

California campus to expand through unusual partnership

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MERCED, Calif. (AP) - The University of California's youngest, smallest and most ethnically diverse campus reached a milestone in its journey to becoming a major feature of the state's higher education landscape on Wednesday with the selection of a development team to build, maintain and finance a long-planned expansion that will create room for 3,800 more students at a time when the UC system as a whole faces unprecedented demand.

University of California, Merced officials said a \$1.1 billion contract for new classrooms, laboratories, dormitories, athletic facilities and other amenities that would nearly double the size of the 11-year-old school has been awarded to a consortium led by Plenary Group, an international public infrastructure developer and investor. Webcor Builders, a San Francisco company that oversaw the renovation of UC Berkeley's Memorial Stadium and the California Academy of Sciences, will be the principal building contractor.

The deal is unusual because the university and its developers will be sharing the cost of construction and, through decades-long operation and maintenance agreements, revenue from such areas as student housing and dining halls. Cash-strapped government agencies increasingly are relying on such public-private partnerships to fund big capital projects, but UC Merced said its project is the first time it has been attempted on such a large scale in higher education.

Although Gov. Jerry Brown and other members of the university's governing board initially questioned whether the approach would drive up the 918,900-square-foot project's costs, they agreed in November that bringing in private partners would be the most cost-effective way to increase capacity quickly. Current estimates call for the initial phase of the expansion to be completed in 2018, with the remainder to be finished in 2020.

"UC Merced, the youngest campus in our system, is poised to become a model for our other campuses as we look for the most efficient ways to construct, operate and maintain facilities that enable us to pursue our teaching, research and public service missions," UC President Janet Napolitano said in a statement.

The University of California's nine undergraduate campuses have received record numbers of applications from prospective students in recent years, fueling concerns about whether the system would be able to accommodate Latino students who make up a majority in the state's public K-12 schools. More than half of UC Merced's students are Latino, while the proportion of African American students the campus enrolls - 5 percent - is among the highest for a UC school.