Abbreviated Institutional Master Plan (Planning Code Section 304.5) for The Art Institute of California – San Francisco

Locations: 1170 Market Street, 1145 Market Street and 10 United Nations Plaza

1. Purpose of the Institutional Master Plan

This Abbreviated Institutional Master Plan (AIMP") is submitted pursuant to Planning Code section 304.5 for The Art Institute of California – San Francisco, currently located at 1170 Market Street, 1145 Market Street and 10 United Nations Plaza. The Art Institute of California – San Francisco ("TAIC-SF") previously filed with the Planning Department an Abbreviated Institutional Master Plan, dated August 22, 2003 and revised as of September 10, 2003. TAIC-SF is filing this AIMP because of TAIC-SF's proposed occupancy of additional space at 10 United Nations Plaza, as more fully discussed below. The information in this AIMP is accurate as of the date set forth below.

2. The Art Institute of California—San Francisco (TAIC-SF)

A. Purpose

TAIC-SF provides postsecondary education programs that prepare students for careers in art- and design-related fields. The school has built its reputation by offering career-focused degree programs in various fields of design, animation, multimedia, graphics and other areas.

B. Curriculum

TAIC-SF provides postsecondary education programs that prepare students for careers in art- and design-related fields. Graduates are trained for entry-level positions in their chosen fields through curricula that emphasize actual job skills and competencies necessary for success in the field.

The school offers the following degrees:

- Associate of Science degrees in Culinary Arts, Fashion Design, Fashion Marketing, Graphic Design, and Web Design & Interactive Media
- Bachelor of Fine Arts degree in Fashion Design
- Bachelor of Science degrees in Advertising, Audio Production, Culinary Management, Digital Filmmaking & Video Production, Fashion Marketing & Management, Game Art & Design, Graphic Design, Interior Design, Media Arts

& Animation, Visual & Game Programming, and Web Design & Interactive Media

• Master of Fine Arts in Computer Animation

C. Accreditation & Licensing

TAIC-SF is accredited by the Accrediting Council for Independent Colleges and Schools in Washington, D.C., has been granted approval to operate from the Bureau for Private Postsecondary and Vocational Education in Sacramento, California, and has received institutional approval from the Bureau to provide its degree programs.

D. Student Population and Characteristics

The school's student population currently includes approximately 1,551 students. Students come from throughout the Bay Area and the United States, as well as several international countries. The school serves an ethnically and economically diverse group of students. Currently, 1,095 students are residents of California, 401 come from other states and 55 come from other countries. Of the student population, 944 are full-time students and 607 are part-time students.

TAIC-SF's current student population is roughly equally divided between women and men (783 women, 768 men), and is ethnically diverse.

As of the most recent fiscal year, 81% of the student population received federal loans or grants and 18% received merit scholarships based on their grade point average. TAIC-SF also provides approximately 10 to 15 high school scholarships per year. The school also distributes institutional grants. Last year's grant amount was \$382,722. Furthermore, approximately 11% of the students receive grants from the state, which totaled \$1.75 million last year, while 46% of the students received private loans, totaling approximately \$10.4 million last year.

E. Student Housing

TAIC-SF provides assistance with student housing in by its arrangements with property management companies (Westlake Village Apartments in Daly City and Laramar Apartments/The Fillmore Center in San Francisco). Students are eligible to apply any of their financial aid (federal, state, private or institutional) toward this school-sponsored housing. TAIC-SF does not have information on the number of students living in San Francisco compared to the number who reside outside the City.

F. Staff and Faculty

TAIC-SF employs approximately 155 staff and full-time faculty members and approximately 70 part-time faculty members. Many of the instructors work in Bay Area design firms and teach part-time classes.

G. Affirmative Action

TAIC-SF believes that all persons are entitled to equal employment opportunity and does not discriminate on the basis of race, color, religion, sex, age, national origin, handicap, disability, sexual orientation, or any other basis prohibited by law.

The school's policy on nondiscrimination applies to all levels of employment and all personnel practices, including recruitment, hiring, upgrading, demotion, compensation, benefits, transfer, layoff, termination, training, educational, social and recreational programs, as well as to all of its student admissions and student programs.

H. Extra-curricular Activities

The school is actively involved in supporting local cultural and nonprofit organizations by offering pro-bono design services to local nonprofit groups through its Community Arts Resource Exchange (CARE) program. This successful program has benefited numerous nonprofit groups in the city of San Francisco. TAIC-SF students participating in the CARE program provide services including logo development, poster design, computer animation, illustrations, business card, flyers and other marketing material.

In addition, students in the Alpha Beta Kappa academic honor society provide community service, and various student clubs and organizations sponsor assorted service and community outreach projects (i.e. Cool vs. Cruel fashion show benefitting the SPCA; Sneaker Club benefit for San Francisco Boys & Girls Club, etc.).

I. About the Art Institute/EDMC

TAIC-SF is one of The Art Institutes (<u>www.artinstitutes.edu</u>), a system of over 40 education institutions located throughout North America, providing an important source of design, media arts, fashion and culinary arts professionals. The parent company of The Art Institutes, Education Management LLC ("EDMC") (<u>www.edmc.com</u>) is among the largest providers of private post-secondary education in North America, based on student enrollment and revenue, with 88 locations in 28 U.S. states and in Canada, and more than 110,800 students as of October 2008. EDMC's educational institutions offer a broad range of academic programs in the media arts, design, fashion, culinary arts, behavioral sciences, health sciences, education, informational technology, legal studies and business fields, culminating in the award of associate's through doctoral degrees. EDMC has provided career-oriented education for over 40 years.

3. <u>Current Facilities</u>

TAIC-SF currently leases and occupies all or portions of three buildings, as more particularly described below: 1170 Market Street, 1145 Market Street and 10 United Nations Plaza.

A. Size and Location

- i. 1170 Market Street: TAIC-SF currently leases and occupies approximately 34,520 square feet of the building at 1170 Market Street (Block 0351, Lot 051 in the C-3-G Zoning District). The school utilizes eight floors in the building for classrooms, computer labs, drawing rooms, administrative offices, student lounge area and faculty workspace. According to the on-line records of the Office of the Assessor-Recorder, the site area of 1170 Market Street is 5,568 square feet.
- ii. 1145 Market Street: TAIC-SF currently leases and occupies approximately 9,200 square feet of classroom and office space in the ninth floor of 1145 Market Street (Block 3702, Lots 044 and 044A in the C-3-G Zoning District), an office building across the street from the school's 1170 Market Street location. This space includes a drafting lab, art lab, two lecture classrooms, office space, student lounge and career services center all located in one-floor of the building. According to the on-line records of the Office of the Assessor-Recorder, the site area of 1145 Market Street is 14,514 square feet. TAIC-SF's lease expires and TAIC-SF intends to vacate this building in March 2009.
- building at 10 United Nations Plaza: TAIC-SF has leased the six-story building at 10 United Nations Plaza (Block 0351, Lot 050, in the C-3-G Zoning District), but currently occupies only the second floor, consisting of approximately 11,093 square feet, as classroom space. This space includes the school's library resource center, which contains books, periodicals, videos, illustration books and other design-related resources for students. In addition, the second floor contains video studio classrooms, drafting labs and some administrative space. TAIC-SF intends to occupy floors 1, 3, 4, 5 and 6 according to the schedule set forth in Section 4.B., below. According to the on-line records of the Office of the Assessor-Recorder, the site area of 10 United Nations Plaza is 11,750 square feet.

B. Total Occupied Space

The total square footage of space occupied by TAIC-SF as of the date of this AIMP is 54,813 square feet (34,520 square feet at 1170 Market Street, 9,200 square feet at 1145 Market Street and 11,093 square feet at 10 United Nations Plaza).

As to 10 United Nations Plaza, the current occupancy of the building is as follows:

- 1st Floor: Carl's Jr. occupies the east side. The west side is under lease to TAIC-SF, but presently vacant.
- 2nd Floor: Leased and occupied by TAIC-SF.
- 3rd Floor: Leased to American Lawyer. It is option space for TAIC-SF. It intends to exercise its option on September 1, 2009.

- 4th Floor: Primarily leased to TAIC-SF. The TAIC-SF space is presently vacant. A small area is leased to American Lawyer. It is option space for TAIC-SF. TAIC-SF intends to exercise its option on September 1, 2009.
- 5th Floor: Leased to TAIC-SF. The space is presently vacant.
- 6th Floor: Leased to TAIC-SF and under construction for occupancy on February 13, 2009.

C. Ownership of Occupied Space

TAIC-SF does not own any real property in the City and County of San Francisco ("CCSF"), and has no current plans to acquire any real property in the CCSF.

D. Parking

There is no off-street parking provided at 1170 Market Street, 1145 Market Street or 10 United Nations Plaza. However, there is one surface parking lot directly across Market Street from the school (at the corner of Market Street and 8th Street), as well as the underground Civic Center Garage located at the Civic Center Plaza just two blocks from the school, at 355 McAllister between Polk and Larkin Streets. Most students take public transportation to the school and several Muni bus lines service the school's convenient location on Market Street. In addition, the BART Civic Center station is located at United Nations Plaza and has an entrance and exit close to the school's entrance. The Golden Gate Transit lines also service the Civic Center area along 7th Street and Larkin Streets.

The school's lease (which will soon expire) for 1145 Market Street also includes up to 30 parking spaces in the surface lot on Market Street and 8th Streets for school use.

4. <u>Proposed Changes</u>

A. Purpose

TAIC-SF's departure from 1145 Market Street and occupancy of additional space at 10 United Nations Plaza is driven by four primary reasons. The first is growth in the student population. The school anticipates approximately a 33% growth in the number of students over the next three years, to approximately 2,000 students by 2012, all of whom would be accommodated in the facilities discussed in this document. By January 2010, when TAIC-SF anticipates its improvements to 10 United Nations Plaza will be complete, the school expects a student population of approximately 1,600 (compared to the current 1,551). Second, TAIC-SF is adding new programs, such as Culinary Arts, Culinary Management and Audio, to better serve the community. These programs need dedicated space. Third, current facilities are not adequate to meet overall staff and faculty working needs. Fourth, it will be beneficial to consolidate the school's facilities into two primary buildings, rather then three as currently exist. More consolidated facilities will allow for easier navigation and communication for students, faculty and staff, as well as more efficient operations for service departments.

B. New Facilities

As described in Section 3.A.iii, above, TAIC-SF has leased the six-story building at 10 United Nations Plaza but occupies only the second floor. Between the date of this AIMP and March 2010, TAIC-SF intends to improve the building such that upon completion in March 2010, TAIC-SF will occupy the entire building, except for the ground floor retail space. The second floor of that building is currently occupied and is expected to undergo renovations in early 2010; the remainder of the building will be occupied when proposed renovations are completed, per the following summary:

- 2nd Floor (currently occupied): Approximately 11,093 square feet, consisting of classrooms; drafting labs; library resource center; video studio; administrative space; currently occupied
- 6th Floor (under construction, to be completed and occupied by February 13, 2009): Approximately 11,309 square feet; consisting of culinary department; lecture rooms; art lab
- 5th Floor (to be constructed and occupied by March 30, 2009): Approximately 11,471 square feet; consisting of art rooms; classrooms; computer labs,; break room; office
- 1st Floor (to be constructed and occupied by June 6, 2009): Approximately 4,698 square feet; consisting of audio studio and control room; video editing suite; classrooms
- 4th Floor (to be constructed and occupied by January 1, 2010): Approximately 11,459 square feet; consisting of computer labs; interior design resource rooms; drafting rooms; office
- 3rd Floor (to be constructed and occupied by January 1, 2010): Approximately 11,459 square feet; consisting of computer labs, break room; sewing/patternmaking rooms; sewing and fashion design support space
- 2nd Floor (to be renovated and completed by March 1, 2010): Approximately 11,093 square feet, consisting of classrooms; drafting labs; library resource center; video studio; administrative space

Upon completion of the improvements described above, TAIC-SF will be in occupancy of approximately 61,489 square feet in the building at 10 United Nations Plaza and approximately 34,520 square feet in the building at 1170 Market Street (and will have vacated its occupancy of 9,200 square feet at 1145 Market Street), for a total of approximately 96,009 square feet.

C. Removed Facilities

As described in section 3.A.ii., TAIC-SF's lease at 1145 Market Street expires in March 2009. TAIC-SF intends to vacate the space at that time. This will result in a reduction of approximately 9,200 square feet.

D. Remaining Facilities

TAIC-SF intends to continue occupying the second floor of 10 United Nations Plaza, which is expected to undergo renovations in early 2010, in addition to occupying each of the remaining floors of that building as the renovations are completed. The renovations are expected to be fully completed by not later than January 2010. Likewise, TAIC-SF intends to continue occupying the eight floors it currently leases at 1170 Market Street. The eight floors leased at the property located at 1170 Market Street comprise approximately 34,520 square feet.

E. Total Size at Completion

Upon completion of the improvements described herein, TAIC-SF will be in occupancy of approximately 61,489 square feet in the building at 10 United Nations Plaza and approximately 34,520 square feet in the building at 1170 Market Street, for a total of approximately 96,009 square feet. As described above, as a result of the timing of the vacation of 1145 Market Street in March 2009, the completion of the improvements at 10 United Nations Plaza and the attendant occupation thereof, at no time will TAIC-SF's occupied space be greater than 100,000 square feet.

By vacating 1145 Market Street, continuing to occupy 1170 Market Street and occupying additional space at 10 United Nations Plaza, the combined lot area occupied by TAIC-SF (i.e., the lot areas of 1170 Market Street and 10 United Nations Plaza) would be approximately 17,318 square feet, substantially less than the 100,000 square foot threshold in the C-3 District for filing a full institutional master plan. TAIC-SF does not anticipate any future expansion beyond the foregoing limits.

Dated: January 23, 2009

THE ART INSTITUTE OF CALIFORNIA - SAN FRANCISCO

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