



KEY FACTS

- ▶ USD \$1.2 billion.
- ▶ Phased construction scheduled for completion in September, 2020.
- ▶ 1.2 million sq. ft., including new teaching facilities and research laboratories.
- ▶ Multi-phase construction schedule
- ▶ 39 year concession term
- ▶ [Bay Area Council Economic Institute Analysis](#)

University of California, Merced 2020

Merced, California

The University of California, Merced's expansion needs lead them to pursue a Design-Build-Finance-Maintain (DBFM) procurement model to add new classrooms, labs and additional housing to enhance student life and expand access to higher education in the San Joaquin Valley. Plenary Properties Merced (PPM), a consortium led by Plenary Group consisting of Webcor (Design Builder), Skidmore Owings & Merrill (Campus Planner), HOK (Student Life), Arup (Infrastructure and Engineering) and Johnson Controls (O&M Service provider) was selected to deliver the project in 2016.

The University of California, Merced 2020 (UCM 2020) Project is an expansion and redevelopment project on the UC Merced campus in Merced, California that will deliver a modernized, sustainable campus for 10,000 students. The project will nearly double the campus' physical capacity by 2020 and is the first in the University of California system to use a single private development team for a project of this scope. The project is a mixed use master planned development to be built on a 219 acre parcel of land owned by the University that is adjacent to the existing campus. The project will include new teaching facilities, research laboratories, and faculty offices, as well as total of 1,700 new beds of student housing to help the University meet its growth needs by 2020. The first phase was completed and open for student engagement in the Fall of 2018 along with the second phase completed in the Fall of 2019. Each of the first two phases are under Operations. Completion of the final phase is scheduled for the Fall of 2020.

GOALS AND OBJECTIVES FOR THE PROJECT

Adopt an aggressive construction schedule that results in substantial completion by 2020 of new academic space for teaching and research, as well as space for housing, dining, student life, athletics, campus operations and the associated infrastructure necessary to accommodate increased access to the University; Provide mixed-use facilities that allow for interdisciplinary scholarly activities and result in a unique, dynamic and inspiring environment for students, faculty and staff; Create built-in flexibility and adaptability to accommodate future needs; Implement a project plan that expands capacity appropriately across all building and facility categories necessary for enrollment growth; Create a cost-effective development that takes advantage of existing investments in campus infrastructure and provides the best overall value for the lifecycle of the facilities; Support UC Merced's sustainability goals; Incorporate private-sector innovation and expertise in design, construction and management; Shift certain risks related to design, construction, operations and maintenance; and facilitate greater capacity to focus on the University of California's core mission of teaching, research and public service.

Procurement Model Benefits:

- The Developer's obligation to design, build, finance, operate, and maintain major building systems
- Requirements for "First Delivery" (in 2018) and "Second Delivery" (in 2019) of certain facilities critical to facilitate campus enrollment growth prior to 2020
- Penalties for late delivery or poor performance
- Good-faith thresholds to employ local businesses from the San Joaquin Valley
- Maintenance and renewal requirements of the facilities for 39 years
- Labor, prevailing-wage requirements and safety standards
- Governmental, regulatory, sustainability and building official approval requirements
- Limitations on the ability of the Developer to assign or transfer its obligations
- Procedures for force majeure events (e.g. earthquakes, natural disasters)
- A form of direct agreement with the Lenders
- University's oversight and approval rights, including step-in rights in the event of default
- Duration and allocation of responsibility for various elements of Project operations