

University of California 2002-03 to 2006-07 Non-State Capital Program Overview of the Report

This report provides a projection of the capital program expected to be proposed for funding from non-State sources during the five-year period, 2002-03 to 2006-07. This is the first of regular, annual reports that will be developed to provide an overview of campus longer-term capital plans.

The Non-State Capital Program is based on the campuses' best estimates of non-State fund sources that will be available for defined capital projects over the five-year period, including debt financing, campus resources, gifts, capital reserves, and federal funds. This program is presented for information only, to provide the Board of Regents with a projection of the facilities to be developed using non-State sources. Specific projects funded from non-State sources will continue to be brought to the Board for approval at its regular meetings, when the scope and cost of projects are finalized and the feasibility of funding plans is confirmed. It is anticipated that the scope, cost, and funding plan of these future projects will change to some degree by the time they are presented for project and funding approval.

It should be noted that while the lists of campus projects address a wide range of facilities needs, the campus programs do not meet all campus capital needs. The campuses have included projects that they believe are sufficiently defined in terms of scope and cost at this time and for which a reasonable funding plan can be defined. For example, potential projects to meet identified needs may not be included in the program because feasibility studies are underway, alternative solutions are being evaluated, or funding sources cannot be identified, especially for projects that would be approved in the fourth or fifth year of the Non-State Capital Program. Some campuses are evaluating the feasibility of capital campaigns to raise gift funds for capital purposes or are in the process of identifying the priority projects to be included in a future gift campaign.

The report includes a chapter for each campus that includes the following information:

- An overview of the campus planning context in which the projection of Non-State funded projects has been developed.
- A table that displays the list of projects that the campus estimates it will bring forward for approval during the five-year period, followed by a summary of the total project costs and anticipated fund sources that will support the Non-State Capital Program.
- A brief narrative description of each capital project proposed for funding from non-State sources during the five-year period.

The format of the tables outlining the Five-Year Non-State Capital Program is different from the way that multi-year capital programs have been presented in other documents, in order to provide additional information about proposed projects and to display the construction program already underway that is funded from non-State sources. First, each campus table includes a list of Non-State funded projects that have been previously approved (as of October 1, 2002) but are still in the design or construction phase, in order to provide information about how proposed new projects fit into the ongoing construction program on the campus. These projects are highlighted in gray.

Second, information is provided for each project that indicates the program objectives to be achieved, identifying whether the project addresses needs related to accommodating enrollment growth, providing space flexibility, providing space for new program initiatives, or correcting building deficiencies. The tables also display the scope of the project, the fund sources to be used to support the project, and the anticipated fiscal year in which project approval will be requested and the fiscal year in which it is anticipated that the project will be completed. The definitions of the data displayed in each table are presented in a Key to the Tables that precedes the list of projects in each campus section.

Note that the “approval year” for previously approved projects indicates the most recent year in which either initial project approval was obtained or a funding augmentation was approved. For example, a project may have been approved originally in 2000-01 but also received approval for a funding augmentation in 2002-03; in this instance, the approval year would be shown as 2002-03.

The campus project tables and the campus funding summary identify the fund sources by major categories that are projected to support future projects. The categories are:

- *Debt* – External borrowing.
- *Equity* – Campus funds or other University sources.
- *Gifts* – Gifts in hand, pledges, and amounts expected to be raised.
- *Capital Reserves* – Reserves associated with auxiliary and business enterprises, including hospitals, housing, parking, and other self-supporting facilities.
- *Federal* – Funds from any federal agency.
- *State* – Amount of State funds associated *only* with jointly funded State/non-State projects, consistent with the State capital program.
- *3rd Party* – Privatized development by a third party.

The campuses have had significant success over the last decade in developing facilities supported by gifts. It is difficult, however, to estimate the amount of gift funds that may be available to support capital development over the next five years, especially as some projects rely on the generosity of one or two donors. To address this issue, the campuses have included two categories of gift-funded projects in this report. First, new gift-funded projects that the campus is committed to moving forward in the five-year period are identified. Second, additional gift-funded projects that would move forward only when gift funds are available are identified in *italics* in the tables and the cost of these projects is not included in the campus funding summary.

Some campus capital development has taken place through land lease agreements and other development arrangements with third party entities, including student and faculty housing, joint-use facilities such as theaters shared with other organizations, and industry-developed research facilities. These projects are not normally included in the capital budget but rather are approved through a variety of contractual methods. Potential third party developments on the campuses are included in this report, however, in order to display the full range of capital development activities expected to take place on the campuses over the next five years. Note that project costs are not identified for privatized development and therefore are not included in the campus funding summary.

The State capital funds displayed in the project tables include *only* the amount of State funds associated with projects that are jointly funded from both State and non-State sources, and do not include all projects included in the State-funded capital improvement program. The amount of State funding is displayed in brackets [], to distinguish it from non-State fund sources.

MERCED CAMPUS

2002-03 to 2006-07 Non-State Capital Program

MERCED CAMPUS

2002-03 to 2006-07 Non-State Capital Program

The Merced campus, the tenth campus of the University of California system, is targeted to open in Fall 2004 with an enrollment of 1,000 students. Development of the Merced campus is part of the University's strategy to increase its enrollment capacity and to provide the benefits of a research university to Californians in the San Joaquin Valley. The Regents selected the 2,000-acre site near Lake Yosemite and the City of Merced in Merced County for development of the tenth campus in 1995, with the campus site donated by the Virginia Smith Trust.

Initial physical planning for development of the 2,000-acre campus site resulted in the adoption of the Long Range Development Plan (LRDP) and its associated environmental impact report during the past year. The LRDP establishes a vision for the physical development of the campus and outlines plans for utilities, infrastructure, and transportation. These master planning efforts address the ultimate development scheme for the entire campus, at an anticipated build-out to accommodate 25,000 FTE students, as well as more detailed plans for the initial phase of development to accommodate 6,000 FTE students by 2010.

Plans call for the entering class to include first year students, transfer students, and graduate students. The campus will open with undergraduate and graduate degree programs in each of its three divisions: Engineering; Natural Sciences; and Social Sciences, Humanities and the Arts.

State capital funds have been appropriated for construction of the first phases of campus site development and infrastructure and for the first three academic buildings. Space has been leased at nearby Castle Air Force Base to provide for initial administrative needs and to accommodate the first faculty members. Campus construction is expected to begin during Fall 2002.

Phase 1 of campus development encompasses the buildings needed at opening day of the campus, supporting an enrollment of 4,000 to 6,000 FTE students. It includes campus site development and infrastructure, academic facilities, logistics and support buildings, housing and food service, recreational and athletic facilities, and parking in surface lots.

The Merced campus has a goal of housing 50 percent of its students on campus. Programs for athletics and recreation are expected to include curricular offerings, intramural athletics, intercollegiate athletics, as well as facilities for staff and faculty. Investments will be made in bicycle, pedestrian, and transit systems to minimize reliance on automobiles. Parking lots will be constructed to serve academic, instructional, and other campus facilities.

The 2002-03 to 2006-07 Non-State Capital Program for the Merced campus includes the development of projects that are essential to provide initial housing, dining, and recreational space for students and core campus services such as parking. A series of additional housing and parking projects will be needed as student enrollment, faculty, and staff levels grow.

KEY TO THE TABLES

Project Lists.

- **Previously approved projects**, (as of October 1, 2002), currently in design or construction, are highlighted in gray.
- **Proposed new projects** are defined generally in terms of scope, cost, and funding, and there is a reasonable expectation that they will move forward during the five-year period.

Program Categories.

 The list of projects is organized into four program categories.

- **Education and General** – Core instruction, research and support space. Separate sections are provided for General Campus programs, Health Sciences programs, and the California Institutes for Science and Innovation.
- **Infrastructure Development** – Utilities, central plant, major landscape/hardscape projects.
- **Auxiliary Enterprises and Fee-Supported Facilities** – Self-supporting programs and facilities such as housing, student centers, recreation, parking, child care facilities.
- **Medical Center** – Patient care facilities and medical center support space.

Project Objectives.

 Identifies the primary purpose(s) of each project.

- **Enrollment growth** – To provide additional capacity related to student and faculty growth.
- **Space flexibility** – To provide more efficient and adaptable space, or provide staging space for renovation of existing buildings.
- **Program initiatives** – To accommodate new or expanding programs not necessarily related to enrollment growth, such as new research centers.
- **Correct deficiencies** – To address unsatisfactory conditions, including seismic or code deficiencies, capital renewal, technological obsolescence, or modernization needs.

Scope.

 Defines the size of the project, such as assignable square feet (asf).

New, Renovation or Both.

 Indicates whether the project involves new construction or renovation.

Total Project Cost (\$000s).

 Provides the estimated total cost in thousands of dollars.

Fund Sources.

 Identifies the major categories of fund sources used to support the project.

- **Debt** – External borrowing.
- **Equity** – Campus funds or other University sources.
- **Gifts** – Gifts in hand, pledges, and amounts expected to be raised.
- **Capital Reserves** – Reserves associated with auxiliary and business enterprises, including hospitals, housing, parking, and other self-supporting programs.
- **Federal** – Funds from any federal agency.
- **State** – Amount of State funds associated *only* with jointly funded State/non-State projects, consistent with the State capital program. State funds are listed in brackets [] to distinguish them from non-State sources.
- **3rd Party** – Privatized development by a third party.

Approval Year. For previously approved projects, the most recent fiscal year in which the project or an augmentation to project funding was approved. For future projects, the anticipated fiscal year in which approval will be sought.

Occupancy Year. The fiscal year in which occupancy of the building is expected to occur.

Gift-funded Projects. New gift-funded projects that the campus is committed to move forward in the five-year period are identified. Additionally, other potential gift-funded projects that would move forward only when funding is available are identified in *italics* and the cost of these projects is not included in the campus funding summary following the list of projects.

MERCED CAMPUS

Five-Year Non-State Capital Program
2002-03 to 2006-07

Project Name	Objectives	Enrollment Growth	Space Flexibility	Program Initiatives	Correct Deficiencies	Scope	New, Renovation or Both (N, R, N/R)	Total Project Cost (\$000s)	Fund Sources	Approval Year	Occupancy Year
AUXILIARY ENTERPRISES AND FEE-SUPPORTED FACILITIES											
<u>Student Housing/Dining</u>											
Merced Garden Suites and Lakeview Dining Facilities		X				602 beds	N	28,235	Debt	02-03	04-05
Housing Phase 2		X				400 beds	N	15,600	Debt	03-04	05-06
Housing Phase 3		X				600 beds	N		3rd Party	04-05	06-07
Lakeview Dining Hall Addition		X				10,000 asf	N	5,200	Debt	06-07	07-08
<u>Student Activities, Recreation, Athletics</u>											
Recreation and Wellness Center		X				32,000 asf	N	10,000	Debt, Gifts	02-03	05-06
<u>Parking and Roads</u>											
Parking Lots for Academic Facilities		X				600 spaces	N	1,450	Debt	03-04	04-05
<u>Child Care</u>											
Child Care Facility		X				125 children	N	3,250	Debt, Equity	04-05	05-06

Total Merced Campus

Projects Approved Before 2002-03

Non-State Funds
State Funds _____
Total

Projects in 2002-03 to 2006-07 Program
(excludes gift projects in italics)

Non-State Funds 63,735
State Funds _____
Total 63,735

Projects in gray are approved, but have not been completed.

Projects in italics are gift-funded projects that will move forward when funding is available.

MERCED CAMPUS
 Five-Year Non-State Capital Program
 2002-03 to 2006-07

2002-03 to 2006-07 Project Funding Summary
(\$000s)

Category	Debt	Equity	Federal	Gifts ⁽¹⁾	Capital Reserves	Category Total	State Funds
Education and General General Campus Health Sciences California Institutes Subtotal							
Infrastructure Development							
Auxiliary Enterprises and Fee-Supported Facilities	60,485	1,250		2,000		63,735	
Medical Center							
Non-State Funds	60,485	1,250		2,000		63,735	

⁽¹⁾ Funding summary for 2002-03 to 2006-07 program does not include potential gift-funded projects listed in italics in the project table.

MERCED CAMPUS
2002-03 to 2006-07 Non-State Capital Program

AUXILIARY ENTERPRISES and FEE-SUPPORTED FACILITIES

Student Housing/Dining

Merced Garden Suites and Lakeview Dining Facilities **\$ 28,235,000**

Consistent with the UC Merced Long Range Housing Plan and Food Services Plan, this 122,509 asf project, which is in working drawings, provides a facility to serve 602 students. A combination of undergraduate and graduate students will be accommodated in suite configurations. In addition to residences, the project will provide associated community and support space, dining space, and a 340-stall surface parking lot. The 162 apartment units will be arrayed in a combination of two and three-bedroom suites, plus a small number of studio apartments for residence life staff and graduate students. Common space will include laundry, study rooms, activity/game room, assembly room, reception/lobby area, mailroom, and Student Life office space. The dining facility will comprise a complete production kitchen, servery, dining area, convenience store, and coffee café for on-campus residents, commuting students, staff, and faculty. The project will be funded from debt financing. Completion is anticipated during 2004-05.

Housing Phase 2 **\$ 15,600,000**

This second project will help meet the housing demand by lower division, transfer and graduate students. The project will include 400 student beds in 88 units similar to those in the Merced Garden Suites and 300 parking spaces. Common space will include areas for laundry, study rooms, exercise room, activity center/game room, reception, and a custodial office. Funded from debt financing, the project is anticipated to be completed during 2005-06.

Housing Phase 3 **3rd Party**

A third-party developer on a campus site near the Merced Garden Suites and Housing Phase 2 will construct this Phase 3 housing project, providing 600 bed spaces. This project will likely include residence and support spaces similar to those in the first two housing projects. The campus may introduce apartments for graduate students and family housing as a part of this project, depending upon student demand. Completion is anticipated during 2006-07.

Lakeview Dining Hall Addition **\$ 5,200,000**

This 10,000 asf centralized, dining facility will be similar to the initial dining facility constructed as part of the Merced Garden Suites and Lakeview Dining project. It will be constructed adjacent to the initial dining hall and will accommodate 200-350 resident students. The project will also expand the convenience store constructed as a part of the Lakeview Dining project. The project will be funded through debt financing, and is planned for completion during 2007-08.

Student Activity/Recreation

Recreation and Wellness Center **\$ 10,000,000**

A Recreation and Wellness Center is planned as part of the initial campus development. The facility will be about 32,000 asf with additional indoor facilities of about 10,000 asf in a later phase. It will include a multi-purpose gymnasium, sports instruction and weight rooms, locker rooms, administrative space, and a wellness center. A 25-meter gift-funded pool maybe added to the scope of the project. The wellness component may incorporate student health and counseling. The project will be funded from debt financing and gift funds. Completion is anticipated during 2005-06.

Parking and Roads

Parking Lots for Academic Facilities **\$ 1,450,000**

Two or three surface parking lots providing 600 parking spaces will serve the campus. The parking lots will help meet the need for faculty, staff and commuter-student parking. Site grading is included in the State-funded Site Development and Infrastructure project. This project will include asphalt, striping, and simple lighting and landscaping. The project will be funded from debt financing. Completion is anticipated at its opening in 2004-05.

Child Care

Child Care Facility **\$ 3,250,000**

An infant/toddler child care facility for 125 children will be constructed to serve faculty and staff parents. The facility will include in-door activity areas, toilets, mini-kitchen, active storage, entry/reception, offices, utility/laundry/janitor's room, and a work/lunch/resource and training room. An outside play yard and drop-off/pick-up space will also be provided. It will be sited near the first two phases of student housing. The project will be funded from campus non-State funds, debt financing, and non-State funds available to the President. Completion is anticipated during 2005-06.