

*Note for online reference: Any materials or exhibits referenced in this approved resolution can be found in the meeting's materials posted at <https://trustees.uoregon.edu/meetings>.*

**BOARD OF TRUSTEES OF THE UNIVERSITY OF OREGON**

**RESOLUTION**

**AUTHORIZATION TO ENTER INTO CERTAIN LEASE AND MOU TRANSACTIONS (PORTLAND)**

Whereas the University of Oregon's current lease for space housing the Oregon Executive MBA (OEMBA) program expires next year;

Whereas; the Portland-based program has the opportunity to lease new, state of the art facilities adjacent to other UO facilities in Portland as outlined in the summary attached hereto as Exhibit A (the "Portland Lease");

Whereas, ORS 352.107(1)(j) grants the University of Oregon the authority to enter into lease agreements for real property;

Whereas, University of Oregon policies authorize the President to execute leases of real property in excess of five million dollars only upon receiving prior approval of the Board of Trustees; and

Whereas, pursuant to the Board's Policy on Committees, the Finance and Facilities Committee of the Board of Trustees voted to refer this action as a seconded motion to the Board of Trustees for adoption;

Now, therefore, the Board of Trustees of the University of Oregon hereby authorizes the President and the Chief Financial Officer to enter into the Portland Lease, and further authorizes the officers of the University to take all actions necessary and proper to execute such lease agreements.

VOTE: Voice Vote Recorded – Ayes carried (no dissention)

DATE: September 11, 2014

Recorded by the University Secretary: 

## **Exhibit A**

### **Summary of the Portland Lease**

Since 1985, the University of Oregon's Executive MBA (OEMBA) Program has operated in the Portland area. Since September 2005 the program has been in a suite of offices and classrooms located downtown, in the 200 Market Building. As the lease for this space expires on December 21, 2015, the Business School has been exploring an alternate site to house this program, as well as the emerging Product Design and Sports Product Management programs. Both programs are affiliated with the Sports Product Institute umbrella and are collaboration between the Lundquist College of Business and the School of Architecture & Allied Arts (AAA).

The Business School and the Chief Financial Officer recommend that the University of Oregon enter into a proposed fifteen-year lease at a new space in Portland. This fifteen-year lease would provide the University approximately 11,500 square feet on the ground floor of a to-be-constructed building located at NW Naito Parkway, NW Couch Street and NW Davis Street in downtown Portland. The building is being constructed by Gerdling Edlen Development and its projected completion is January 1, 2016.

The facility will include state-of-the art classrooms, student learning spaces, and offices to house OEMBA and Sports Product operations. As the OEMBA program will primarily offer classes on Fridays and Saturdays, the facilities can be used by the emerging Product Design and Sports Product Management programs during the other days of the week, maximizing utilization.

Importantly, this is an ideal location to house both programs as the new building will be located across the street from the UO's existing Bridge Innovation Lab allowing for easy access for students and faculty. The Bridge Innovation Lab will include spaces for collaboration, ideation and implementation. It will house high-end manufacturing equipment students can use to make prototypes of new products including athletic footwear, apparel and equipment. Furthermore, the new facility's location, adjacent to the White Stag building, also provides opportunities for synergies and cross-collaboration with UO programs operating out of that building including the School of Journalism and Communications and the School of Law.

Executing this lease will ensure that the University has the appropriate physical facilities to house three critical Portland-based business school and AAA programs. Total lease obligations over the 15-year period are currently estimated to be \$5,500,000; operating costs over the same period are currently estimated to \$1,300,000. The UO will also incur costs for tenant improvements.