



**REQUEST FOR QUALIFICATIONS
TO SELECT A DEVELOPER
FOR
SIERRA MADRE FAMILY HOUSING PROJECT
UNIVERSITY OF CALIFORNIA, SANTA BARBARA**

I. PROJECT OVERVIEW AND GOALS

A. Development Opportunity

The Regents of the University of California (the "University"), for the benefit of its Santa Barbara campus ("UCSB"), is seeking a developer ("Developer") to develop, construct, own, and manage an apartment housing development for rental to UCSB's family students, staff and faculty on University-owned land (hereinafter referred to as "Sierra Madre Family Housing Project" or the "Project"), consisting of the following:

- Up to 151 two and three bedroom apartment units in several building clusters located on approximately 10.7 acres of an approximately 14.8 acre site located on Storke Road, approximately two miles from UCSB's main campus.
- Additional onsite and offsite improvements include the realignment and widening of the east/west and north/south access roads, vehicle and bicycle parking and circulation, pedestrian and bicycle paths, passive and active outdoor recreation, landscaping, construction of deceleration and acceleration lanes, road widening and median reconfiguration along Storke Road, stormwater management improvements, and environmental mitigations, including restoration of onsite seasonal wetlands.

The Project has received its entitlements and is subject to the conditions of approval of the California Coastal Commission ("Coastal Commission") and environmental mitigations as required by the California Environmental Quality Act ("CEQA").

A Site Plan (Exhibit 1) shows the proposed development, including buildings, parking lots, access roads and circulation, and designated wetland open space.

Through this Request for Qualifications ("RFQ"), the University intends to select a developer with whom it may negotiate and enter into an agreement for the Project, as well as one or more back-up developers should the first selected developer fail to reach agreement with the University.



B. UCSB's Need for Family Housing

The proposed Sierra Madre Family Housing Project is intended to address current and increasing demands for affordable housing for students with families as well as faculty and staff in need of affordable housing. This need for affordable housing is driven by an insufficient supply of campus housing and reasonably-priced rentals in the communities neighboring the University.

The campus is in the process of seeking approval for an update of its Long Range Development Plan ("LRDP"), which calls for an enrollment increase of 5,000 on-campus students by 2025 with the goal of housing 50% (12,500 students) of the projected 25,000 students. Presently, the campus accommodates approximately 35% of its total on-campus enrollment. It is estimated that student families comprise approximately 10% of the total student body.

The campus' inventory of student housing consists of eight residence halls and six apartment complexes totaling 7,471 beds. The residence halls provide 4,768 beds to accommodate undergraduates, primarily freshmen and sophomores. Apartments provide 2,552 beds to graduates and undergraduates, of which approximately 590 apartments are reserved exclusively for families. Family student housing is located at two sites: Storke Apartments with 340 families and West Campus Apartments with 250 families. Of this inventory, up to 70 apartments presently may be leased to faculty or visiting faculty, with the remaining occupied by graduate and undergraduate student families. Currently, there are 280 applicants on the waiting list for family housing. The typical waiting period for an apartment in the University's family student housing is up to nine months for families with children and up to one and one-half years for families without children. Demand for student family housing will continue to exceed available supply into the foreseeable future.

Providing affordable housing for faculty and staff is a top priority of the campus. The high cost of housing in the local market has made it difficult to recruit and hire new faculty and staff. This trend is expected to continue and become more acute with the need to replace staff and faculty who will be retiring over the next several years, in addition to those needed to serve additional enrollment.

Student families, staff and faculty are facing increasingly unfavorable conditions, including escalating rents and increased competition for existing affordable rental housing. According to a recent survey, in the Goleta Valley community the cost of a two-bedroom unit averages \$1,709 per month and the cost of a three bedroom unit averages \$2,191 per month.

More information about UCSB can be found on the campus webpages, including:

www.ucsb.edu
www.ucsbvision2025.com
www.housing.ucsb.edu



C. Project Description

Site and Vicinity

The Project consists of up to 151 two and three bedroom apartment units to be built on approximately 10.7 acres of a site owned by the University, to be leased to Developer, which is located on the eastern portion of UCSB's North Campus (the "Site"). The Site is bounded by Storke Road to the east, Whittier Drive to the north, West Campus Apartments (owned by the University) to the south, and Ocean Meadows Golf Course to the west. The Site is divided by the eastern terminus of a tributary to Devereux Creek into two distinct parcels: (a) the "Southern Portion" which includes five buildings and (b) the "Northern Portion" which includes one building. See Site Plan (Exhibit 1).

The Site is located approximately two miles from the UCSB's Main Campus on one of the primary access and bus routes for the campus (Storke and El Colegio Roads). A bus stop, with service to the Main Campus, is located on Storke Road adjacent to the Site. Bicycle and pedestrian paths link the Site to the Main Campus and neighborhood amenities. The Site is close to the Isla Vista Elementary School and UCSB's Child Care Center, and is less than a mile from the Camino Real Marketplace shopping center and the 101 Freeway. To the south and west of the Site, trails lead to a large stretch of open space and to the beach. See Vicinity Map (Exhibit 2).

The Main Campus of UCSB is situated on a coastal bluff overlooking the Pacific Ocean, adjacent to the recently incorporated City of Goleta, the Goleta Slough and Santa Barbara Airport to the north, the unincorporated community of Isla Vista to the west, Goleta Beach to the east, and the Pacific Ocean to the south.

Entitlements

The Project has received approval from the Coastal Commission and the University has certified an environmental impact report ("EIR") for the Project in compliance with CEQA. Developer will be responsible for complying with and implementing the Coastal Commission's conditions of approval applicable to the Project (Exhibit 3) and all the applicable mitigation measures adopted in the Project environmental documentation, including mitigation measures set forth in Volume 3, Section 13 of the EIR (Exhibit 4).

As the Site is University-owned, the Project is not subject to the building ordinances of local jurisdictions, including building permits and inspections. Instead, the University will be the lead agency for plan review, issuance of the building permits for the work on the University's property, inspections, and issuance of certificates of occupancy. The California State Fire Marshal or designee will review plans and inspect all work for conformance with the requirements of California Administrative Code Title 19. Developer will be responsible for obtaining encroachment permits for driveways and any other permits as may be required. The University has entitlements



for provision of water to serve this Project pursuant to an agreement with the Goleta Water District.

Project Improvements

The Project will consist of up to 151 two and three bedroom apartments in six buildings located throughout the Site. Building locations, parking and open space are regulated by the Coastal Commission's conditions of approval (Exhibit 3) and CEQA environmental mitigations (Exhibit 4), as well as any applicable 1990 LRDP Policies, as amended (Exhibit 11). Developer shall construct all onsite and offsite improvements required for the Project, as generally described in Exhibit 5 (the "Project Improvements") and in the Design Guidelines (Exhibit 6). While there is some flexibility in the design and configuration of the Project Improvements, subject to the University's approval, any changes must be consistent and comply with the Coastal Commission's conditions of approval (Exhibit 3), CEQA environmental mitigations (Exhibit 4), and LRDP Policies (Exhibit 11). Any material changes that would require Coastal Commission approval (ie., other than non-material revisions requiring only ministerial review and approval) are discouraged.

Developer will be responsible for design and development of final plans for the Project Improvements, consistent with the Coastal Commission conditions of approval (Exhibit 3), the adopted CEQA mitigations (Exhibit 4), and LRDP Policies (Exhibit 11). A set of the Schematic Plans submitted to the Coastal Commission are provided in Exhibit 7. Developer should consider the Schematic Plans as preliminary drawings that Developer may use as a basis for design of the Project. However, Developer may modify the plans if desired as long as the modifications are consistent with the Coastal Commission and CEQA approvals, and are acceptable to the University. For example, the building floorplans may vary, but the building must remain within the approved building footprint area and must not exceed the approved height maximum.

To the extent reasonably feasible, all parking, circulation (except the new east/west access road from Storke Road which is located in part on the adjoining University-owned West Campus Apartments property and will serve the Site and other properties), tot lots, and other recreation areas, and landscaping for this Project will be located within the Site. Two (2) parking spaces for each unit are required. Although the current Schematic Plans show some of the required parking on the West Campus Apartments property, it is the University's opinion that there is sufficient area on the Site to construct all required parking spaces within the Site. However, if the parking requirements cannot be met within the Site, then the University and Developer will enter into a license or easement agreement for Developer to construct new parking or to use existing parking spaces on the adjacent West Campus Apartments property.

Although the Coastal Commission approved construction of a community building on the adjoining West Campus Apartments property, the University has chosen to exclude the community building from the scope of the Project and the University does not intend to build the community building. However, if during negotiations the parties determine that it is in their mutual interest to construct



the community building, the University reserves the right to add the community building, and associated parking and infrastructure improvements, to the scope of the Project.

The major business terms of the ground lease will be subject to the approval of the University's Board of Regents. Additionally, revisions to the design of the Project may require approval of the Board of Regents. While it is anticipated that the Project will be built in one phase, the University is willing to consider phased delivery if it is in the best interest of the University.

Other Project Information

The University is party to a development agreement (the "OMGC Agreement") with Devereaux Creek Properties, owner of the adjacent Ocean Meadows Golf Course, and Bermant Homes, the developer of the adjacent Ocean Meadows Golf Course, in connection with plans they have to develop up to 60 housing units on the eastern portion of Ocean Meadows Golf Course, of which up to 32 single family homes (the "OMGC Homes") will be located immediately west of the southerly half of the Site. Primary access for the OMGC Homes will be through the new realigned east/west access road from Storke Road. Subject to the terms of the OMGC Agreement, the parties will be exchanging various easements, including a road easement that provides primary access for the OMGC Homes from Storke Road through the east/west access road. The east/west access road is identified in the Project Improvements (Exhibit 5) and is used by West Campus Apartments, Sierra Madre Family Housing, Ocean Meadows Golf Course, and Venoco, Inc. Additional easements are to be exchanged by the parties, including emergency access and utilities easements. The OMGC Agreement also covers various infrastructure improvements (roads and utilities) and maintenance of the road and utility lines that will benefit both the Site and the OMGC Homes property. The OMGC Site Plan, attached as Exhibit 8, shows the road and various utility easement locations covered by the OMGC Agreement. More information will be provided to the selected developer. If required, Developer will join in execution of any easement, shared maintenance and other agreements as contemplated in the OMGC Agreement and cause its lenders to subordinate to such interests.

Other potential development in the immediate area of the Project includes the University's long range plan to redevelop the West Campus Apartments. Pursuant to the University's latest LRDP, the University intends to redevelop the West Campus Apartments sometime in the future. The selected developer is expected to be supportive of the University's development efforts and provide reasonable cooperation upon request of The Regents including, without limitation, the execution of documents reasonably necessary for the development.

Project Costs

The University has incurred substantial costs in the development of the Project, including planning, entitlement and mitigation costs. Some of these costs will be recouped through the ground rent, while others may be paid by Developer as part of the construction costs.



Additionally, Developer will be expected to pay all costs of the University (whether provided by University staff or by third party consultants) in connection with the services provided by or on behalf of the University, including plan check, inspections, issuance of certificates of occupancy, and project management. The costs and reimbursements will be determined during the negotiations. A list of Preliminary Project Costs, attached as Exhibit 9, identifies certain known Project-related infrastructure and development costs that Developer will be expected to pay as part of the Project, but does not include all of the University's development and entitlement costs.

Ground Lease and Related Documents

The University will retain ownership of the Site and make it available to Developer under a ground lease agreement. The Site will be ground leased to Developer in its "as is" condition for a term of up to 65 years. Ground rent and other terms for the ground lease will be determined during negotiations with the selected developer. Ground rent will be based on a fair market value and return on the land, recognizing all requirements of the Project, including any caps on rental rates to be charged for the apartments. It is expected that the apartments will be leased to UCSB family students, staff and faculty at rents that are at least 10% below market rental rates for comparable housing in the Goleta-Santa Barbara area. The University reserves the right to negotiate any alternative rental structure that results in a net reduction of at least 10% in aggregate rents over the entire Project. Both ground rent and individual apartment rents will be subject to periodic adjustments during the term.

The ground lease will include a requirement that Developer lease the apartment units to University-related family students, faculty and staff priority groups (the "Priority Tenants") in accordance with policies to be developed during the ground lease negotiations. While preliminary and subject to change, it is anticipated that (a) for the Southern Portion, first priority will be given to family students with second priority to faculty and staff and (b) for the Northern Portion, first priority will be given to faculty and staff, with second priority to family students. If Developer is unable to lease any of the apartments to Priority Tenants, or to the University, which will also have priority, then with the University's prior approval Developer may lease to members of the general public. Any lease to a member of the general public must be approved by the University in advance and will be subject to a limited term.

In addition to those terms mentioned above, the ground lease will contain terms that are customary in transactions of this type, including:

- Grants to the University of the right of first offer, right of first refusal, option to purchase
- Grants to the University of the option to lease individual units and/or master lease one or more buildings
- Lender rights and protections, including right to encumber Developer's leasehold interest (but not the University's fee interest), and notice and cure rights
- Financial covenants of Developer



- Indemnity and insurance provisions
- Compliance with law
- Developer responsibility for all costs associated with the Project, including all ownership and operating costs and any taxes, including property and possessory interest taxes
- Approval of management and any transfers of ownership
- Approval of rental agreement and methodology for establishing apartment rents
- Audit rights
- Reserves for maintenance, repair and replacement
- University option at end of term to assume ownership of the Project Improvements or require that Developer demolish the Project Improvements

In addition to the ground lease, the University anticipates entering into a license or easement agreement with Developer to address the responsibilities for operation and maintenance of the east/west access road that serves the Site, the West Campus Apartments and other properties.

Financing

Developer will be responsible for obtaining any construction and permanent financing for the Project. Neither the University's fee interest in the Site nor its interest in the ground lease will be subordinated to any financing or other lien or encumbrance that the Developer may create in connection with the construction and ownership of the Project. However, subject to the terms of the ground lease, the Developer will have the right to pledge its interest in the ground lease as security to a recognized lending institution that lends funds for the development of the Project. While a goal of the University is to transfer financing risk to Developer and for the Project to have no impact on the University's balance sheet, the University would consider alternative transaction and financing structures if in the University's sole and absolute discretion such alternative structures are in the best interest of the University, including but not limited to:

- (i) tax-exempt Project revenue bonds, with Developer serving in a for-fee role under contract with a non-profit owner (and variations thereon); or
- (ii) private equity capital with commercial financing, with Developer serving in a for-profit, direct ownership role (and variations thereon).

D. University Project Objectives

The University's primary objective for this Project is to increase the supply of quality, below market rental housing for UCSB's family students, staff and faculty, consistent with the conditions of approval of the Coastal Commission and subject to the approval of The Regents. These objectives are briefly discussed below:

1. Affordability. Expand the supply of new rental units near the Main Campus to



accommodate the specific needs of family students, and faculty and staff members who study or work at UCSB at reasonable rental rates that average at least 10% below market for comparable apartment units in the Goleta-Santa Barbara area.

2. Operation and Management. The Project must be operated and managed in a professional manner, with a commitment to maintain the Project in first class condition throughout the term of the ground lease.

3. Sustainable Quality Construction. The Project will be developed and built using sustainable practices, with construction materials and processes appropriate for the coastal site conditions. The Project is expected to meet or exceed a LEED-equivalent rating of "Silver". To the extent financially feasible, Developer will seek and obtain certification by LEED for the Project at a performance level of "Silver".

4. Risk Transfer. It is anticipated that Developer will be responsible for all risks associated with the development, construction, financing, operation, leasing and management of the Project. However, the University reserves the right to modify the extent of Developer's risks if the University determines that, in its sole and absolute discretion, it is in its best interest of the University to do so.

5. Timely Delivery. Delivery of a completed Project so that the apartment units are available for occupancy no later than June 2011.

II. SUBMITTAL REQUIREMENTS

Please provide the following information in your submittal of your Statement of Qualifications, along with two (2) completed and signed copies of the "Statement of Qualifications Form" that you will find on the RFQ website for this Project:

1. Developer Information. Identify the entity that would be the developer. Include the developer's name; its legal status; employer identification number; address; full names of the developer's officers, their addresses, references, and brief biographical summaries. If the developer is a joint venture or partnership, provide the above information for each partner.

2. Developer Team. Identify members of the proposed team, including developer's key leadership and employees who will be assigned to this Project, design professionals, management group, construction contractor and any other applicable groups or individuals required to complete and manage the Project. Describe the qualifications and experience of each with this type of project. Include the length of time key leadership and employees who will be assigned to work on this Project have been with the company.



3. Previous Development Experience. Developers must provide evidence of having successfully undertaken other projects of this type and size. Describe the background and experience of the entity and its principals in undertaking family housing projects of this type and size, including brief descriptions of similar projects completed or under construction; a statement regarding the extent and duration of developer's financial and operational involvement with each such project following completion; and the name, address, and telephone numbers of principal investors, architect, and principal consultants. Provide the cost history of each project, including construction budgets, operating budgets, debt coverage and delivery dates and compare where they differed from the pre-construction project pro forma. Describe how each project was financed, both debt and equity contribution, and developer's return on equity.

Identify and describe any awards or recognition developer has received for apartment housing projects completed in the last five (5) years. Identify any programs in which you have participated to provide affordable housing and any experience you have had working with public entities, including public institutions of higher education in the State of California.

4. Financial Capability. Provide evidence of developer's financial condition including company's last three years of audited financial statements, and, if relevant, personal financial statements. Provide a statement detailing the different methods of financing that developer is capable of delivering, including but not limited to equity, tax exempt bonds, private debt and other. Provide examples of financing obtained by developer for the previous housing developments described above.

Provide evidence of developer's current ability to obtain equity and financing for development of this Project.

Provide financial and banking references and telephone numbers of contacts for such references, together with written authorization permitting the University to confirm financial information with such references. The University may request a review of such submissions by a Certified Public Accountant or its external auditors.

Provide a general description of the developer entity's expectation of return against equity, interim and permanent financing options available, and the amount of construction risk it is willing to undertake.

5. Development Schedule. Provide a preliminary outline plan and schedule for the Project. The schedule should show the earliest delivery date developer considers feasible. The schedule should describe developer's commitment of staff (by name and qualification) and team. The University is seeking to understand projected time lines for



team assembly, feasibility studies, and final design, and anticipated Project start and delivery dates.

6. Family Housing Management Experience. Provide a statement of commitment to own and manage the completed Project directly, or manage it by contract with a management firm. Provide evidence of your property management experience and expertise, or that of your proposed management firm, including experience (if any) in renting to college students, faculty and staff and/or experience in managing and renting affordable housing, and the ability to maintain high standards of maintenance and landlord/tenant relations.

Provide descriptions of other projects currently managed directly or by contract. If you intend to contract with a management firm, describe prior joint projects with that firm, and the duration of your previous association. Include at least three business references which may be contacted by the University.

Provide a conceptual management plan for Project. The plan should include a proposed resident lease term; a proposed lease plan giving Priority Tenants priority to rent apartments and the criteria for leasing to such Priority Tenants; a description of how you propose to provide on-going custodial services, security and building and landscape maintenance; staffing; provisions for on-site 24-hour emergency contact; an organizational chart showing on and off-site supervisory relationships within developer's or proposed manager's company; and number of apartments currently being managed by the developer entity or its proposed manager.

7. Project Approach. Respond to the following questions, referencing as appropriate your preceding responses:

- a. Describe your ability to design, develop, construct, own, operate and manage the Project.
- b. Describe your approach to sustainable design, construction, and implementation, including any representative projects reflecting your approach.
- c. Provide a proforma construction budget and a proforma operating budget for the Project, including estimated ground rent, unit rental rates, management costs, etc
- d. Identify any terms of a predevelopment reimbursement agreement (See Section V.3., below) you believe would be a prerequisite to your participation.
- e. Include a statement acknowledging the terms contained in this RFQ.



Identify any such terms you believe would make it difficult to consummate a ground lease to develop the Site, and why they would create a difficulty.

8. Legal Proceedings. Describe any litigation during the last five years in which developer or any member of the developer team was a defendant or plaintiff or any bankruptcy filing by them or any entity they controlled. Describe any current or past litigation involving the University in which developer or member of the developer's team was a defendant or a plaintiff. Include information on any such actions, arbitrations, mediations, judgments and settlements.

III. SUBMITTAL PROCEDURES

1. Submit your Statement of Qualifications on 8-1/2" by 11" paper. An electronic version must be provided as well. Emphasis should be on completeness and clarity of content. Your responses should be organized so that the information is provided in the same order as requested in Section II, using tabs that correspond to the **Submittal Requirement** section being addressed. Failure to respond to all requested information may be considered non-responsive and may disqualify a developer from further consideration.

2. Submit **ten (10)** numbered copies of the Statement of Qualification to Karen Rothberg, Director of Real Estate Services, Budget and Planning, University of California Santa Barbara, 1325 Cheadle Hall, MC 2032, Santa Barbara, California 93106-2023, by personal delivery or overnight courier for receipt no later than **5:00 PM Pacific Time, April 7, 2009**. Proposals that are not received by the specified date will not be accepted. The University, in its sole discretion, reserves the right to change the submission date. Please note that these materials will not be returned.

3. Please include with your response two (2) completed and signed copies of the "Statement of Qualifications Form" that you will find on the RFQ website for this Project. These should be placed on top of the submittal.

A non-mandatory meeting and site visit will be held on Thursday, March 5, 2009 at 1:00 PM at the Fiesta Room in Santa Catalina Hall (formerly, Francisco Torres Residence Hall), at 6850 El Colegio Road. Santa Catalina Hall, identified on Exhibits 1 and 2, is located at the corner of Storke and El Colegio Roads, across from West Campus Apartments. The parking lot entrance is accessed from Storke Road.

4. Questions regarding the RFQ should be directed via email to: Karen Rothberg, Director of Real Estate Services, UCSB at karen.rothberg@bap.ucsb.edu. Both the



question and answer to all substantive inquiries will be posted on the RFQ website: <http://facilities.ucsb.edu/contracts/qualifications/> at the link for "Questions and Answers". Deadline for inquiries is seven days prior to the due date for the submission of qualifications. Questions and answers from the non-mandatory meeting and site visit will be posted to the same website.

5. The California Public Records Act limits the University's ability to withhold prequalification and bid data. If a submittal contains confidential nonpublic information that a developer does not want disclosed to the public or used by the University for any purpose other than evaluation of developer's eligibility, each page (both hard copy and electronic) containing such information must be marked with the designation "Confidential". The University agrees that if a "Public Records Act" request is made for disclosure of information so classified, it will notify the submitter of such information so that the submitter will have an opportunity to legally challenge the University's obligation to disclose such information.

IV. SELECTION CRITERIA

The University will consider the following criteria in evaluating each response and selecting a developer for the Project:

1. Affordability. Ability to maintain rents affordable to student families, staff and faculty.
2. Developer Experience. Experience of developer and developer team, as demonstrated in designing, developing, and implementing attractive, affordable multi-family rental housing projects.
3. Financial Capacity. Financial capability to execute the Project, including developer's financial commitment to Project and its ability to secure financing.
4. Management Experience. Management experience and operational success with other multi-family rental housing projects, including experience in renting to a diversity of students, faculty and staff, experience with affordable housing, and commitment to own, operate and manage the Project as a long term investment.
5. Timeliness. Commitment to meeting schedules and campus requirements, compliance with local, state and federal law.
6. Construction. Ability to construct quality family housing using various types of construction and using green building processes and materials.



7. Developer Interviews, Tours, References. Any developer interviews, tours and reference checks that the University elects to conduct with those responding developers identified as potentially most qualified, based on the University's evaluation of the Statements of Qualification in accordance with Section V.1. below.

8. Responsiveness. Developer's demonstrated understanding and responsiveness to this RFQ and commitment to the University's goals.

V. REVIEW PROCESS AND NEXT STEPS

The University will conduct an evaluation of all submitted Statements of Qualifications. The evaluation process will identify the developer who, in the University's sole judgment, best meets the University's requirements, and one or more back-up developers.

1. The primary considerations for the University in the selection of a Developer will be (a) the response to this RFQ, with a focus on the selection criteria in Section IV above, (b) interviews with the top three (3) developers identified from the initial response, and (c) tours of such developers' representative projects, if the University desires. However, if the submitted written qualifications and interviews with the top three (3) developers are not sufficient to select among developers, the University reserves the right to require additional presentations or to interview additional respondents prior to selection. The University reserves the right, in its sole and absolute discretion, to discuss the requirements of this RFQ or any element of a response to this RFQ with any entity. If the University elects to enter into such discussions with any entity the University shall have no obligation to give notice to any other entity of the fact or content of such discussions. Further, the University, in its sole and absolute discretion, reserves the right to reject any or all submittals, and to change or add to the criteria at any time during the selection process.

The University selection committee will review all written Statements of Qualifications, interview the top three (3) or more respondents and visit their representative projects if the University so chooses, and recommend for selection by the University (i) the developer with whom the University will negotiate an agreement for the Project, and (ii) one or more back-up developers with whom to negotiate should negotiations with the selected developer fail. Approval by the University to continue with the Project will be conditioned upon the success of the negotiations and will include formal approval of the transaction terms by the University's Board of Regents. If the University does not reach formal agreement with the selected developer, the University reserves the right, at its sole discretion, to terminate negotiations with the developer first selected and enter negotiations with any of the other submitting developers.



2. Once selected, the University and selected developer will enter into negotiations for the Project that would lead to execution of a ground lease.

3. The University is willing to enter into a predevelopment agreement with the selected developer to reimburse developer for certain costs associated with the design development work it may undertake during the negotiations if the parties fail to enter into a ground lease for the Project. If the University and selected developer do reach agreement on a ground lease and proceed with the Project, then these costs will be part of the development costs borne by developer.

VI. MILESTONE EVENTS

The projected milestone dates through The Regents approval are outlined below, and are subject to revision.

Dates

Milestone Events

February 18, 2009	Issue RFQ
March 5, 2009	Non-mandatory Meeting and Site Visit
April 7, 2009	Statements of Qualification Due
April 20 – May 20, 2009	Selection Process, including Interviews and Tours If Requested by University
May 20, 2009	Select Developer
June 10, 2009	Execute Predevelopment Agreement and Start Negotiations of Ground Lease
July 20, 2009	Developer Submits Design Development Drawings for Approvals
September 2009	University Regents Approval
December 2009	Complete Ground Lease and Other Key Documents
February 2010	Commence Construction

The selected developer is hereby notified that negotiations may begin more than 14 days after the successful firm has been notified of its selection and that more than 45 days is necessary to complete the documentation for this Project.

VII. GENERAL CONDITIONS

A. Disclaimer. While the University intends to proceed with the development of this Project, the University may, at its sole discretion, choose not to proceed with the Project, or to proceed with the Project without a third party developer, without obligation or liability to any developer.



The University reserves the right, in its sole and absolute discretion, to (a) modify or cancel the selection process at any time, or not award this Project for any reason; (b) waive minor irregularities; (c) reject any, or all, submittals to this RFQ or seek new submittals when it is in the best interest of the University to do so; (d) seek clarification or additional information from respondents as it deems necessary to the evaluation of the response; and (e) request any additional information from individual respondents, including but not limited to evidence of the respondent's financial status. Respondents to this RFQ shall bear all expenses in connection with their submittals and responses.

B. Hold Harmless. By participation in this RFQ process, the developer agrees to hold harmless the University, its officers, employees, students and consultants from all claims, liabilities and costs related to all aspects of the developer selection process.

C. Negotiations. The University reserves the right to negotiate with any one or more developers upon terms that may differ from the terms and conditions originally solicited or offered. The University reserves the right, in its sole and absolute discretion, to discuss the requirements of this RFQ or any element of a response to this RFQ with any entity. If the University elects to enter into such discussions with any entity the University shall have no obligation to give notice to any other entity of the fact or content of such discussions.

D. Disclosure. During the course of development, the University considered variations on the Schematic Plans for the Project, including a redesign to condominium standards, and a reconfiguration the floorplans to one-story flats on the first floor and two-story townhouses above the flats. The University also considered building the Project as a campus development and held several value engineering sessions. During this process, the following developers, architects and engineers were consulted and/or participated in value engineering sessions: The Towbes Company, The Olson Company, R.L. Binder, FAIA Architecture & Planning, Lenvik & Minor Architects, and Penfield & Smith.

VIII. EXHIBITS

The following documents are available for review and downloading at the RFQ website at <http://facilities.ucsb.edu/contracts/qualifications/>. Respondents are advised to check the RFQ website for any supplemental materials and updates which will be posted to the website.

1. Site Plan.
2. Vicinity Map.
3. California Coastal Commission's Conditions of Approval, as set forth in the July 26, 2007 Corrected Pending Authorization to Proceed Pursuant to University of California, Santa Barbara Long Range Development Plan Notice of Impending Development 1-06 (North and West Campuses). A Summary of Coastal Commission's Conditions of



- Approval is also provided as a summary of the applicable California Commission Conditions.
4. Environmental Impact Report for Faculty and Family Student Housing, Open Space Plan and LRDP Amendment. For an overview of the mitigation requirements, see Volume 3, Section 13, containing the Mitigation and Monitoring and Reporting Program. The complete Final EIR (Volumes 1, 2, and 3) may be accessed at <http://facilities.ucsb.edu/planning/ellwood/reports/>.
 5. Project Improvements.
 6. Design Guidelines for Sierra Madre Family Housing, dated September 21, 2004, prepared by Lenvik & Minor Architects in association with R.L. Binder, FAIA Architecture & Planning.
 7. Schematic Plans, consisting of Exhibits 7A and 7B.
 - Exhibit 7A contains the plans submitted to the Coastal Commission, including civil (grading and drainage), architectural and landscape plans, and water quality concept plan.
 - Exhibit 7B contains the Approved Site Plan, revised to reflect the extension of the wetlands buffer into the southeastern part of parking lot on the Northern Portion of the Site and reconfiguration of the parking lot away from the buffer. The Approved Site Plan was approved by the Coastal Commission. Note that the plans contained in Exhibit 7A will need to be adjusted, consistent with the Approved Site Plan, so that this parking lot does not encroach into the extended buffer.
 8. OMGC Site Plan.
 9. Preliminary Project Costs.
 10. Geotechnical Engineering Report for Sierra Madre Housing, prepared by Fugro West, Inc. (April 2004).
 11. Appendix E to 1990 LRDP, as amended. This document contains the University's current LRDP Policies, some of which are applicable to development of the Project.
 12. Wetlands Delineation Report for the Sierra Madre Housing Site, prepared by WRA (July 28, 2006).
 13. Topographic Survey, prepared by Penfield & Smith (2006).
 14. UCSB 2008 Employee Housing Survey Report.