BACKGROUND

The Oregon State Board of Higher Education convened the Portland Higher Education Taskforce in 2007 to strengthen higher education in Portland by collaborating with local governments, the business community and other institutions to provide educational opportunities for Portland residents and to support regional economic development. Two priority recommendations emerged from the group’s early work – an OUS/OHSU Life Sciences Collaborative Complex and the Oregon Sustainability Center. The Oregon State Legislature approved both projects in 2009.

The legislature authorized $200 million for the Collaborative Life Sciences Center, which will increase the close partnership between PSU and OHSU, provide a new location for OSU’s College of Pharmacy, and provide collaborative opportunities for the UO and OIT. The Center will help to re-ignite Portland’s South Waterfront development and support the growth of the bioscience industry in the North Macadam Urban Renewal Area.

The legislature also approved $80 million in bonds for the Oregon Sustainability Center (OSC). The OSC—located on the edge of the Portland State University campus—will bring together academic, government, nonprofit, and business sectors to advance the region’s innovation in sustainability. The OSC is designed to meet the Cascadia Region Building Council’s Living Building Challenge and will achieve triple net-zero performance in energy and water use and carbon emissions. The OSC is a collaborative effort of the OUS in partnership with the City of Portland, the Portland Development Commission (PDC), Portland Sustainability Institute, and a group of leading environmental organizations led by the Oregon Environmental Council and Earth Advantage Institute.

NEXT STEPS

The Portland Higher Education Taskforce reconvened in late 2009 to explore next-step opportunities to enrich program and research excellence in the Portland metro area. The taskforce selected two opportunity areas identified in the 2008 Portland’s Higher Education Agenda for the 21st Century report – product design and materials, metals and manufacturing – and assembled working groups of public and private sector leaders to develop recommendations for strengthening these initiatives.

The Product Design Working Group recommends establishing a “Design Collaborative” – an internationally renowned center for creative enterprise around product design, with integral connections to architecture, interior design, and art practice. Headquartered in Portland, the concept builds on a consortium of organizations and individuals representing the full spectrum
of creative, entrepreneurial, civic, and educational interests in design. Participating Oregon institutions include UO, PSU, OSU, OIT the Pacific Northwest College of Art (PNCA), and Marylhurst University. The components of the collaborative recommendation include program and infrastructure investments in research studios and resource centers to support design courses, incubators, and the Portland design community with technical, material and strategic assistance.

The Metals and Manufacturing Working Group, made up of representatives of OUS institutions, Washington State University (WSU) and metals industry companies, recommends creating a multi-institution “collaboratory.” The concept mirrors a “center of excellence” approach where technical expertise and equipment is leveraged across the OUS system and WSU to keep duplication to a minimum and maximize access to resources. A full business plan is pending but the working group has identified several potential funding sources and has started an inventory of manufacturing and materials resources.

In addition to its program and research focus, the Portland Higher Education Taskforce also reviewed Oregon Tech’s plans for the Portland Metropolitan Area. OIT Portland currently operates out of four campuses in the metro area and enrollment exceeds current capacity. In addition to the challenges placed on students and faculty, operating out of multiple campuses creates inefficiencies and equipment and supply redundancies. OIT would like to consolidate its Portland programs by purchasing an existing commercial facility in Wilsonville, Oregon. The Portland Higher Education Taskforce approved the OIT Portland plan and agreed to forward the one-time capital request to the Academic Strategies Committee for consideration.
## PDX Priority Areas and Potential Action Items

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<thead>
<tr>
<th>Priority Area</th>
<th>Current Situation</th>
<th>Proposed Actions</th>
<th>New Funding</th>
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<tbody>
<tr>
<td>Collaborative Life Sciences Center (PSU, OHSU, OSU, OIT, UO)</td>
<td>Bonds approved in 2009, final business plans due to OUS and OHSU Boards in June 2010</td>
<td>Finalize program and research agendas; identify appropriate accelerator and commercial space</td>
<td>No</td>
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<tr>
<td>Oregon Sustainability Center</td>
<td>Bonds approved in 2009, City of Portland agreed to backstop 50% of building cost</td>
<td>Proceed to schematic design phase with costs shared between OUS &amp; PDC; finalize research agenda led by Oregon BEST</td>
<td>No</td>
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<td>Product Design Collaborative (UO, PSU, OSU, PNCA, Marylhurst, and OIT)</td>
<td>Relevant higher education programs and resources are scattered throughout Oregon and disconnected from the growing Portland design community</td>
<td>Develop higher education collaboration including program development and infrastructure investments (i.e., research studios, resource centers, incubator space, production facility, etc.)</td>
<td>Yes ($2.2 million ongoing)</td>
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<td>Metals and Manufacturing “Collaboratory” (PSU, OSU, OIT and WSU)</td>
<td>OUS and WSU offer technical expertise and equipment to support Oregon metals and manufacturing industry but the current model is inefficient, requiring duplication among campuses and creating unnecessary challenges for industry to access the resources</td>
<td>Create a multi-institution “Collaboratory” to leverage technical expertise and equipment across the OUS system and WSU to keep duplication to a minimum and maximize access to applicable resources.</td>
<td>No</td>
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<td>OIT Portland Plan</td>
<td>OIT Portland enrollment has exceeded current capacity and existing facilities inhibit innovation. In addition, OIT Portland operates out of four distinct locations creating inefficiencies and equipment and supply redundancies.</td>
<td>Consolidate OIT programs in the Portland metro area by purchasing an existing commercial property in Wilsonville</td>
<td>Yes ($20 million one-time)</td>
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PRODUCT DESIGN COLLABORATIVE

The goal of the design collaborative is to create a world-class level of higher education in design in Portland. Portland firms are internationally renowned for their innovative design talent and Portland’s reputation as a design center allows local talent to export their skills globally. The Portland Development Commission (PDC) identified “activewear and outdoor gear” as an important regional cluster and is making strategic investments to strengthen the cluster. In addition, the PDC acknowledges “the interdependence between local firms producing goods and offering services that rely on creativity in design and engineering to manufacture or market consumer products.”

A higher education center for creative enterprise around product design, with integral connections to architecture, interior design, and art practice will help to support Portland’s industry cluster and provide students with both an ambitious education and resources that will help them succeed beyond the university. The concept builds on a consortium of organizations and individuals representing the full spectrum of creative, entrepreneurial, civic, and educational interests. The participating Oregon higher education institutions include the University of Oregon (UO), Portland State University (PSU), Oregon State University (OSU), Pacific Northwest College of Art (PNCA), Marylhurst, and the Oregon Institute of Technology (OIT).

The Product Design Working Group recommends both program and facilities investments to establish the “design collaborative.” Components of the collaborative include project based research studios and resource centers to support design courses, incubators, and the design community with technical, material and strategic assistance. The recommendation builds on existing PDC initiatives, including a materials library – the first on the west coast – to encourage greater innovation in sustainable material production and design. Infrastructure investments include equipment for experimental material investigations, technology for communication among participating universities, and the ability to remotely test, fabricate, and demonstrate production.

The Product Design Working Group recommends the following 2011-2013 investments:

- Program Development ................................. $350,000 per year
  - Faculty, Staff, Administration, and Tech Support

- Facilities/Infrastructure ................................. $770,000 annual lease
  - 31,000 Sq Ft @ $20/sq. ft. – $620,000
  - Equipment – $150,000 (initial)

- Total Request – $2.2 million biennial (ongoing)
OREGON TECH’S PLANS FOR THE PORTLAND METROPOLITAN AREA

The Oregon Institute of Technology (OIT) has offered degree programs in the Portland Metropolitan Area for over 25 years. OIT Portland currently operates out of four distinct locations in the metro area but demand from students and business continues to exceed capacity. In many high demand programs such as the Bachelor of Science in Renewable Energy Engineering (REE), faculty-to-student ratio are nearly 50-to-1 and existing facilities inhibit innovation. Operating out of multiple campuses is inefficient for faculty and staff and creates redundancies in equipment and supplies.

OIT would like to consolidate their Portland operations into one location by purchasing an existing commercial building in Wilsonville, OR. The building is conveniently adjacent to I-5 and provides 131,000 sq. ft. of interior space on over six acres of land. The existing commercial property is cheaper to buy than building a new facility and offers OIT enough room to continue growing high-demand programs. In addition, a single location allows better integration with the Klamath Falls campus and fosters stronger partnerships with regional industries.

The Portland Higher Education Taskforce reviewed the OIT Portland plan on March 18, 2010, and agreed to forward it to the OSBHE Academic Strategies Committee for consideration. The proposed purchase date, funding sources, and operational cost considerations follow.

- **Purchase date 2013**
  - Purchase Price $20,600,000 (one-time capital request)
  - Related Costs $9,400,000
  - **Total $30,000,000**

- **Funding Sources**
  - Gifts $3,800,000
  - Other Funds $6,200,000
  - X1 G Bonds $15,000,000
  - Lottery Bonds $5,000,000

- **Key Operational Cost Considerations**
  - No increase in institutional debt service
  - Not based on enrollment increases or geographically based differential tuition
  - Not based on leasing part of the building
  - Differential operational costs ~ $56,000