

University-Provided Presidential Residence

BACKGROUND

Over the last year, the Board leadership has discussed with President Ray priorities for the succession and smooth transition to OSU's next president at the end of President Ray's current contract, or later if there is a mutual agreement to extend his contract. One question identified for consideration was whether to re-establish university-provided presidential housing for the next university president. President Ray will continue to reside in his private residence throughout his presidency. The new residence should be in place prior to the selection of the next president for OSU.

Oregon State has had a varied history of providing housing for the university president, including the original presidential house purchased in 1921 and a house on Brooklane Drive, which was sold in 2011. Re-establishment of a university-provided presidential residence can serve as a recruitment tool by addressing the difficulty of finding housing in Corvallis suitable for university events, and lodging for future OSU presidents and their families. Across the nation, a presidential residence is viewed as an asset to the university, serving as a gathering space for the community and a place for receptions, dinners, and informal events hosted by the president.

In response to this need, Board leadership directed Board Office staff to research current practices nationally related to university-provided presidential residences and to investigate possible options for Oregon State.

RESEARCH

Board Office staff pursued a number of lines of inquiry on both current practices at other universities and options for Oregon State, as described below:

Is university-provided housing still "typical"?

The first item of due diligence was to validate whether university-provided presidential housing is still typical among universities and colleges. This included conversations with firms that conduct university presidential searches, which affirmed that new presidents typically expect a residence to be provided. Data was also gathered from the Chronicle of Higher Education and other on-line resources as to whether universities offer monthly housing stipends or university-provided housing for their respective presidents. Based on this research, it was apparent that providing a presidential residence is the "norm" among both Pac-12 institutions and the nation's top 80 universities based on total presidential compensation (70-80% provide university housing).

What are desirable attributes of a presidential residence?

The next level of inquiry was to identify desirable attributes for a university-provided residence. Based on on-line research, reflections on experiences with our previous university-owned residences, and feedback solicited through the Association of Governing Boards of Universities and Colleges (AGB), the following housing traits were identified:

- Lot size large enough to accommodate a minimum 5,000 square foot (ft²) home;
- Home size of a minimum 4,000 to 5,000 square feet (for comparison, President Ray’s private residence is 4,100 ft²). Research found university residences ranging in size from 5,000 ft² (Stanford’s Hoover House) to 14,000 ft² (e.g., the houses provided at Rutgers, Michigan, Illinois, and Maryland) and even as large a 15,147 ft² (Virginia Tech’s The Grove);
- Easy to find and access;
- Universal accessibility, particularly in public spaces;
- Private space to accommodate the president and his or her family;
- Public space capable of hosting both large and small gatherings informally and formally;
- Sufficient parking for private residence, with the ability to accommodate parking for large and small gatherings; and
- On campus or close to campus.

What is the inventory of homes that met those attributes in the Corvallis area?

Using this initial set of attributes, the Board Office contracted with a local broker to evaluate the inventory of homes meeting those attributes. This analysis revealed that there was a limited inventory of existing homes (only about two homes on the market at the time), and most homes available or recently sold of this type were more than five miles from campus (e.g., North Corvallis and Vineyard Mountain areas, approximately 5 to 7 miles from campus). Homes of this style and finish quality ranged in value from \$800,000 to \$2 million.

In the midst of these efforts, a potential home adjacent to campus emerged as an option, but is not on the market. Preliminary discussions regarding the possible acquisition of this home were not successful. The overall lack of inventory and the distance from campus for available and appropriate homes led us to consider building the next university-provided presidential residence on existing OSU land in close proximity to campus (within a two-mile radius).

PREFERRED OPTION, FUNDING, TIMELINE

Working with staff in University Facilities, Infrastructure and Operations, the Board Office staff looked at several potential sites based on proximity, appropriateness for residential construction given surrounding uses, access to water/sewer, zoning and other considerations. After discussing these requirements, we identified university property located in the 4400 block of Northwest Harrison, located north of the OSU Dairy Barn facility.

If this project is to be pursued, a design/build approach was identified as the preferred contracting and build option, since this is the approach typically used for this type of residential construction and given OSU’s limited experience building residential homes.

The project will be funded entirely by the proceeds from the sale of the last presidential house dedicated to this purpose (\$455,000) and donor contributions (\$2 million). The current timeline is for the project to be completed by February 2020 and to be used as a residence following Ray’s service as university president. Until then, the residence will be used exclusively for appropriate university receptions and events. Based on initial data and depending on the final size and design, overall costs of operating the new residence will be offset, in whole or in part,

using the funds provided as a monthly housing stipend for President Ray's current private residence for the duration of his presidency.

PROPOSED DESIGN FEATURES

The request for qualifications (RFQ) for this project will be published by the end of April, after incorporating feedback from the April 16 Board meeting. When the RFQ opportunity is announced, it will include a description of design features that must be included in the completed project. In order to refine the design features, Board Office staff conducted informational interviews with approximately 10 universities, posing questions that covered everything from how a university-owned residence serves their mission to how they handle parking to how they arrange for day-to-day management. Events staff for both the university and the foundation were also interviewed and a tour of the University of Oregon's McMorran House was conducted. This helped to create an overall design intent and identify the general design elements to be included in the RFQ announcement.

Key design elements and features include the following:

- At the broadest level, this presidential residence will be the official residence for the university president and his or her family.
- It will serve as a location for special events hosted by the president, and so in this sense, it is more than just a home. It is a gathering place for the university community and guests.
- It is important that the home evoke a sense of pride in Oregon State and that it reflect who we are as a university and as a state.
- It is also important that it feels like a home, both for the president and family and for guests. In fact, every person interviewed emphasized the importance of it feeling like a home.
- It will have clearly defined private spaces for the family.
- It will be designed to serve as a gathering place for a variety of events, everything from large receptions to seated dinners to small "fireside" conversations.
- With that in mind, it is important that the residence offer flexible public spaces that can be configured for a variety of uses and that can adapt to future needs.

GATHERING BOARD FEEDBACK

The total project cost for the university-provided presidential residence falls below the Board's \$5 million threshold for approving capital projects. However, this project relates directly to the Board's efforts to plan for the next presidency, and it is important to gather input from the Board on the direction identified and elements of the project itself.

At the April 16 telephonic meeting, the Board will discuss the proposed location and design elements.