



UNIVERSITY
OF
CALIFORNIA

UCMERCED

2020 Project

November 2015
UCSF Mission Bay



The original rationale for establishing UC Merced was strategic

- 1 Accommodate demand for the University of California
- 2 Enhance access to higher education in the Central Valley
- 3 Serve California and the region through graduate education and research



Source: "Status Report on Planning for a Tenth University of California Campus", Discussion Item, *Rationale for the 10th Campus*, July 1997 Regents Meeting

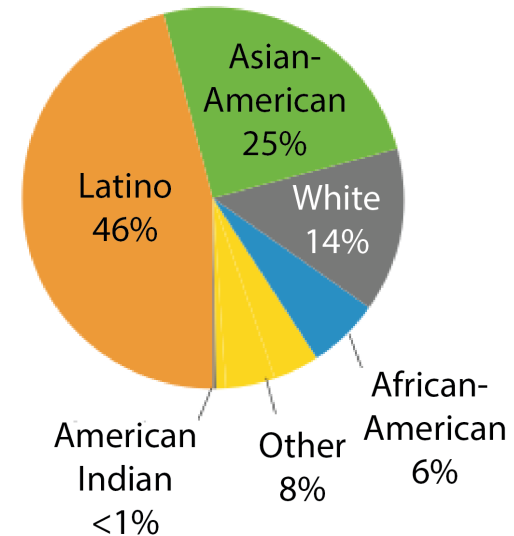
UC Merced is meeting its objectives

Diverse, Californian, and first-generation student population



- 6,685 Students
- 99% from California
- More than 30% from the San Joaquin Valley
- More than 60% are low-income students
- 62% are from families where neither parent holds a four-year degree
- 55% majoring in science, technology, engineering and math fields

**UC Merced
Undergraduate Diversity**



UC Merced's vision for 2020 is distinct

An intimate, strategically focused campus



A venue for social mobility
reflecting the diversity of
California's next generation



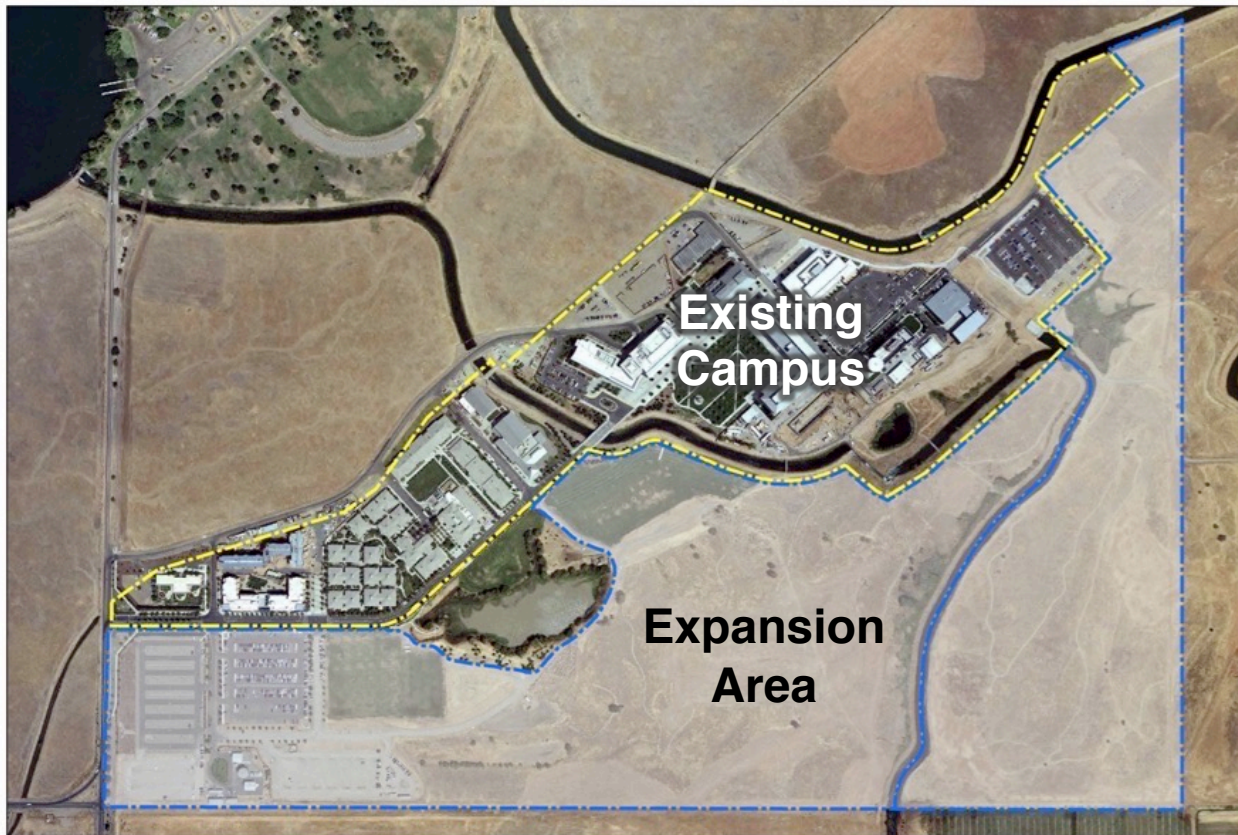
Research distinction in unique,
targeted areas



**A proven catalyst for economic
diversification** in the Central Valley

The 2020 Project

Creates physical capacity for 10,000 Students



918,900 ASF
of academic,
residential, student
life, and support
facilities

Rapid, cost-effective
and compact
development on
219-acre site

A mixed-use,
sustainable
approach to design

The Request for Proposals

Sets design and financial parameters for the teams competing to deliver the project

The Instructions to Proposers

establishes procedures to be followed in the procurement process

The Project Agreement includes

- Minimum scope: 918,900 ASF
- Commercial terms to protect the University and transfer specific risks
- Maximum bids not to exceed \$51M/year
- Substantial completion by 2020
- Technical specifications
- Performance standards for design, construction and operating periods



Project team has incorporated changes requested by the Regents at the last briefing

Payment and Performance Bonds

Increased the amount of payment and performance bonds commensurate with the total amount of milestone and final acceptance payments (\$600 million)

Construction Equity Ratio

Requires the Developer to invest equity for at least 10% of the project financing through the term of construction

Requested Regents' Actions

<p>(J2)</p> <p>Approval of Budget and Commercial Terms of the 2020 Project Agreement and Related Actions</p>	<p>(J3)</p> <p>Approval of University of California 2016-17 Budget for State Capital Improvements</p>
<ul style="list-style-type: none"> • Amend 2015-16 Budget for Capital Improvements and the Capital Improvement Program to include the <i>Merced 2020 Project</i> • Approve total project budget: \$1,142.85 million • Approve minimum project scope: 918,900 assignable square feet • Approve commercial terms of the 2020 Project Agreement contingent on minimum program scope and maximum bids not to exceed \$51 million/yr • President authorized to approve and execute Project Agreement • Determine that the proposed procurement method is in the best interests of the University • Authorize release of the Request for Proposals to the three competing teams 	<ul style="list-style-type: none"> • Approve 2016-17 State Capital Budget comprised of the <i>Merced State 2020 Project</i>: \$527.3 million, 415,800 assignable square feet

Next steps

Evaluation and Consultation

Winter 2015/16	Release Request for Proposals to shortlisted teams
Spring 2016	Receive submissions from teams
Spring 2016	Project Selection Committee identifies preferred bidder
May 2016	Seek Regents' Approval for External Financing
Summer 2016	Seek Regents' Approval for Design
Summer 2016	President approves and executes Project Agreement

What UC Merced represents

