CALIFORNIA INSTITUTE FOR IMMUNOLOGY AND IMMUNOTHERAPY

2024-25 REPORT

PREPARED FOR

DR. GARY AND ALYA MICHELSON

UCLA Health | David Geffen School of Medicine

CALIFORNIA INSTITUTE FOR IMMUNOLOGY & IMMUNOTHERAPY

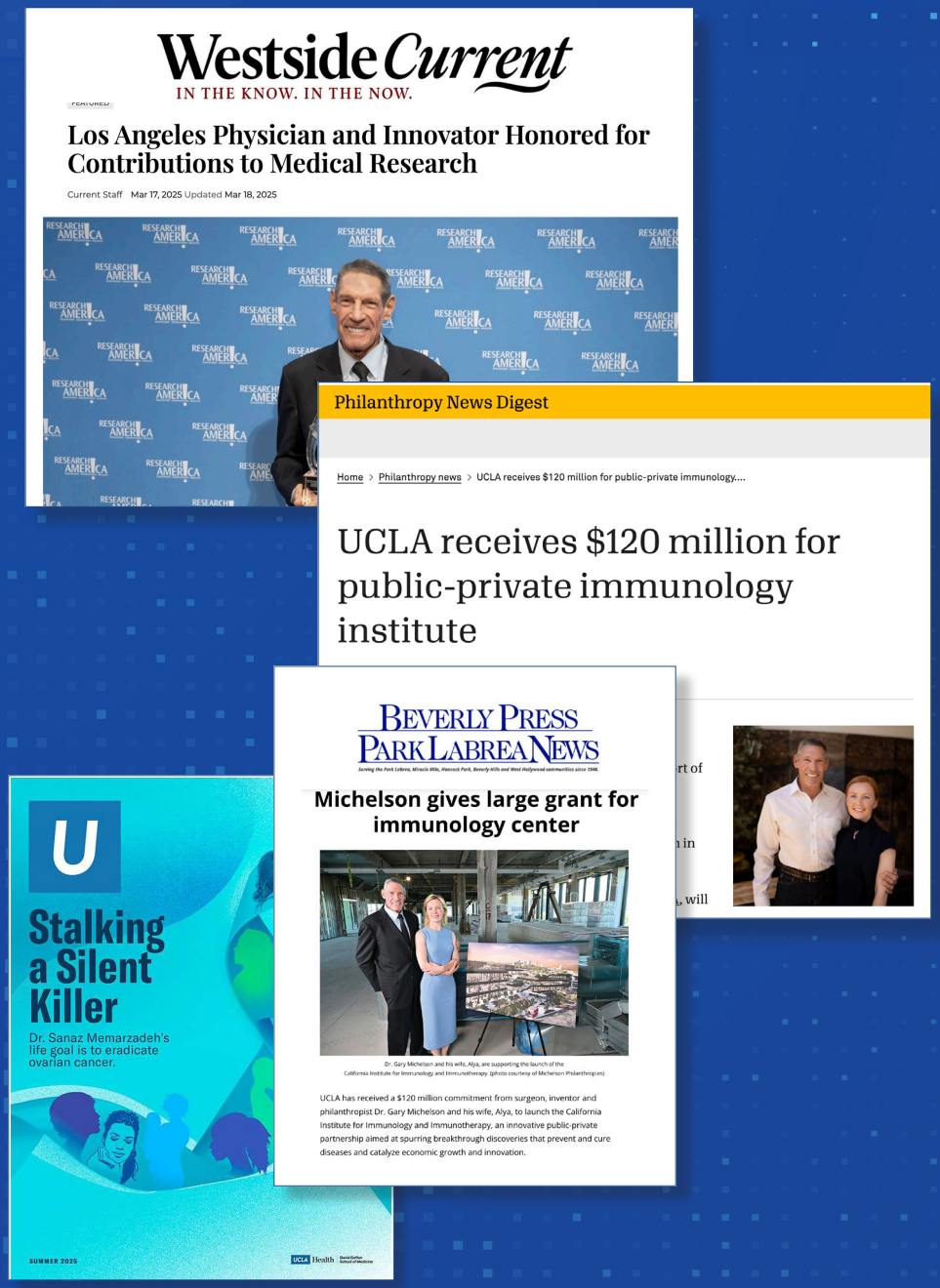
THE VISION

In August 2024, Alya and Gary Michelson, M.D., made a farsighted investment of $120 million, launching the dream of creating the California Institute for Immunology and Immunotherapy (CIII) into the realm of reality. The CIII's ambitious mission is to unravel the workings of the human immune system and to translate scientific discoveries into real-world immunotherapies to benefit humanity. With the financial backing and expertise of the Michelsons, other founding donors and the State of California, this extraordinary mission is certain to succeed.

The Michelsons' gift designates $100 million to establish two research entities within the institute, each funded by $50 million: the Michelson Microbiome Center and the Michelson Center for Rapid Vaccine Development. An additional $20 million has established an endowment to provide research grants to young scientists using novel processes to advance immunotherapy research, human immunology and vaccine discovery.

The CIII will focus on applying new insights to advance human health and wellness, resulting in improved longevity and enhanced quality of life. The design of the UCLA Research Park campus, which will be home to the CIII, reflects this commitment to the community by incorporating spaces for wellness and gathering. The research park has already been used for the community's benefit, with space dedicated earlier this year to providing government and other forms of assistance to victims of the Palisades Fire.

The Quantum Innovation Hub and David Geffen School of Medicine at UCLA will occupy the remainder of UCLA Research Park East. The facility will be the first to combine immunology, quantum computing and AI.



CENTER STAGE

Both the Michelsons and the CIII continue to capture media and public interest. Numerous new articles have been published since last year's report.

This past summer, UCLA's *U* Magazine printed a conversation with Dr. Michelson and Arie Belldegrun, M.D., research professor and founder of the UCLA Institute of Urologic Oncology and co-founder and board member of the CIII. Dr. Belldegrun is also founder, chairman and CEO of Kitt Pharma and co-founder and chairman of Bellco Capital, an investment firm that promotes entrepreneurship in health care. In "The Research Engine that Can," these two powerhouse entrepreneurial physician-scientists discussed the importance of immunology and immunotherapy and how the CIII will attract top research and entrepreneurial talent, train the next generation of investigators, and benefit the Los Angeles community.

Notably, Dr. Michelson received the Gordon and Llura Gund Leadership Award at Research!America's annual Advocacy Awards, which took place at the National Academy of Sciences in Washington, D.C., this past March. The award recognizes those who have increased advocacy of medical, public health and health-related research from a local or

national level, whether through philanthropy, research or other contributions. Past recipients have included Joe Biden, Michael Bloomberg and Michael Milken.

The high-profile award has drawn positive attention to the CIII. Articles about the award, the Michelsons and the CIII gift have appeared in *Lifestyles Magazine, Los Angeles Business Journal, Westside Current*, *Beverly Press* and *Park Labrea News*. In June, Dr. Michelson made his ninth appearance on the *Los Angeles Business Journal's* LA500 annual list of the city's most influential and impactful executives in the civic leader category.

An article in the February 17, 2025, edition of the *Los Angeles Business Journal* updated readers on the impressive progress being made on the new research park campus. Dr. Michelson and UCLA Health President Johnese Spisso were quoted throughout, and the article was republished in *Philanthropy News Digest*.

Los Angeles mayor Karen Bass toured the CIII this past May, and she and Dr. Michelson appeared on *LA This Week*, an Emmy award-winning weekly news program that highlights events in city government and throughout Los Angeles. The research park is of particular interest to Mayor Bass as a former physician's assistant and community organizer. Mayor Bass pronounced, "This is a first-of-its-kind institute in California that will save lives through collaboration. When you think of health-related research, you think of discoveries that treat diseases, but when you think of this institute, I'm going to view it like an accelerator in preventing diseases."

Dr. Michelson noted that the new research park will rejuvenate a floundering neighborhood and create approximately 5,000 new jobs, including 500 for bioscience researchers. Looking forward to a future where, thanks to the institute's innovative research on the immune system, there will be vaccinations for various types of cancer and other diseases, Dr. Michelson predicted, "This is going to be massive for Los Angeles. This is going to change medicine. This is going to change the world."

FROM DRAWING BOARD TO REALITY

The CIII is rapidly taking physical form.

On July 22, 2025, the CIII signed a lease to rent 235,000 square feet at UCLA Research Park East from the University of California Board of Regents. The CIII's initial pro-rata share is 45.46% of the building. The CIII has the option to increase its square footage to 360,000 of the total 682,000 rentable square feet at the east complex. The initial phase of the institute consists of up to 120,000 square feet of research space and up to 40,000 square feet for a biotech startup incubator.

The lease, along with the Affiliation and Framework Agreement dated August 21, 2024, outlines ways in which the CIII and UCLA Health can enable their joint purposes, which include advancing the fields of immunology and immunotherapy, furthering UCLA and UCLA Health as leading research and health care centers, and facilitating collaboration among top researchers and scientists in these fields and related scientific disciplines. Further, the agreements acknowledge that UCLA Health's strengths in clinical and biomedical scientific research will facilitate the institute's accomplishment of its mission.

The Board of Regents approved the master plan for UCLA Research Park East in May 2025, enabling the design and construction team to start the initial environmental study and design the shell and core of the building. In July, the team started the schematic design phase of these areas, which is now halfway done. They expect to submit the drawings and basis of design for university review in October 2025. In November, they anticipate the updated cost estimate, which will determine the scope of work for phase 1 occupancy. They currently plan to request approval for the environmental components and shell and core on January 6, 2026. The tenant configuration plans were completed in early June. The CIII could potentially be under construction after March 2026 and operational by the third quarter of 2027; the first researchers and businesses could possibly move into their space at the research park by mid-to-late 2027. They may begin operating on the UCLA campus until the research park space is ready.

Breakthrough Properties, which is managing the CIII project, is consulting on the hiring of an architect.

Next steps include creating a financial master plan, which will inform design development; refining core and shell improvements for UCLA Research Park East; refining the master plan, targeting value design; beginning the off-site 100-year floodplain mitigation project; and CEQA entitlements to gain approval under the California Environmental Quality Act.

As construction progresses, the CIII team is identifying and securing philanthropic and industrial partners. Strategies include curating a list of high-net-worth individuals, giving facility tours and closing the remaining gifts from the institute's founding donors.

Giving priorities at the CIII include endowed directorships, recruitment packages and fellowships. Naming opportunities include institute headquarters; centers focused on specific diseases such as autoimmune disorders, cancers, diabetes, neurodegenerative diseases and more; named public spaces; tissue banks; and data platforms and labs.

RECRUITMENT

The board has hired Ignite Search Partners, which has relationships in the biotech world and staffs CEOs in biotech companies. A candidate with both deep scientific credentials and entrepreneurial experience has been identified as a frontrunner for the director position, and an offer is expected to be made soon.

After a director has been hired, the team will hire a chief strategy officer and chief operating officer. Eric Esrailian, M.D., M.P.H., chief of the Vatche and Tamar Manoukian Division of Digestive Diseases and a founding donor of CIII, serves as founding president of the CIII's board of directors. Dr. Esrailian is also director of the Melvin and Bren Simon Digestive Diseases Center and holder of the Lincy Foundation Chair in Clinical Gastroenterology. UCLA leadership is currently serving in an advisory capacity.

Once the CIII's governing board, scientific and other advisory committees have been established, the institute can begin work to establish the Michelson Young Researcher Prizes.

The institute's five-year strategic plan for 2025-29 will be developed once the executive team has been hired and onboarded.

THE MICHELSON MICROBIOME CENTER

The Michelson Microbiome Center will collaborate with the UCLA Goodman-Luskin Microbiome Center (GLMC), to comprise one of the world's largest microbiome research efforts. The GLMC will act as the initial bridge between the university and the CIII.

The GLMC serves as a central hub on the UCLA campus, uniting exceptional researchers across diverse disciplines to unlock the microbiome's impact on human health and develop groundbreaking microbiome-based solutions for disease. This interdisciplinary approach unites the expertise of 28 departments and 136 labs across precision medicine, cancer, pathogen control, metabolic health, microbiome sensing and the gut-brain axis.

Given the immune system's central role in the gastrointestinal tract in both health and disease, the Manoukian Division, which administers the GLMC, has been active in the CIII's development and will remain at the forefront of its scientific efforts.

Upon signing the CIII lease, Dr. Esrailian introduced Dr. Michelson to Elaine Hsiao, Ph.D., director of the GLMC and inaugural chair holder of the Goodman-Luskin Endowed Chair in Microbiome Research. The two have begun discussions about innovative microbiome research and strategic joint recruitments for the CIII and GLMC ecosystem.

The partnership between the Michelson Microbiome Center at the CIII and the UCLA Goodman-Luskin Microbiome Center will leverage the strengths of each. The GLMC will drive transformative bench-to-bedside research, advancing novel discoveries through seven dedicated GLMC core facilities and the full spectrum of UCLA's world-class resources and infrastructure. The CIII will translate the most promising of these discoveries from the GLMC and its own research and development into real-world solutions and commercial opportunities.

This sort of entrepreneurial innovation and expansion of microbiome research from the GLMC into the UCLA Research Park will in turn enable the institution to attract and recruit more scientists.

The partnership between the two centers has already begun, with collaborative projects, shared labs and tandem recruitments.

THE MICHELSON CENTER FOR RAPID VACCINE DEVELOPMENT AT CIII

Dr. Hsiao is supervising the initial concept for the vaccine center and preparing to recruit extraordinary candidates who can work on both vaccines and probiotics.

Projects are divided into two groups. For high-risk, high-reward exploratory initiatives, Dr. Hsiao is precisely pinpointing new talent who can be recruited to achieve breakthrough solutions. Foundational projects will be launched with existing expertise and resources.

The Joint GLMC-CIII Program on Pathobiont Eradication is structured as a scalable platform to develop precision therapies against disease-causing pathobionts. Pathobionts are microbes that are internal residents of the microbiome, but which can become pathogenic under specific conditions. Increasingly, they are being implicated as drivers of chronic inflammatory diseases and cancer.

The program's initial and primary focus is on *Helicobacter pylori*, the Group 1 carcinogen responsible for gastric adenocarcinoma. This initiative will serve as the proof-of-concept to establish an integrated therapeutic pipeline.

The program's strategy is built on three complementary research pillars and a central, unifying platform designed to accelerate discovery and ensure clinical relevance. The research team will first precisely target the pathobiont. Next, they will boost the immune system. Finally, they will fortify the microbiome. They will rely on existing human study and biobank resources and a spatial microbial diversity panel. The scalable platform structure will allow investigators to develop precision therapies against disease-causing pathobionts. Current therapeutic paradigms are reliant on broad-spectrum antibiotics ill-suited to eradicating only a specific type of pathobiont, resulting in further imbalance in the gut microbiota.

An additional focus is *Fusobacterium nucleatum*, a key contributor to colorectal cancer.

WITH DEEP GRATITUDE

Thanks to the generous, visionary gift from Alya and Gary Michelson and the Michelson Foundation, UCLA Health, Los Angeles and the world can look forward to a healthier future. The California Institute for Immunology and Immunotherapy will serve as a global hub for the invention of drugs, biologics and vaccines to address the diseases that most afflict humanity. In the collaborative, interdisciplinary and entrepreneurial environment of the CIII, high-risk research will bring high rewards. Taking new therapies all the way from basic research to clinical trials, commercialization and adoption, the CIII will be self-sustaining and attract the brightest minds.

Much has been achieved in the past year, with so much more to come. The potential of the CIII as a core of the UCLA Research Park is boundless. We thank the Michelsons for launching its immense promise.

UCLA Health | David Geffen School of Medicine

CALIFORNIA INSTITUTE FOR IMMUNOLOGY & IMMUNOTHERAPY