2020 Project

University of California Board of Regents Joint Session:
Committees on Finance and Grounds and Buildings

UCSF Mission Bay
July 21, 2016
UC Merced is an intimate campus with a unique mission

A venue for student success and social mobility reflecting California’s diversity

Research excellence in unique, targeted areas

A catalyst for economic diversification in the Central Valley
What we have learned
The financial rigor of the procurement created a better project

- **Acting holistically** about our long-range financial condition enabled us to set priorities

- **The upset limit and the Best and Final Offer Process (“BAFO”)** pushed us to identify creative solutions

- **Quantifying our operations and maintenance** helped us determine what we could afford while achieving our mission
Existing Campus Context

Residential

Operations

Academic

Student Life

Little Lake

Fairfield Canal

Le Grand Canal

Scholars Lane

Little Lake

Solar Array
Little Lake will be framed as the social heart of the campus
2020 Project facilities are physically integrated with existing campus buildings

Physical Capacity for 10,000 students

- Teaching
- Research
- Residential
- Student Life
“Academic Quad” gives form to the Research Enterprise

New faculty offices, classrooms and research labs are arranged around new quadrangle adjacent to the existing campus

Northeast view of low-water landscaped Academic Quad
“Academic Walk” is the Central Connective and Pedestrian Circulation Feature

Mixed-use corridor programmed with classrooms on the ground floors and 1,700 student beds on the upper levels
UC Merced at completion of the 2020 Project
Physical capacity for 10,000 students
Integrated with the existing campus
The delivery sequence is structured to minimize campus disruption

2018: First Delivery
Classrooms, Housing, Dining and Parking
The delivery sequence is structured to minimize campus disruption

2019: Second Delivery
Teaching and Research Facilities, Housing, Parking and Recreation
Three-phase delivery sequencing is structured to minimize campus disruption

2020: Substantial Completion
Teaching and Research Facilities, Housing, Recreation and Parking
Financial Structure Update
Developer increasing commitment to design and construction costs
University’s annual cash flow requirement is unchanged

<table>
<thead>
<tr>
<th>Developer Contribution</th>
<th>November 2015 Structure</th>
<th>Current Proposed Structure</th>
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<tbody>
<tr>
<td></td>
<td>$386 million</td>
<td>$590 million</td>
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<tr>
<th>Annual Cash Flow Requirement</th>
<th>November 2015 Structure</th>
<th>Current Proposed Structure</th>
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<tr>
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<td>$105 million</td>
<td>$103 million</td>
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<tr>
<th>Payment and Performance Bonds</th>
<th>November 2015 Structure</th>
<th>Current Proposed Structure</th>
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<td>60% of design and construction costs</td>
<td>100% of design and construction costs</td>
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![November 2015 “2020 Project” UC Milestone/Final Acceptance Payments](chart1)

![Current “2020 Project” UC Progress Payments](chart2)
## Best and Final Offer Process
### Summary

<table>
<thead>
<tr>
<th>Key Scope Adjustments</th>
<th>Details</th>
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<tr>
<td><strong>Graduate Student Housing</strong></td>
<td>Significant donor gift of off-campus land provided opportunity to build graduate student/family housing as a separate project within the community.</td>
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<td>• This minimized need for 90,875 asf of graduate housing at this time.</td>
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<td>• Provides opportunity for co-location with childcare amenities</td>
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<td><strong>Public Safety</strong></td>
<td>Campus adopting distributed model that will integrate public safety functions throughout the entire campus rather than a 19,000 asf centralized facility.</td>
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<td><strong>Parking</strong></td>
<td>Execution of land transaction with the University Community Land Company, LLC (“UCLC”) enabled the campus to locate new parking south of campus on a more convenient site.</td>
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<td><strong>Scope Changes</strong></td>
<td><strong>November RFP:</strong> 918,000 asf/1.4 million gsf</td>
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<td><strong>Post-BAFO Process:</strong> 790,000 asf/1.2 million gsf</td>
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**Requested Regents’ Actions**

### Budget and Commercial Terms of the 2020 Project Agreement

- Approve amendment of total project budget to $1,338.48 million
- Approve amendment of minimum project scope to 789,892 asf
- Authorize external financing of $600 million*
- Approve revision of the commercial terms of the 2020 Project Agreement
- Approve 2016-17 Budget for Capital Improvements and the Capital Improvement Program

*Authorize $550 million of new financing and utilization of $50 million of previously issued Century Bonds.
Requested Regents’ Actions

**Approval of Design and LRDP Amendment**

- Determine that the environmental consequences of proposed LRDP Amendment are adequately analyzed in the certified 2009 LRDP Environmental Impact Report (EIR) as updated in Addenda #6 and #7.

- Adopt related California Environmental Quality Act Findings

- Amend the 2009 LRDP to re-designate 27.55 acres as “Campus Mixed Use”, amend the boundaries of the 2020 Project Site and make other conforming changes to the 2009 LRDP

- Approve the design of the 2020 Project, Merced Campus