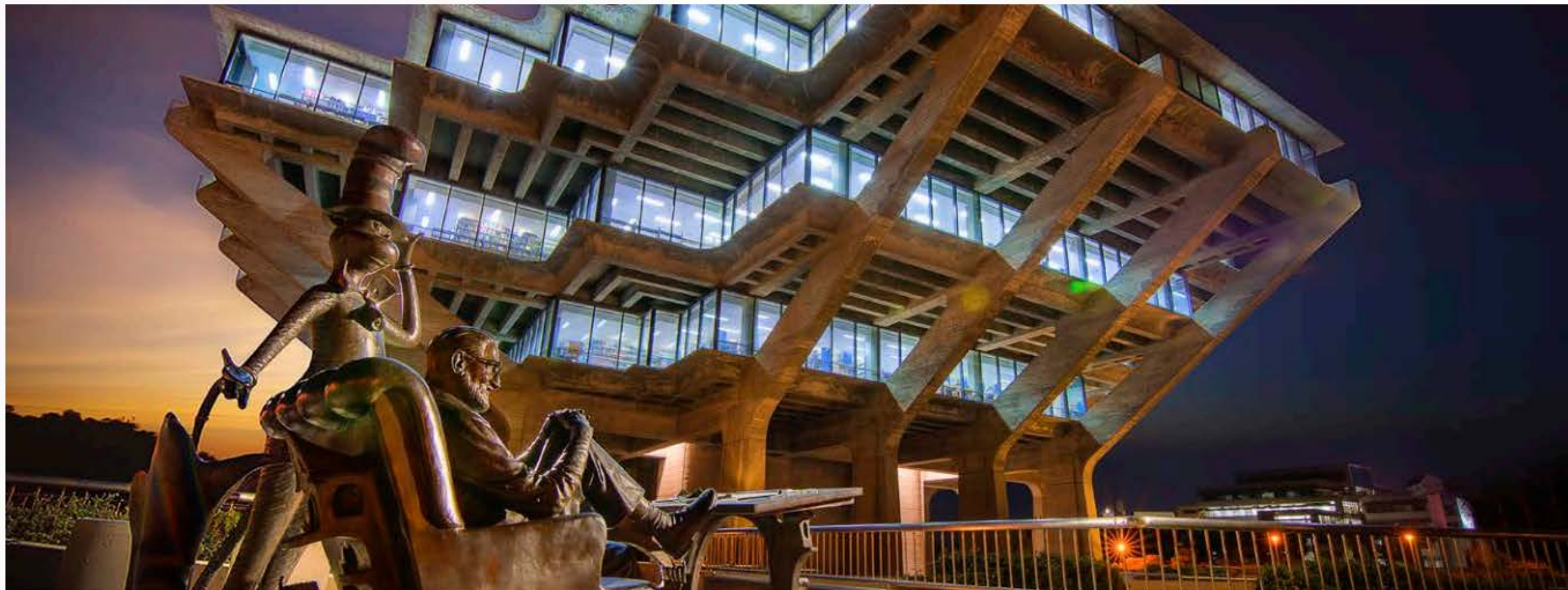
UPDATE: PROJECT DELIVERY MODELS

Progressive Design-Build

- Key Features
 - Largely qualifications-based
 - Programming-Design-Construction
 - Collaborate toward target budget
 - Set GMP when appropriate
- Underway
 - Triton Pavilion
 - West Pepper Canyon Housing
- Next
 - Future College



QUESTIONS & ANSWERS



UC San Diego