Saying their crowded campus needs to expand, UC Merced leaders Tuesday presented plans to construct new classrooms, dorms and labs over the next five to seven years — and to enroll nearly 4,000 more students.

They portrayed the $1-billion proposal to the UC regents as a safety valve for the entire UC system, allowing it a way to enroll more California students.

In particular, they said, an expansion would allow the school to attract more students from the surrounding Central Valley region, which traditionally has been underrepresented in the UC student body.

UC Merced, the youngest and smallest of UC's nine undergraduate campuses, opened in 2005. But its growth has been hampered by the UC system's financial problems since the recession.

The regents were once again sympathetic to Merced's expansion goals, as they were during a previous discussion in March.

Still, several on the board reiterated their concerns about paying for the expansion mainly through bonds and dorm fees, since it's unlikely the estimated $1 billion needed would be available through direct funding from state taxes. They also said they were concerned about UC Merced's idea to hire one master developer to oversee the project's construction.

UC Merced Chancellor Dorothy Leland said the campus needs to grow to 10,000 students, in part, so the school can gain the necessary revenue to wean itself off subsidies from the UC system that more established colleges do not receive. "We will be able to stand on our own two feet," she said.

As for the idea of a single developer, Leland said it was a way to reduce costs.

Other UC campuses were built and expanded when state support was more readily available, she said. So Merced, Leland said, found a way to lower the price tag, get buildings constructed faster and to "not take unreasonable risks."
Among other things, the plan calls for the developer to finance part of the expansion and for UC's repayments to be phased in over time. Those payments can be reduced if the buildings do not meet expectations.

The regents said Merced's proposal was stronger than the one presented in March, but they still need more proof if they are to approve it.

Regent Hadi Makarechian said he still thought that having just one developer might be too risky in case disagreements arose or the firm defaults: "There could be huge rewards but there could be something disappointing."

He and other regents urged Merced officials to study dividing the project into four or so parts that could be contracted out to separate developers.

Leland, while saying that the single developer plan had plenty of safeguards, said she and her staff would come back in September with more comparisons of the different development methods. No vote was taken Tuesday.

While many urban and suburban students say they are not interested in UC Merced because of its small size and rural setting, the school has seen the number of freshman applications continue to rise, from 15,882 two years ago to 18,860 for this fall.

The campus recently accepted about 64% of its applicants, by far the largest percentage in the UC system. It is the only UC school to offer eligible students a place if they are rejected at another UC campus.

But such growth has strained UC Merced's facilities, officials said. Some classes now meet as early as 7:30 a.m. and as late as 10 p.m. to get more use of the space, and there is strong demand for dorm rooms.

The campus occupies 104 of the 840 acres it controls. Previous expansion plans called for 355 acres of grazing land to be developed over the next few years, with the rest to follow.

But those plans have been scaled back to use much less land. To lower costs and reduce the need for so many new roads and utilities, the school now wants to restrict construction to the current footprint and to an additional 115 acres immediately to the east, adding somewhat taller buildings.

In a related move, UC Merced is expected to build a new back-office administrative building that could be used to hold community classes in historic downtown Merced, which is several miles from campus.
The new building would replace rental facilities around the area.

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