

Principles and Processes for Decision-Making about Capital Projects from DIVCO

November 4, 2019

The UC Berkeley campus has an extraordinary need for new and renovated space--perhaps on the order of 4 million assignable square feet in the next decade. And some considerable fraction of that space may come to be: the conjuncture of the Long Range Development Plan (LRDP), Campus Master Plan (CMP), new seismic findings, the start in 2020 of a six billion dollar capital campaign, and first General Obligation (GO) bond in over a decade provides a remarkable opportunity for us to begin a new phase of developing the campus park and surrounding areas.

DIVCO views this next phase as deeply significant for the future landscape and academic capacity of the campus, as well as an opportunity for rebuilding faculty trust in the administration's capital processes and priorities. DIVCO expects that CAPRA will play an active role in shaping the projects and priorities, and will be a partner with the administration in the new processes. Where DIVCO can be most useful is in proposing principles regarding the kinds of projects selected and ensuring faculty participation in the processes that will ensure the best outcomes. These projects should emphasize recruiting and retention of faculty, enhancing our capacity for excellence in research across the full spectrum of disciplines, and ensuring flexible teaching space so that class sizes can be set by what is pedagogically best for faculty and students and not (as currently) the availability of rooms.

Principles

A. Seismically safe, accessible student-facing space (general assignment (GA) classrooms and study/meeting spaces) and research space to fulfill our academic mission

- The safety and welfare of our students, staff, postdocs, and faculty is a fundamental obligation;
- Designs of the capital project should ensure accessibility and inclusiveness to all members of the campus community. Accessibility must be guaranteed for all buildings, old as well as new.

B. Academic and Financial Tradeoffs

- Every project should justify its contribution to the comprehensive excellence of the campus and where appropriate support the common good beyond the immediate interests of the units occupying the building;
- Consideration of alternative means of meeting the project goals and alternative uses of the proposed building site should be included in the academic program committee charge for each project.
- The budget for servicing and maintaining the building should be factored into all decision making;

- When deciding whether to build or retrofit, several issues should be considered:
 - Whether the current building, if retrofit and/or remodelled, could meet current and future programmatic needs;
 - The relative costs of a retrofit compared to new construction;
 - The historic and aesthetic value of existing buildings;
 - The visual impact on the surrounding campus.

C. Affordable housing

- The Bay Area has both an insufficient housing stock and housing costs that are too high for students, staff, postdocs, faculty, and others. This risks reducing the quality of education and scholarship, and violates our principles of equity and access. Our peer institutions are all taking steps to insure that housing is not the determining factor in recruiting and retaining faculty and students;
- Providing more housing, and, in particular, housing that is affordable to various campus groups, is an urgent priority;
- We should build housing for our own students, faculty and staff on as large a scale as we can manage remaining cognizant that initial and ongoing net costs associated with housing will not be available for other priorities;
- Campus should continue to pursue a range of creative ways to support housing, both rental and for purchase.

Processes

A. Campus processes must demonstrate a clear commitment to shared governance:

- Maximal transparency and inclusion of faculty and relevant stakeholders in the decision-making process;
- Consistent and early consultation with the Academic Senate, providing sufficient time and information for real feedback;
- Consultation should not just be held at the beginning of the project, but anytime there is a significant change in the project.

B. Campus processes must conform to the highest ethical standards:

- Explicit acknowledgement and avoidance of conflicts of interest;
- The highest level of professionalism;
- The use of CAPRA as well as faculty with relevant expertise to assess estimates of costs, revenues, and time to completion. Given limited state funding for capital projects and the University's limited capacity to borrow, many projects will need to be funded via philanthropy and P3s. These arrangements should be closely scrutinized by CAPRA and faculty with relevant expertise to insure that University values and interests are not compromised.

C. The Financial Review Committee must include sufficient real estate expertise:

Experience and expertise in real estate is critical to ensure an effective financial review of any proposed project. Including faculty members appointed by the Academic Senate (COMS) with expertise in real estate finance is necessary. In addition, given both the considerable time commitment required and the financial stakes, we recommend that the campus also hire professionals with significant real estate expertise to serve on the financial review committee.