

UC SANTA BARBARA

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UC Santa Barbara Staff

UC Santa Barbara heads to State Street

Intending to have a larger presence in the downtown area, and to work with the City of Santa Barbara and the community to support the revitalization of Santa Barbara's primary business corridor, UC Santa Barbara received approval from the UC Regents to acquire property on State Street. The mixed-use portfolio on both State and Gutierrez streets, which includes significant commercial space and a residential building, situates the university in the heart of the city and could be another anchor for the business district.

The UC Board of Regents approved the debt-financed acquisition during its November meeting, and the sale is projected to close later this month. The property will be self-supporting, with rents covering the mortgage.

"UC Santa Barbara is extremely proud to be part of the Santa Barbara community and we are tremendously excited about the opportunity to establish a permanent presence on State Street," said Chancellor Henry T. Yang. "The university has always appreciated collaborating with partners across the county for the betterment of the entire region, and we look forward to working with the City of Santa Barbara and the local community to identify possibilities for this new space that will support downtown and benefit the entire area."

As the region's largest employer, UC Santa Barbara contributes more than \$2 billion in both direct and indirect economic impacts to the region. The university has long

had a significant and visible presence in the city, from UCSB Arts & Lectures programming at the Granada and Arlington theatres, and an annual summer movie series at the Santa Barbara County Courthouse, to its National Center for Ecological Analysis and Synthesis on Anacapa Street. Still, city leaders and staff and the Santa Barbara business community have encouraged the university to make a move such as this acquisition, as a means of more deeply immersing UCSB in the community at large. The perfect opportunity presented itself in the 1.35-acre property that is home to a retail storefront on State Street, an appliance store and a 78-unit residential building.

The appliance store, Reid's, has a five-year lease and will remain. The other two components of the acquisition provide unique opportunities to the university and the community alike.

The retail space, an 18,000 square-foot commercial building, formerly housed a Staples store. The university will engage city leaders, local businesses and community partners to discuss ideas and identify opportunities for the space that would best benefit the community while linking UC Santa Barbara more tightly to the downtown area. The university is also developing a process to generate ideas from the campus community for the new space.

Furthering the university's investment in the region, a UC Santa Barbara storefront on State Street — the space is large enough to house multiple uses — presents a host of possibilities. It could serve as event space for lectures and performances, co-work offices, or a community-supporting innovation hub and maker space. There could be a retail component, or spaces for meetings and conferences. More broadly, it presents a unique opportunity for the university to collaborate with the local community and to play an active role in the future of State Street.

The residential component is the newly constructed Soltara Apartments complex that faces Gutierrez Street. Acquiring that facility will enable UCSB to offer workforce rental housing in a prime downtown location — at economically viable rates for campus staff and faculty members. Approximately 65% of the units are currently occupied and those leases will be honored as written. The remaining units — and any that become vacant over time — will be available for rent by university faculty and staff members. If the university is unable to lease the remaining units to employees, the campus will work with local public government entities with the goal of offering the open units to their employees — including school teachers, first

responders and public employees — to support the workforce housing needs of other public agencies.

Although the initial number of available units is limited and a rental process for university employees is still being developed, significant interest among existing faculty and staff in downtown living is anticipated.

The university currently supports MTD bus line No. 24, between downtown and the campus, to reduce traffic impacts, that can be used by university employees living downtown. In addition, creating co-work spaces on site would reduce the number of commuters on the road.

The residential site also includes 89 parking spaces situated under the first floor, and rooftop facilities that could be used as event space for tenants or for university programming.

The downtown residences are intended to complement the university's planned project for 540 workforce housing units on the campus, along Ocean Road, which are slated for development in the next few years.

Also in their November meeting, the UC Regents approved the design and adopted the CEQA findings for UC Santa Barbara's planned San Benito and East Campus student housing project, which will add 3,500 beds to campus housing.

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About UC Santa Barbara

The University of California, Santa Barbara is a leading research institution that also provides a comprehensive liberal arts learning experience. Our academic community of faculty, students, and staff is characterized by a culture of interdisciplinary collaboration that is responsive to the needs of our multicultural and global society. All of this takes place within a living and learning environment like no other, as we draw inspiration from the beauty and resources of our extraordinary location at the

edge of the Pacific Ocean.