

## C. ESTIMATED COSTS OF LRDP PROPOSALS

### EXISTING SITES

With these historical references in mind, it is possible to examine the set of future projects for each campus site set out in Chapter 5, Plans for Existing Sites. Table 37 displays the totality of those proposals, categorized by project category by site and with total estimated project costs. Table 38 compares the percentages of facilities proposals by category in the recent past with the LRDP proposals.

**TABLE 37: PROJECTED EXPENDITURES AT EXISTING SITES, 1996-2012 (\$1,000s)**

	<u>Parnassus Heights</u>	<u>Mount Zion</u>	<u>SFGH /a/</u>	<u>Laurel Heights</u>	<u>Mission Center</u>	<u>Other /b/</u>	<u>TOTAL</u>	<u>% of Total</u>
Program Space /c/	\$245,000		\$67,000	\$15,000	\$4,000	\$4,000	335,000	39%
Infrastructure	\$114,000			\$23,000	\$6,000		\$143,000	17%
Housing /d/	\$14,500						\$14,500	2%
Parking and Circulation	\$200			\$150			\$350	0%
Amenities and Services	\$2,300			\$2,000			\$4,300	1%
Medical Center /e/	\$9,000	\$360,000					\$369,000	41%
<b>TOTAL</b>	<b>\$385,000</b>	<b>\$360,000</b>	<b>\$67,000</b>	<b>\$40,150</b>	<b>\$10,000</b>	<b>\$4,000</b>	<b>\$866,150</b>	<b>100%</b>
Percent of Total	45%	41%	8%	5%	1%	0%	100%	

/a/ SFGH projections assume two major long-term capitalized leaseholds.

/b/ Oyster Point and Fresno.

/c/ Medical Center expenditures for program space and infrastructure projects are included under “Medical Center” (except for infrastructure projects jointly funded between the Campus and the Medical Center).

/d/ Aldea housing project only; additional housing is planned, but the costs are highly speculative and the timetable is likely to extend beyond the period of the LRDP.

/e/ Including \$248 million replacement hospital at UCSF/Mount Zion, if needed.

**TABLE 38: COMPARISON OF HISTORIC AND PROJECTED EXPENDITURES AT EXISTING SITES (\$1,000s)**

	Historic 1983-1995 (12 Years)		Projected 1996-2012 (16 Years)	
	Amount	% of Total	Amount	% of Total
Program Space	\$349,000	52%	335,000	39%
Infrastructure	\$126,000	19%	\$143,000	17%
Housing	\$17,000	3%	\$14,500	2%
Parking and Circulation	\$4,000	1%	\$350	0%
Amenities and Services	\$14,000	2%	\$4,300	1%
Medical Center /a/	\$153,000	23%	\$369,000	41%
<b>TOTAL</b>	<b>\$663,000</b>	<b>100%</b>	<b>\$866,150</b>	<b>100%</b>

/a/ Including \$248 million replacement hospital at UCSF/Mount Zion, if needed.

“Program” expenditures constituted \$349 million (52%) of the recent projects and are projected to be \$335 million (39%) of the LRDP projects. The latter includes a very substantial element to replace seismically obsolete buildings and to provide replacement space for them both at Parnassus Heights and at other sites.

“Infrastructure” projects also remain approximately identical as a percentage (albeit the recent projects include the \$60 million single project for the power plant, whereas the future projects are concentrated on extensive systems renovation for the laboratory buildings). Recent projects comprised 19% of the total costs compared with 17% for the LRDP projects.

There is a substantial jump in the fraction of the total devoted to Medical Center projects, again because of the extraordinary cost of rebuilding the UCSF/Mount Zion Hospital. Historically, UCSF expended 23% of total costs for this category; this is projected to be 41% of the LRDP projects. However, should replacement of the UCSF/Mount Zion hospital not be necessary, projected needs for the LRDP planning period would be roughly similar to expenditures of the past 12 years.

UCSF would need to find other sources of funding to meet the pace of essential infrastructure improvements. Parking and campus life elements are projected

at a lower level for the future than shown in the past; however, it should be pointed out that many campus life improvements will result as part of other projects. Housing represents a special case as only the Aldea housing replacement project is included in the projections shown on the tables; additional housing is planned, but the costs are highly speculative, and the timetable is likely to extend beyond the period of the LRDP.<sup>7</sup>

## **PARNASSUS HEIGHTS**

Parnassus Heights represents the largest projected total cost element for the existing sites, estimated at \$385 million (45% of the total for existing sites) over the same 16 years, as the bulk of UCSF's programs and space is located there. The following allocations are assumed:

- About two-thirds of the cost (\$245 million) is dedicated to program improvements. Of this, rebuilding seismically vulnerable or obsolete laboratory buildings with modern space, albeit in smaller structures, is estimated to cost \$42 million. Replacing and upgrading animal care space is projected at \$52 to \$63 million, depending on how many phases are completed. Rehousing those units displaced from obsolete buildings into converted and refurbished space could add a substantial \$36 million. Ongoing laboratory renovations, if carried out at the historic rate, would add another \$7 million a year for \$112 million overall.
- Funding of \$50 million for two replacement buildings discussed above (UC Hall and MR IV) would be sought from the state CIP. Funding to rehouse programs displaced from demolished buildings into existing buildings at Parnassus Heights or off-site would be funded largely by UCSF and gift funds.<sup>8</sup>
- Preceding much of this renovation and new space is the campus infrastructure program. About 30% of needs for Parnassus (\$114 million) would be for a carefully planned and sequenced program of infrastructure and code upgrades throughout the five major research buildings. Funds for the basic work of systems renewal would be sought from the state CIP. If the CIP cannot support these projects UCSF must find other funds or delay the set of projects on which their completion depends.
- Replacing the Aldea student housing complex would absorb about 4% of the projected costs for Parnassus and would be funded via Housing funds.
- Circulation improvements and campus amenities make up the remaining fraction of non-Medical Center projects.

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<sup>7</sup> Other housing projects discussed in Chapters 5, 6 and 7 could amount to \$50 million, plus land costs. Funding sources cannot be predicted, as UCSF intends to work toward joint ventures and other approaches for any substantial new housing at or near the major new site.

<sup>8</sup> An off-site building, possibly at the new site, could cost as much as \$47 million; this cost is not carried under the Parnassus Heights plan, but is part of the costs of a new site development strategy.

- Parnassus Medical Center projects are less specific at this time. They are expected to focus on infrastructure improvements, continued space renovations and other internal facilities projects and to be funded via Hospital funds, as in the past.

### **UCSF/MOUNT ZION**

UCSF/Mount Zion would continue to claim about the same level of funding as Parnassus, if the renewal project for the hospital there is forthcoming (refer again to Table 37). The estimated \$360 million is 41% of the funds projected for the existing sites. However, most of the funding for this site would not be in competition for state CIP, UCSF or other campus funds, but would be financed via the Medical Center.

### **REMAINING SITES**

Laurel Heights and Mission Center would together call upon a projected \$50 million, with Laurel Heights requiring two-thirds of the costs to house a major social science center. These projects will be funded using external financing, repaid from UCSF funds and gifts.

The final element of the existing sites concerns important projects at Fresno and Oyster Point, the former a leasehold of additional academic and support space and the latter a seismic upgrading project. They total about \$4 million; funds would be UCSF/gifts and the state CIP, respectively.

### **MAJOR NEW CAMPUS SITE**

**The cost of acquisition and development of a major new site has been estimated using a series of cost models.**

The cost of acquisition and development of a major new site has been estimated using a series of cost models. Full buildout of approximately 2.65 million gsf of space, including acquisition and infrastructure costs, is projected to be approximately \$1 billion in current dollars. Site acquisition, site clearance, potential additional construction costs (demolition, grading, foundation pilings, shoring, etc.) and initial site infrastructure and circulation could range from \$90 to \$110 million for a site sufficiently large to house 2.65 million gsf in a reasonably dense urban or urban/suburban setting.<sup>9</sup> To this are added costs of building construction.

The model postulates twelve 120,000 gsf research and support buildings could be developed at a projected cost of around \$45 million each, not including land

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<sup>9</sup> Extensive assumptions are used in the model, including assumptions about bulk land discounts.

costs.<sup>10</sup> Campus support facilities, such as food service, animal care, libraries, materiel management, administrative facilities, and recreation could add another \$300 million. Parking, which would vary considerably between suburban and urban sites (because of mass transit availability), could add as much as another \$35 million. Finally, if student, faculty and staff housing were to be added, additional costs would be added depending on the number, type and location of housing units and on the mechanisms used to develop and finance such housing. As with the University of California's bid to add a tenth campus, the new UCSF site will represent a considerable investment well into the second decade of the new century.

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<sup>10</sup> Current 1996 dollars, not adjusted for inflation. This cost model should not be confused with the illustrative site plans shown in the discussion concerning the three major new sites. The former was used to calculate gross theoretical costs; the latter was to display one scenario for building out a particular parcel of land.