

Campus Planning Committee
April 2, 2013 2:00-4:00 p.m.
Minutes

Members Present: Todd Lee, John Foran, Gene Lucas, Kum-Kum Bhavnani, Joel Michaelsen, Marc Fisher, Jan Frodesen, Melvin Oliver, Rod Alferness, Michael Witherell, Michael Young, Richard Watts, Bruce Miller

Members Absent: Simonetta Falasca-Zamponi, Ron Cortez, Beverly Colgate, Mario Galicia, Sophia Armen

Alternates Present: N/A

I. ANNOUNCEMENTS

Assistant Chancellor Lee announced that the Regents approved two UCSB Housing projects at their March meeting. The Sierra Madre Apartments project was approved moving from a third party project to a campus project with a budget of \$80 million, of which \$70 million is debt financed. The project is scheduled to start construction this summer and will provide 515 new student beds and 36 faculty and staff apartments. San Joaquin Apartments gained approval for approximately \$7.8 million in funding for initial planning through the design development phase of the project. The project will provide approximately 1,000 new student beds, a new dining commons and various community amenities.

The Davidson Library Addition and Renewal project has received funding from the sale of approximately \$72 million in Lease Revenue Bonds. The project will begin construction this summer.

II. MINUTES

The minutes from February 26, 2013 were approved as written.

III. CONSENT AGENDA

IV. ACTION ITEMS

A. Property Acquisition – Facilities Management Relocation

The committee by consensus recommends that the Chancellor approve proceeding with the purchase of the land and structures at Cabrillo Business Park. The property, located at 389 South Los Carneros, Goleta, consists of approximately 7.75 acres at the southeast corner of the Cabrillo Business Park. The \$12.5 million property represents an opportunity to provide immediate storage and surge requirement needs and can address proposed long-term campus plans to relocate the Facilities Management department (FM) and free up a strategically important campus site for a future student housing project, Mesa Verde Apartments.

V. DISCUSSION ITEMS

A. Information Item – Student Housing Rates

Faculty Advisor to the Chancellor and Chair of the Chancellor's Advisory Committee on Student Housing, Richard Watts gave an overview of proposed changes in student housing rates for 2013-14 and tentative rate increases from 2014-2022. Rate increases of 3% per year are generally used to provide

revenue for cost increases related to external factors (e.g. utilities costs and retirement contributions) and internal factors (e.g. sustainability practices and mitigation measures).

Major capital projects such as Sierra Madre Apartments, San Joaquin Apartments and Mesa Verde Apartments will require funding for debt which is estimated at approximately \$527 million from 2012-2021. In order to provide funding to meet these new debt obligations, rate increases greater than 3% are anticipated starting in 2013-14. Various models were investigated and a flattened model was favored. The proposed annual rate increase would move from 3% in 2012-13 to 4% in 2013-14. Proposed rate increases would then move up to 4.33% annually for the extended period of 2014-15 through 2019-20, the annual rate increase would drop to 3% for 2020-21 through 2021-22. Graduate and family student housing will not be affected by the new capital projects that are planned because they will provide undergraduate student housing with no graduate component. Graduate and family student housing annual rate increases are currently at 4% until 2014-15 and will drop down to an annual rate increase of 3% in 2015-16.

Rate increases are approved one year at a time. The Chancellor's Advisory Committee on Student Housing will recommend to the Chancellor a rate increase change from 3% to 4% for 2013-14. The proposed rate increases will cover all proposed capital projects. Consideration for debt coverage and planning rates is also built in to the proposed rate increase model.

INFORMATION & FOLLOW-UP ITEMS

Status Report: Special Projects Subcommittee

No report.

Status Report: Design Review Committee

No report.

Status Report: Faculty & Staff Housing

The reservation process for North Campus Housing Phase 2 (37 units) will begin in late May with move-ins planned for late September through October of this year. Model homes will be open at specified times starting May 20. The first open house will be June 1 with another following shortly after graduation. Unit prices will range from around \$405,000 to the mid \$600,000's and vary from 2 to 5 bedrooms and from 1,450 to 2,500 square feet. This phase consists of 7 detached and 30 attached/duplex units, a community recreation and a fitness center.

The waiting list contains 92 interested parties and is currently being updated. The process of creating a subcommittee to CPC to develop guidelines for a staff waiting list is currently underway. There may be an opportunity for staff to purchase homes in Phase 2. West Campus currently has 2 units available for sale.

Status Report: Student Housing

Faculty Advisor to the Chancellor, Richard Watts requested an update on the process for Mesa Verde. Early planning has begun and the project is on track to meet the schedule for a 2017 construction start.

Status Report: Major Capital Projects

Report attached.

VII. CORRESPONDENCE

Meeting adjourned at 2:30 pm.

Minutes taken by Michael McGrogan, Office of Budget & Planning