President Layman called the adjourned session of the regular State Board of Higher Education meeting of March 27, 1973, to order at 11:00 A.M., April 18, 1973, in Room 327, Michael J. Smith Memorial Center, Portland State University, Portland, Oregon. The following Board members were present:

Mr. George H. Corey
Mr. Robert D. Holmes
Mrs. Elizabeth H. Johnson
Mr. Philip A. Joss
Mr. John D. Mosser

Absent: None

(Considered by Building Committee, April 18, 1973)

Staff Report to the Committee

In response to a request addressed to the Chancellor on March 13, 1973, and endorsed by President Wolfe, representatives of Portland Student Services, Inc., were given an opportunity to present to the Board on March 27 a proposal to seek legislative authorization for financing housing units for Portland State University students from proceeds from the sale of self-liquidating bonds under the provisions of Article XI-F(1) of the Oregon Constitution. Their testimony included reference to the current lease arrangements for the nine residential buildings (containing 438 rental units) which the Board acquired under the Urban Renewal program, as well as the new 221-unit Goose Hollow Apartment Building which was constructed by the non-profit corporation with loan assistance of approximately $3.2 million from the federal Department of Housing and Urban Development. They mentioned that there did not appear to be any feasible alternatives to the provision of additional housing for PSU students now that federal assistance, such as through the College Housing program and subsidized housing programs for low-income persons, is not available.

Although they indicated that the details of size, location, design, management, etc., would need to be developed in an orderly manner before final authorization to proceed with a specific project could be expected, both Mr. Paul Eisenberg, President, and Mr. John Werneken, Development Officer of Portland Student Services, Inc., urged the Board to endorse the concept of utilizing the bonding authority within Article XI-F(1) and to seek appropriate authorization from the 1973 Legislature to accomplish this objective. Tentatively, it was suggested that about $3,115,000 would be needed for a 200-unit complex, exclusive of site acquisition costs.

The Board referred the proposal to the Building Committee for consideration at a special meeting on April 18 and arranged to schedule an adjourned meeting of the Board on that date also in order to expedite its recommendations to the Executive Department and the Legislature, currently in session.
Without attempting to cite all previous actions or file data relating to the planning assumptions and policies which might have some relationship to the subject topic, the Board's staff believes that the following background information may be of some assistance to the Committee and other members of the Board in evaluating the recommendation presented at the conclusion of this agenda item. It should be emphasized that the staff believes that the only question to be answered at this time is whether enabling legislation should be obtained for Portland State University student housing; and that other questions, such as design character, location, financial feasibility, type of student occupant, management responsibility, etc., should be deferred to a later time. Generally, the background information summarized in the following paragraphs is arranged chronologically.

January 5, 1953

The Board endorsed a policy statement on the future development of higher education in the Portland area, and at the suggestion of the Governor, placed emphasis upon a downtown location rather than an alternate suburban location. Excerpts from the minutes include the following:

After considering the convenience of those to be served and the relative cost factors involved, the Board, after the most thorough study of the problem, has concluded that future development of state-supported higher education to serve Portland should be in the general area of the Portland State Extension Building (old Lincoln High School). Its location in the center of the city, fronting on a beautiful park area, is ideal for a downtown city college. Centrally located for students living in all sections of the city and adjacent suburban areas, the institution will serve not only collegiate day students who must work part-time downtown, but also adults who wish to take night classes in the Portland Extension program. This assures maximum and economic use of the facilities.

The entire policy statement, which also includes a description of academic programs, enrollment and facility projections, was incorporated within a comprehensive study-report entitled "Report on the Prospect of a State College in Portland" published by the Board in 1954.

February 1953

The recommendations outlined by the Board's Consultant, Dr. Earl W. Anderson, in "A Survey of Some Phases of Teacher Education in the Oregon State System of Higher Education," commonly known as the "Anderson Report," included the following:

III.
Provide in Portland undergraduate four-year programs for the preparation of elementary and secondary school teachers. The secondary education program should be restricted to the areas of the humanities, social science, and science-mathematics on the same basis as in the colleges of education. The junior year of the elementary education program should be started in September 1954, the
senior year in September 1955. The junior year of the secondary education program should be started in September 1955, the senior year in September 1956.

The consultant stated that "One-third of the population of the State of Oregon lives in or within easy commuting distance from Portland. Many would enroll in this expanded program who could not go elsewhere to college." He also indicated that "No dormitories should be provided at Portland because prospective teachers who wish to live away from home while attending college will find dormitory facilities available in other units of the State System."

December 14, 1954

The Board authorized the filing with the 1955 Legislature of a bill to establish Portland State College "as a downtown college." The minutes state that "The proposed bill provides also that the Board of Higher Education in the management and operation of Portland State College shall have all the general powers and duties so far as applicable or necessary that are granted to or imposed on the Board of Higher Education in the management and operation of the other institutions under its control."

1955

Senate Bill 1, which was enacted as Chapter 12, Oregon Laws 1955, and later amended in 1969 to substitute "University" for "College," was incorporated into the statutes as ORS 352.195, which now reads as follows:

352.195 Portland State University. (1) There is created a separate and distinct department in the higher educational system, to be under the jurisdiction, management and control of the board of higher education, to be located on the site of the former Lincoln High School property in the City of Portland and to be known as Portland State University. Portland State University shall be a downtown city college, and shall not be a college of the campus type. The board of higher education may acquire such land and acquire or construct such buildings and facilities as are necessary for Portland State University.

(2) Except as otherwise provided in this section, the board of higher education in the management and operation of Portland State University shall have all the general powers and duties, so far as applicable or necessary, that are granted to or imposed upon the board of higher education in the management and operation of the institutions under its control. The board of higher education shall have such additional powers as are necessary or convenient to carry out the objects and purposes of this section.

(3) This section does not prohibit use of the permanent buildings and facilities of Portland State University for extension classes.
September 15, 1959

Remarks which Dr. Branford P. Millar, President, Portland State College, made to the Curriculum Committee concerning the distinctive features of this institution included the following concluding paragraph:

One last word. We do not have any housing at Portland State College. We do not contemplate any. We do in many ways avoid the necessity of assuming a status in loco parentis, and there are of course moments when we might wish to have avoided it altogether. In fact, of course, this is by no means possible, since it is difficult to find the exact cutting point between student and person, especially since students possess in the extreme the proclivities of behaving like people. In fact, too, we have increasing numbers of students from outside the area—we have to help them find housing, but we otherwise put them on their own, and we take no other further special responsibility for them outside of their normal curricular and extra-curricular activities. How long we can shut our eyes and turn our backs when students are off bounds or off hours, we don't know. Cities are magnets, especially to those seeking employment and outlets for their energies and ambitions. And they do cause problems for young people, singly and in groups. Recently I asked for a quick rundown on the geographical distribution of our student population, and I was surprised to find that an estimated 17 percent of our student body is from outside the normal commuting area, though we are not certain how many of them are residing independently in Portland. Whether we will have to take more responsibility, it is hard to say, but we have the situation under scrutiny and we hope that we can keep it in hand and that there will be no explosion. But I must keep you advised that this may be increasingly difficult.

July 25, 1961

The Board tentatively accepted various assumptions and factors pertaining to the long-range planned expansion program for Portland State College in order that Architects Skidmore, Owings & Merrill could proceed with the development of an expansion scheme for Board review, approval, or modification, including the siting of future science and physical education facilities. These assumptions and factors included the following:

6. No provision is to be made for site of dormitories or student apartments.

July 24, 1962

The Board reviewed the proposed master plan for the development of Portland State College prepared by Architects Skidmore, Owings & Merrill and with the understanding that no curricular decisions were being made by its acceptance, acknowledged it as the basis for future physical development. No provision was made in the plan for student housing.
May 27, 1966

A "Report on Supervised Housing for Minors and Young Single Adults" was presented to the Portland City Club by a study committee which included Dr. William B. Cate, chairman, Garry Bullard, A. N. Davidson, Richard M. Gray, Tom Dargan and Kenneth Lewis. Within the text of the report, there are quotations from a letter which the chairman of the State Board of Higher Education, Mr. Charles R. Holloway, Jr., addressed to the committee:

The Board has not in any of its deliberation concerning the future of Portland State received a request from the Institution for consideration of any type of student housing.

and

Since we have six other campus-type institutions, it has been our conviction that a student resident of Oregon who wishes to leave his home to attend school can choose one of the six domiciliary institutions.

The committee's conclusions and recommendations concerning Portland State College were as follows:

C. Additional Student Housing and its Financing

Conclusions

1. The original concept on which PSC was established as a non-domiciliary institution has been outgrown in many important respects.

2. There is an urgent need for housing at PSC and several financing methods are available if the college wishes to use them. Private investors, if properly encouraged, might build good student housing within financial reach of many PSC students and the students of other training institutions in the area. It is also possible that, if they are convinced of the need and properly encouraged, some non-profit organization such as a church, a social group, a fraternal organization, or a foundation might develop satisfactory housing facilities through federal programs available to them. It appears to your Committee that PSC, however, is in the best position to provide low-cost housing for its students through the state bonding program.

Serious as it may now appear, the present housing problem is minor compared with the problems which will exist in the future if the annual increase in student enrollment continues and this increasingly large number of students is concentrated in the immediate area surrounding PSC where facilities are already inadequate. This problem will become even more serious under the impact of the recently enacted "Cold War G.I. Bill".
3. In light of PSC's present and projected growth and the unique nature of many of its academic offerings, it appears to your Committee to be inconsistent to provide housing for students at all other state institutions of higher education and not to provide housing for that portion of PSC students needing it. Some of them are enrolled in special courses not elsewhere available.

4. The Oregon State Board of Higher Education appears to have construed the statutory limitation on its authority as precluding the provision of dormitories at Portland State College. While the Committee is not convinced that the Board's authority is so limited, it might be desirable to secure an opinion from the Attorney General as to whether the Board can legally build student housing at Portland State College.

Recommendation

Your Committee recommends that the Oregon State Board of Higher Education seek to provide student housing at Portland State College and that it investigate the means to finance appropriate student housing, including state bonds for dormitories, federal loans, increased private investments, or nonprofit sponsorship to cope with the present need and prepare for the obvious future increase in housing needs. If the Board determines that it cannot legally provide such housing under present enabling legislation, recourse should be had to the 1967 Legislature to grant such authority.

According to the "Portland City Club Bulletin" of June 3, 1966, a strong majority of members present at the May 27th meeting opposed a motion to accept the committee's report following objections by Dr. Branford P. Millar and a former member of the Board, Mr. Alan Hart. (Subsequently, at a later meeting, the Portland City Club approved a motion by Mr. Hart to adopt the report with the exception of Recommendation "C".)

October 24-25, 1966

The Board approved a general development plan for Portland State College which had been prepared with the assistance of Architects Campbell-Michael-Yost for use in connection with the Urban Renewal project benefitting the institution. The minutes of the meeting included a statement that "The plan recognizes the limited site area, and precludes the provision of residential facilities for the projected student body" of 20,000 full-time equivalent students.

November 18, 1966

The Board's Ad Hoc Committee on Student Housing Policies adopted, by a majority vote, various recommendations for consideration by the Board, including a statement that "the provision of some student
housing is essential if educational opportunity is to be extended to students of all geographical regions in Oregon. The Board recognizes that some institutions will need to enroll more commuting students than others; some institutions will be located in communities better able than others to absorb students in private housing; some institutions will have more fraternity and sorority housing than others; and some institutions will enroll a large proportion of undergraduate, and hence younger, students than others. The percentage of the student bodies, therefore, to be housed in residence halls and other institutionally owned housing will vary and will be determined independently for the several institutions by the Board of Higher Education."

Within the section of the report relating to housing for students in residence halls, the three final paragraphs read as follows:

When Portland State College was established, it was declared by statute to be an urban college not of the "campus-type." In other words, it was created to serve Portland area students who could live at home and commute. Consistent with the Board's conclusion that student housing is to be provided for the primary purpose of extending educational opportunity, and since educational opportunity does not appear to be impeded by the absence of student housing at Portland State College, the Board has no plans for constructing housing for students at Portland State College.

When Oregon Technical Institute was established, it was planned to serve the entire state and, hence, included residence halls.

It is the policy of the Board to provide residence halls for single students at all institutions in the System with the exception of Portland State College. The institutions are expected to maintain services and establish regulations which will permit residence hall living to contribute to the institution's educational objectives.

December 12-13, 1966

During the discussion of the ad hoc housing committee report and recommendations, the Board deleted the two paragraphs (quoted above) concerning Portland State College and Oregon Technical Institute, and revised the final paragraph (also quoted above) in the section relating to housing for students in residence halls to read as follows:

It is the policy of the Board to provide residence halls for single students in order to insure their adequate educational opportunities. The institutions are expected to maintain services and establish regulations which will permit residence hall living to contribute to the institution's educational objectives.

It is clear from the transcript of the discussion at this meeting that the Chancellor and several Board members did not wish the policy statement to preclude the possibility of any future housing for students at Portland State. By a majority vote, the Board adopted the policy statement, as amended.
August 20, 1969

In response to questions presented on behalf of the Board, the Attorney General rendered an opinion which indicated that the Board has authority to lease facilities to a private corporation for housing students at Portland State University subject to certain conditions. The opinion includes reference to ORS 352.195(1) which provides that "...Portland State University shall be a downtown city college, and shall not be a college of the campus type...." and then comments as follows:

We do not view the quoted language as being an absolute prohibition against the erection of dormitories at Portland State University, so long as that institution retains its character as "a downtown city college." It is, thus, within the discretion of the Board to determine the extent to which student housing will be provided at Portland State University, consistent with that institution's role as a downtown city college. In making facilities available for student housing on a sublease basis, the Board is not delegating to the intervening lessee a duty enjoined upon the Board by law.

The lease to the student housing corporation should, however, be a bona fide lease and not merely a contract for management by a private corporation of facilities owned by the state. See 31 Op. Att'y Gen. 436 (1964).

The opinion also noted that Emergency Board approval would be required for the expenditure of funds for capital outlay.

August 22, 1969

The State Emergency Board denied a request from the Department of Higher Education to expend Article XI-F(1) bond monies to rehabilitate several buildings being acquired from the Portland Development Commission so that they might be leased to Portland Student Services, Inc., a private nonprofit corporation, for the housing of students at Portland State University for a two-year period. The minutes of the Emergency Board meeting include the following statement:

The Subcommittee in reviewing the proposal basically objected on the grounds that historically Portland State University was established as a downtown city college, and not a campus institution where housing for students is to be provided. The State Board, by its own policy decision in 1961, reiterated the policy and said there would be no attempt made to provide housing. Earlier this year, as pointed out by Legislative Fiscal staff, the President of Portland State University requested some changes, saying that housing would be provided when there was a definite need; but the Board took no action. Since the Board has approved the present request, it in essence has changed its policy. The present proposal would provide housing for seven to eight hundred students. If this request were approved, the Subcommittee's thinking was that even though housing
would be provided through a nonprofit student organization, the
state would be accepting responsibility to provide student housing
and this is a decision which should be made by the full Legislature.
It was known by the State Board at the time of the last session that
perhaps there would be a large number of students in the area with-
out housing, and it would have been logical for them to make a request
at that time.

There were additional comments relating to the possibility that the
institutional provision for housing "would have the effect of dis-
couraging private facilities."

Subsequently, following authorization by the State Board of Higher
Education on September 8, 1969, lease arrangements were made with
Portland Student Services, Inc., for the use of the nine buildings for
student housing until approximately June 30, 1971. The Board's action
was based upon the understanding that all legal aspects would be
approved by the Board's attorney and that the maximum commitment for
rehabilitation would not exceed $50,000. No bond borrowings would be
involved.

A complete report of the lease arrangements was made to the Board on
October 27, 1969.

June 1970

The Portland City Planning Commission prepared "A Proposal to Encourage
the Development of Student Housing on Sites Immediately Accessible to
the Campus." Among other matters, this report indicated that

In order to assemble and acquire sites for housing in parcels large
enough to be workable, eminent domain may be required. The State
Board of Higher Education has this power or urban renewal could be
used. It might be desirable that private enterprise build and
operate the housing, but Portland State University through the State
Board should assemble the land.

The report concludes with the following:

SUMMARY

Portland State University has become an established element of down-
town Portland. Its contributions to the community are many and its
potential is assured. Because of its rapid development, decisions
concerning the University have an impact on the entire community.
Campus expansion and the subsequent housing and parking problems have
been critical.

As late as 1962 the Portland State corner of downtown Portland was
largely residential with many turn-of-the-century homes and apart-
ments. There were few academic buildings and housing was not a
critical issue.
With the realization of student demand for more education, the desire for more sophisticated academic facilities, and the general acceptance of a city center university came the expansion that removed housing and added students and cars.

For good or bad, the character of the area has changed. Housing when it is developed, will not be the same; however, it need not be without character and a built-in sense of individuality, of humanism.

This report is meant to stimulate thinking that can lead to quality student and, possibly, faculty housing. Several organizations are pursuing the development of housing through federal programs. Private enterprise has begun to move slowly in the direction of housing, but generally this has been limited, with the exception of the Viking, to expensive smaller developments that are pointed at a broader market.

Close-in student housing is needed for several reasons. One, it would support and extend educational goals and general campus life. Two, it would tend to reduce the commuter traffic problem. Three, it would provide an option to commuting to alternative housing areas such as the northwest or southeast. Four, it would meet an obvious need in providing replacement housing for the present, rapidly diminishing supply.

There is a need for student housing for Portland State University and action should be taken now while sites are still available.

December 1970

Subcommittee No. 2 of the Legislative Fiscal Committee submitted a report to the 56th Legislative Assembly on "Public vs. Private Operation of College and University Residence Halls." The conclusions of the Committee were as follows:

Of the many alternatives studied, the Committee concluded that it does not appear feasible to transfer ownership of the existing dormitories to private firms. There is little to be gained in retaining ownership of dormitories and contracting with private firms for their management or operation, since the state's financial situation will not be bettered and rates would probably increase under private management. At the same time, so long as ownership of dormitories is retained by the institution, there would be little reduction of public criticism in dormitory conditions.

The Committee believes that the best alternative is for the state to encourage private enterprise to construct and operate residence halls for the colleges and universities of the future. As a mode of operation, to make this effective, each institution should determine that a share of its "goal" of a percentage of its enrollment to be housed in residence halls is to be met by private enterprise. Encouragement by the state would be best expressed by the curtailment of public construction of dormitories. The support of institutions in their own localities toward private development of residence halls could take many forms, but would be indicated by institutional and Board of Higher Education policies.
January 25, 1971

The Board approved a resolution endorsing the application of Portland Student Services, Inc., for federal assistance in financing the construction of a student housing project by Portland Student Services, Inc. This project is familiarly known as the Goose Hollow apartment project and is now in full operation. This development occurred on privately-owned land outside the projected boundaries for the development of Portland State University, and the Board has no financial involvement in it whatever.

May 22, 1972

The Board approved various revisions in the urban renewal program at Portland State University and authorized new lease arrangements with Portland Student Services, Inc., for the continued use of various apartment buildings acquired from the Portland Development Commission for operation as student housing for a ten-year period beginning June 15, 1972. At that time, the Board approved the following policy statement regarding housing:

The long-range development plan for Portland State University, approved by the Board on October 24-25, 1966, recognized the limited site area available for academic and general purpose facilities for a potential full-time equivalent enrollment of approximately 20,000 students.

Consistent with this plan, the Board does not intend to construct student housing facilities within the approved area of development of Portland State University. It does, however, acknowledge that certain existing buildings which were acquired under the provisions of the Urban Renewal program and leased to Portland Student Services, Inc., may continue to be used for student housing until the sites are needed for redevelopment for Portland State University or until the facilities are removed or used for other higher education purposes.

In the discussion of this agenda item, Mr. Mosser commented that he did not believe that it should be indicated that the Board would never build, participate or encourage student housing in relation to Portland State University. He said urban transportation problems or other consideration might make it necessary to give future consideration to student housing, if not within the approved projected area of development, in the near vicinity of Portland State University. Mrs. Johnson indicated that she also would be unwilling to restrict the opportunity for future housing projects at Portland State University.

At the May 22, 1972, meeting, the Board also considered budget policies for the next biennium. Upon the recommendation of the Finance Committee, total enrollment limits were established for each of the institutions. With the understanding that all longer range limitations would be reviewed and reconsidered in view of developments at two-year intervals, the figure identified for Portland State University was 15,000 FTE students for the Fall Term 1978. Limits for the Fall Term 1974 were expected to range from 10% above to 10% below those for 1978.
July 26, 1972

The "PLANNING GUIDELINES -- Portland Downtown Plan" presented to the Portland City Council on February 9, 1972, as subsequently amended on July 26, 1972, included a section on "PORTLAND STATE UNIVERSITY/PARK BLOCKS." Item D.1. thereof states the following:

D. Minimize the impact of students on the already burdened low-cost housing market:

1. Encourage private developers to build additional conventional housing suitable for students, rather than dormitory-type housing (PSU is not permitted to build student housing). Such housing should be integrated into the larger community to promote maximum cultural mixing.

January 22, 1973

Following a public hearing, the Board revised Section 70.135 of the Administrative Rules to read as follows:

70.135 Capacity to Finance Auxiliary Enterprise Projects

Buildings and structures constructed pursuant to bonding authorization granted by Article XI-F(1) of the Constitution shall be such only as conservatively shall appear to the Board to be wholly self-liquidating and self-supporting from revenues, gifts, grants or building fees.

Authorization for bonding is subject to the establishment and maintenance of a reserve equal to the two ensuing years of debt service on presently outstanding and proposed new bonds. The estimated net income shall be conservatively estimated separately for each category of auxiliary enterprise.

The annual net income is to be at least 150 percent of the annual debt service coverage for bonds issued prior to May 6, 1963, at least 125 percent for bonds issued between May 6, 1963, and February 18, 1969, and 100 percent for bonds issued after February 18, 1969, provided that the composite annual net income shall equal 125 percent of the annual debt service coverage for bonds issued prior to January 24, 1973.

Student building fees are to be applied primarily for debt service related to construction of health service facilities, student centers and recreation facilities. Revenue-producing auxiliary enterprises (e.g., housing, parking) are expected to be wholly self-supporting from user fees and charges. Such enterprises shall pay for all direct costs and apportioned physical plant costs. In exceptional or emergency circumstances, the Chancellor is authorized to transfer moneys from the student building fees accounts to institution accounts, if needed to meet the annual debt service requirements.
In determining the annual net income to be expected from residence halls at an institution to meet the required debt service, the basis shall be the ratio of the replacement value of the institution's residence halls to the replacement value of all residence halls at all institutions.

February 21, 1973

At the conclusion of a meeting of the Board's Committee on Buildings and Other Physical Facilities, Mr. Mosser suggested that there be contact with officials of the City of Portland to determine their desires with respect to long-range housing questions in relation to Portland State University so that such information could be made available when Board members made an in-depth review of that institution in October 1973.

Current Developments

As noted in the introductory paragraphs of this report, President Wolfe and representatives of Portland Student Services, Inc., advised the Chancellor and the Board of a growing, unmet need for low-rental housing in downtown Portland. They estimated the current housing shortage for students at Portland State University to be at least 1,000 units. They cited long waiting lists of persons seeking accommodation in the temporary facilities owned by the institution and leased to the nonprofit corporation as well as the new Goose Hollow Apartments. They also cited surveys and demographic data supporting the need for additional student housing and urged that the Board request enabling legislation for the potential use of Article XI-F(1) bonding authority for such housing.

Subsequent to the presentation of the proposal to the Board on March 27, 1973, contact has been made with several officials of the City of Portland and with members of their staffs. In each case where interviews have been held, the response has been affirmative. Because of the tight time schedule, some of the appointments are yet to be completed.

There is a possibility that the Portland City Council will be briefed on this matter informally on Thursday, April 12. Mr. Rod O'Hizer, a member of the staff of the Portland Planning Commission and coordinator for the Downtown Plan, has extended an invitation to institutional officials to make a presentation to the Citizens' Advisory Committee later that same day, and to respond to questions which may be raised concerning the proposal to seek legislative authorization for Portland State University student housing. It is anticipated that additional information concerning the reaction of this group and of City officials will be available by the time of the Committee meeting.

Members of the Board have received a letter dated March 27, 1973, from Mr. Fred M. Rosenbaum, chairman of the Board of Commissioners for the Housing Authority of Portland, endorsing the concept of providing additional housing for low-income students.
In the opinion of the Board's staff, it is desirable to formulate a recommendation for enabling legislation in the broadest terms possible in order to achieve maximum flexibility in reviewing alternative proposals for the construction of new units or the acquisition of existing facilities, particularly in view of the present uncertainties of location, financial feasibility, etc.

Staff Recommendation to the Committee:

It was recommended that the Board's 1973-1975 capital outlay program for auxiliary enterprises be amended to include a request for authorization to expend $3,500,000 for Portland State University student housing, including land. If such authorization is obtained from the 1973 Legislature, and a satisfactory financing plan is developed by institutional officials, it is expected that the details of a specific proposal (or alternate proposals) will be presented to the Board's office for review and recommendation to the Board.

In the event that it is necessary to indicate a priority position for this item in the Board's listing of auxiliary enterprise requests for the 1973-1975 biennium, it was recommended that it be lower than the various utility improvements, but higher than the several parking, sports and recreational facility improvements.

(Note: See page 279 of these minutes for amended recommendation approved by the Board.)

Committee Discussion and Recommendation

Mr. Joss indicated that Mr. Neil Goldschmidt, Mayor of the City of Portland, had been invited to make a presentation on behalf of the City of Portland in connection with the housing proposal for Portland State University. Mr. Goldschmidt cited statistics with respect to the shortage of housing in the Portland area and indicated that there appears to be a housing deficiency through the middle income level. The number of housing units available for low-income persons has decreased significantly during the past several years. He referred to the downtown plan for Portland in which the intent is to encourage the movement of families back into the central core of the city. He stated that the proposed housing project would be compatible with the goals of city officials for the downtown area and it would enhance them. However, he cautioned that the city would only be interested in having good housing constructed based on planning which would relate to the objectives and opportunities envisioned for the downtown area.

Mayor Goldschmidt said city officials would support fully the objectives expressed in the proposed plan to meet the housing shortage and would hope to participate fully with Portland State University and its associates in developing the plans for projects as a response to the need for additional lower-cost housing.
In answer to a question about the possibility of city cooperation in the development of housing outside of the area adjacent to Portland State University buildings, Mayor Goldschmidt said that by the time specific plans are developed for the housing, the city should be in a position to assist with the planning and development of alternatives for the location of the housing and the planning of the units.

Mr. Westerdahl said that one of the concerns that has been expressed is the fact that the legislature which created Portland State University designated it as a noncampus institution which implies that housing is not consistent with the designated character of the institution. He asked Mayor Goldschmidt to comment on his concept of an urban university that is consistent with the goals of the city.

Mayor Goldschmidt said he would not be in favor of the acquisition of expensive land in downtown Portland for activities which could be served through the shared use of public spaces created by other agencies. However, he said he did not see housing as an issue in terms of the noncampus character of Portland State University. Mayor Goldschmidt indicated that the population of the city is becoming increasingly old and increasingly young, with fewer families in the middle age range. He said the young and the old are competing for limited housing which is available at reasonable cost, not only near Portland State University, but throughout the entire city. He said that from the standpoint of the city, housing projects for students would be tremendously supportive of its goals to help ease the housing shortage and to improve the downtown core area.

In response to a question concerning the relationship of housing to parking, traffic in the downtown area, and transportation problems, Mayor Goldschmidt stated that each project must be considered separately in terms of its location. In the downtown area, the provision of parking spaces would be discouraged; in other parts of the city, access to transportation through park-and-ride stations or public bus transportation would be considered.

President Wolfe said he had always been in favor of assisting students with housing if it could be done without getting into the operation of housing directly. He said that fewer resources are now available from the federal government and within the city itself. Furthermore, there has been a shift in emphasis to more local initiative and responsibility to meet local requirements. President Wolfe stressed the need for selective housing development to assist students in experiencing an urban university as a total living experience that continues their education in ways that enhance the degree programs in which they are enrolled.
Mr. Roger Yost, Portland Architect, was introduced to bring a statement on behalf of the Portland Chamber of Commerce. Mr. Yost said that a factor in the consideration of the housing proposal is a growing awareness that all activities have multiple impact and responsibility to each other in developing a desirable urban environment. He said Portland is still a healthy, active city and that close-in housing is a critically important factor with respect to maintaining a population close to the city center so that Portland will not become a commuting community with an office building core.

Mr. Westerdahl indicated that it has been suggested that housing provided by a public agency is in competition with private enterprise and that it would be preferable for the private sector to meet the demand. He asked if Mr. Yost were aware of any private developers who could meet the housing need, and also asked if the Chamber of Commerce had considered the question of competition between the public and private sector.

Mr. Yost responded that he had not been involved in any discussions of the Chamber of Commerce with respect to competition with private developers. However, he said it is becoming increasingly difficult to build low-cost housing in a close-in location because of high property values and construction costs. Mr. Yost stated that the only low-cost programs of which he was aware were ones that were supported or subsidized in some way. He stated that he personally would not consider housing constructed by a public agency as being in competition with private enterprise.

Mrs. Johnson said that it had been stated that there was a need for low-cost housing in Eugene several years ago but that private enterprise and nonprofit corporations had eventually provided sufficient housing. She also pointed out that students have frequently indicated a preference for older, less desirable housing. She said it was important to determine whether the proposal was actually dealing with educational opportunity, desirable living accommodations, solving a city's housing problem, or using the state's power of eminent domain and tax-free status to create something for a student population that is not available for a different population.

Mr. Yost said all of these things were involved. He said in his opinion, many activities are related and the City of Portland has a responsibility to Portland State University and the University has a responsibility to the city to make Portland the best and most viable community possible. He said the question of housing and transportation for students was not just an educational one but was related to multiple needs of the citizens of Portland and had a multiple impact on the total environment of the city. Mr. Yost said it was apparent that Portland State is contributing to the housing problem, especially the problem of the elderly. If there were any way through lower-cost bonds, or other programs, by which the Board could produce lower-cost housing than industry could produce, it would help the students and indirectly the elderly.
The Committee then discussed the question of the amount of $3.5 million to be specified in the requested authorization and whether this amount would provide sufficient flexibility to build a desirable urban community for students with the necessary amenities for family living. It was stated that this particular amount might tend to limit the thinking to one specific project rather than allowing freedom to design a housing program that would be the most desirable. Mr. Yost indicated that he could not give the Committee a specific dollar amount which would provide a community project versus a building, but that the larger the amount, the greater the flexibility that would be available for a satisfactory demonstration project. However, he said a demonstration project for $3.5 million would be better than none at all.

Mr. Hunderup pointed out that the recommendation was designed to provide flexibility to acquire existing facilities or to construct new facilities. He said this option should be available to the Board in discussing alternatives at a later time.

It was indicated that the Emergency Board had greater flexibility in modifying requests approved by the legislature for projects on the self-liquidating auxiliary enterprise list than for those approved from state funds. Consequently, the Emergency Board could modify the proposed project budget of $3.5 million either upward or downward on the basis of additional study. Mr. Mosser said he would prefer to request $100,000 for the planning of housing and $1 for construction on the assumption that the specific construction figure would be submitted later. He said, in his opinion, the $3.5 million implies the construction of a single building and it may be that subsequent planning would suggest a different approach. It was also suggested that the needs of the medical, dental and nursing students should be considered in the plans for housing, although Mr. Hunderup stated that Dr. Charles Holman, Dean of the Medical School had not expressed an interest in such a project. In response to a question during the discussion, Mr. Mosser said that the project was actually lower-cost housing rather than low-cost housing. He said that because of the interest subsidy, the tax subsidy, and perhaps city assistance in providing some of the amenities in terms of additional facilities or available services, it would be possible to build more for less money and therefore the units could be rented for less.

Mrs. Johnson said that if the project is built as a community resource rather than on an educational basis, it would improve the competitive position of Portland State University in recruiting students and thus would be developing a third statewide university instead of a downtown institution serving Portland. In addition, it would make housing resources available
for students that are not available for other citizens who are helping to pay the cost of the housing.

Mr. Snider said he concurred with the statement of Mr. Mosser with respect to the need for planning funds.

Mr. Lemman said that the representatives from the city had emphasized the importance of the project in solving community problems but that this was not necessarily the principal reason of Portland State University for making the request. He also stated that the project would change the institution very slightly and would not be a major alteration in its overall character because 200 units would not change the institution from a commuter to a residence institution.

Mr. Lemman then reviewed the four basic questions presented in his letter addressed to Mr. J. I. Hunderup on April 11, 1973. The letter appears as Supplement B to these minutes. Mr. Lemman said that the lack of housing for students is a deterrent to those who wish to take advantage of the educational opportunities at Portland State University. In addition to the educational programs, students are interested in the greater availability of part-time employment in Portland than in other parts of the state. Mr. Lemman said that the pressures of transportation control in the city indicated the need for student housing either in the vicinity of the institution or close to public or shuttle bus transportation.

Mr. John Werneken, Development Officer, Portland Student Services, Inc., said that the estimated cost for the recommended number of units was substantially above the actual cost for the Goose Hollow project and therefore provided some planning flexibility. He said the 200 units at the cost recommended in the report would provide a good starting point for the discussion of the actual plans.

In response to a question as to the reason for bringing this project in separately from the regular auxiliary enterprise program, Mr. Hunderup said it was principally because of the recent freeze of the federal programs on assistance to low cost housing. He said also that it is unlikely that a nonprofit corporation would be able to obtain interest subsidy on a direct loan basis. Therefore, the only other available alternative for the construction of low-cost housing was the bonding authority of the Board under Article XI-F(1).

On motion by Mr. Snider, the Building Committee recommended that the Board approve the recommendations as presented, with the understanding that the priority position for this project in the Board's capital outlay requests would be a revised Priority No. 2.
The proposed housing project would replace in the number two priority the Spring Sports Complex at Oregon State University which has already been approved by the Emergency Board.

Mr. Stewart and Mr. Joss voted in favor of the motion; Mr. Snider voted against it.

Board Discussion and Action

Mr. Joss moved that the Board approve the recommendation of the Building Committee as presented, including the designation of the project as revised Priority No. 2.

Mr. Westerdahl said that he was in favor of the recommendation because the Board of Higher Education through adoption of the proposed program would be formally recognizing the fact that the location of Portland State University and the nature of its students has generated an impact on the Portland urban area that has had negative repercussions in terms of housing. He also stated that the student body at Portland State includes many students who find it difficult to attend one of the campus institutions because the job market is substantially greater in the Portland area and most of the students find it necessary to work in order to continue their education. He said the proposed action would not convert Portland State to a dormitory environment but it would provide an urban housing environment for an urban institution and that it was important to approve the committee recommendations.

Mr. Westerdahl said legislators are seeking guidance from the Board in solving the problems of student housing in the Portland area so that students who must live where jobs are available in order to continue their education will not be displacing other residents of the community who are also having difficulty in locating housing.

Mr. Joss emphasized that it was the intent of the Building Committee to provide the maximum flexibility to study the problem without limiting consideration in any way whatever.

Mr. Mosser moved to amend the motion to provide changes in the staff recommendation as follows:

1. To change the figure of $3.5 million to $10 million;
2. To strike out the words "Portland State University" and insert "Oregon State System of Higher Education" before the word "student;" and
3. To insert the words "in Portland" after the word "housing."

Mr. Mosser indicated that the intent of his proposed amendments was to indicate to the legislature that planning would be on a broad scope and might consist of one or several projects to be brought to the Emergency Board to meet the housing needs of all State System students in the Portland area.
Mr. Corey asked whether recommending the larger amount for the project would be construed as an attempt to change the character of Portland State and thereby to place it in competition with Oregon State University and the University of Oregon in terms of housing.

Mrs. Johnson said that any recommendation for student housing in Portland needed to be accompanied by educational reasons for providing it.

In discussing the proposed amendments, Board members expressed their desire to provide full flexibility in the planning stage of the project.

Mr. Layman asked Board members if they wished to consider the amendments separately. There being no response, the Board voted to approve the amendments as presented by Mr. Mosser. Mrs. Johnson and Mr. Corey voted against the amendments.

Amended Portland Student Housing Recommendation.

The Board then approved the staff recommendation as amended to read as follows:

It was recommended that the Board's 1973-1975 capital outlay program for auxiliary enterprises be amended to include a request for authorization to expend $10,000,000 for the Oregon State System of Higher Education student housing, in Portland, including land. If such authorization is obtained from the 1973 Legislature, and a satisfactory financing plan is developed by institutional officials, it is expected that the details of a specific proposal (or alternate proposals) will be presented to the Board's office for review and recommendation to the Board.

In the event that it is necessary to indicate a priority position for this item in the Board's listing of auxiliary enterprise requests for the 1973-1975 biennium, it was recommended that it be lower than the various utility improvements, but higher than the several parking, sports and recreational facility improvements.

Mrs. Johnson and Mr. Corey voted against the recommendation.

Mrs. Johnson indicated that the expanded project was more satisfactory than limiting the housing proposal to a specific project, but that she had voted against the proposal because the educational purpose of the project was not stated. Mr. Corey indicated that he voted against the recommendation because the amount of the project had been increased to such an extent that he believed it would change the present policy regarding Portland State University.
Mr. Layman said that minority student representatives had requested an opportunity to be heard in connection with the reorganization and restructuring of the minority educational programs at the University of Oregon. This request was received two days before the present Board meeting and had not been presented to a Board Committee. However, since the minority students were concerned about a presentation to the 1973 Legislature in support of their education programs, it was agreed that a short presentation could be made. Mr. Layman then recognized Miss Teresa Moreno and Mr. Eugene Keys for the purpose of presenting the statements of the minority students. Copies of the statements, as read by Miss Moreno and Mr. Keys, were distributed and have been placed on file in the Board's Office. The position papers stated the opposition of the minority students to the reorganization and restructuring of the minority educational programs and their objections to the management of the programs by administrative staff members without adequate student consultation.

President Clark said that the changes in the programs were necessary to comply with instructions from the U. S. Department of Health, Education, and Welfare which assists in support of the programs and that it was necessary to make the changes on very short notice. He said the time element had made it difficult to get adequate student input and that the proposal which was sent to the Department of Health, Education, and Welfare apparently needed some modification. He indicated that University officials were in the process of studying what those modifications should be and that meetings with the minority students were being scheduled.

Board members restated their previous position that supportive services were of great importance to the success of the educational programs for minority students. However, they said that with the limited information available, it would be impossible for the Board to take any action. They further indicated that this was an institutional problem which should first be dealt with at the institutional level and referred the matter back to President Clark for study and action.

Mr. Layman said that if the students decide to make a further appeal to the Board it should come to a Committee meeting before it is presented to the Board in accordance with regular Board procedures. Mrs. Johnson said that any further appeal, if necessary, should include specifics with respect to the changes desired by the students.

ADJOURNMENT

The Board meeting adjourned at 12:00 Noon, April 18, 1973.

George H. Layman, President

R. L. Collins, Secretary
April 11, 1973

Mr. Jack I. Hunderup
Vice Chancellor for Facilities Planning
Chapman Hall
Oregon State System of Higher Education
Post Office Box 3175
Eugene, Oregon 97403

Dear Mr. Hunderup:

At its meeting on March 27, 1973, the Board of Higher Education heard a proposal from Portland Student Services which sought Board consideration of the use of Article XI-F ( 1 ) bond funds for the construction of student housing at Portland State University. The Board asked its Building Committee to consider the question at a special meeting to be held April 18, 1973. After the meeting, you and I met with Mr. Joss and Mr. Neland to agree on the specific question which should be placed before the Building Committee. We agreed that the Committee discussion should be limited to the policy question of whether institutionally-owned student housing should be constructed at Portland State University. We further agreed not to discuss such factors as site, cost, lease or management arrangements, size, aesthetics and design, etc. Recognizing that the Board has made statements on a number of occasions reflecting a policy against institutionally-owned housing at PSU, we thought it best to review the reasons for these statements and to attempt to answer four basic questions which appear to be relevant in considering a change in policy.

The four basic questions are:

1. Does the Board have legal authority to approve institutionally-owned housing at PSU?

2. In what ways have the characteristics of the institution changed over the years, reflecting evolving Board policies with respect to its academic objectives.

3. Is there community support for institutionally-owned housing at PSU?

4. Is there a need for additional student housing for PSU students?
Does the Board have legal authority to approve institutionally-owned housing at PSU?

ORS 352.195, which created Portland State University, contains the following language:

"Portland State University shall be a downtown city college, and shall not be a college of the campus type."

This statute resulted from the passage of Senate Bill 1 by the 1955 legislative assembly. Over the years, a mythology has developed about its meaning. Many persons have contended the language meant a prohibition against student housing at Portland State. Others thought it related to campus-like development of large amounts of open space and others have applied even different meanings to the language.

We have researched a number of documents to ascertain as best we can what the meaning is and whether the language in fact prohibits student housing.

In 1951, legislation was passed to make Portland State Extension Center a permanent instructional unit of the Oregon State System of Higher Education. Shortly thereafter, students and other interested citizens began lobbying for a four-year, degree-granting institution in Portland. The Chancellor's staff assembled relevant information regarding the need for such an institution and at its meeting on January 5, 1953, the Board adopted a policy statement concerning future development of higher education in Portland. The following is quoted from the official minutes of that meeting, with emphasis supplied by the writer:

"President Smith indicated that for some time Board members have discussed the advisability of issuing a policy statement on the future development of higher education in the Portland area. Such a statement had been prepared and discussed informally with several Board members. The following statement was read, discussed, and endorsed unanimously by the Board members with two slight modifications. It was suggested that the estimated cost of an institution in the suburban location in Portland be increased from ten to twelve million dollars to from twelve to fifteen million dollars. The Governor (Patterson) suggested that in the introduction more emphasis be placed on the advantages of a downtown location and the disadvantages of a suburban location. With these suggested revisions, the Board voted unanimously to adopt the following statement, as revised, and authorized the Chancellor to issue it to the press that afternoon:

1. For some time the problem of higher education services and programs for the Portland area have been under discussion. Two locations have been suggested: (1) Expansion as needed in the present location in downtown Portland; and (2) A new campus in a suburban area. After considering the convenience of those to be served and the relative cost factors involved, the Board, after the most thorough study of the
problem, has concluded that future development of state-supported higher education to serve Portland should be in the general area of the Portland State Extension Building (old Lincoln High School). Its location in the center of the city, fronting on a beautiful park area, is ideal for a downtown city college. Centrally located for students living in all sections of the city and adjacent suburban areas, the institution will serve not only collegiate day students who must work part-time downtown, but also adults who wish to take night classes in the Portland Extension program. This assures maximum and economic use of the facilities.

2. The existing building will provide classroom and laboratory facilities for from 2,000 to 2,500 day-time students; although space for the library and for student activities are somewhat inadequate. Improvements in lighting, acoustics, and floor covering and some improvement in laboratories should also be accomplished as soon as funds requested in the 1953 legislative budget are available.

3. The present enrollment is 1,360 students. When the future pattern of educational development in the Portland area is determined, and the enrollment trend established, the Board believes that expansion should take place on the block immediately south of the existing building rather than on the three-quarters of a block across Broadway now owned by the State. Thus, all institutional facilities would face on the park. When the need is definitely established, at least by the 1957 legislative session, funds for a building should be included in the Board's building program with high priority. Such a building probably costing $1,500,000 would include new laboratories for the sciences, space for a science library, and a wing devoted to facilities for required classwork in physical education. The gymnasium in the old building could then be converted to student activity space, adjacent to the existing cafeteria. Additional funds may be required to cover the differential between the sale price of the three-quarter block east of Broadway and the purchase price of the block south of the Portland State Extension Building.

Considering the new building, land price differential, and required remodeling in the old building, a sum of approximately $2,000,000 will be necessary for facilities that would care for from 4,000 to 5,000 students. This is in contrast with from 12 to 15 million dollars which would be required for a new campus development in some suburban area.

It seems quite clear from the discussion and the language of the policy statement adopted by the Board that the phrase "downtown city college" related wholly to the alternative locations of the proposed institution -- in suburban Portland or in downtown Portland adjacent to the old Lincoln High School building. This conclusion is further corroborated by testimony at the hearings on a Senate Bill 1 in 1955.
Minutes of the committee meetings include both direct quotation and paraphrasing of statements made by various persons. The following excerpts from those minutes seem to be relevant to the issue:

"Tom Lawson McCall -- his idea, he said, is not to fence in the institution and not to burden it with restrictions."

"Dean Cramer -- he continued by stating that he is in favor of a city-type college located at its present site. He also stated -- 'we would be willing to accept any word that would tie it down to your satisfaction without restricting it too closely.' Mr. Williams' bill said, 'within the city of Portland' and that was not tight enough. The Senate committee tightened it up sufficiently."

Before the Senate Education Committee on January 17, 1955, Dr. R. E. Kleinsorge, President of the State Board of Higher Education, said "It is their desire to develop Portland State as a downtown school, city institution, to meet the particular needs of students who work part-time. Anticipate it will grow into a large institution in the years to come."

On January 19, 1955, before the Senate Education Committee, Dr. John R. Richards, Chancellor Elect of the State Board of Higher Education said "Portland State at present does not have a provision for dormitories -- thinks, however, the Board should be free to consider such issues every year to see if circumstances will permit."

While the statements and references cited above should clarify the intention of both the Board and the lawmakers, any lingering doubt is certainly removed by an opinion (No. 6646) issued by the Attorney General on August 20, 1969. The following is quoted from that opinion:

"The establishment of a dormitory or student housing program at Portland State University is not a duty which the Board is compelled by law to perform. In fact, ORS 352.195 (1) (as amended) provides:

'. . . Portland State University shall be a downtown city college, and shall not be a college of the campus type . . .'

We do not view the quoted language as being an absolute prohibition against the erection of dormitories at Portland State University, so long as that institution retains its character as "a downtown city college." It is, thus, within the discretion of the Board to determine the extent to which student housing will be provided at Portland State University, consistent with that institution's role as a downtown city college."
In what ways have the characteristics of the institution changed over the years, reflecting evolving Board policies with respect to its academic objectives.

Prior to 1953, the academic offerings of Portland State Extension Center consisted of an assortment of courses taken from the catalogs of the campus institutions. In 1952, the Board's consultant, Dr. Earl Anderson, issued a report on teacher training in Oregon. This report formed the basis for the academic character of the new institution. Again quoting from the January 1953 Board policy statement on the future development of higher education in the Portland area:

"Following the recommendations of the Anderson report, there would be established four-year programs for the preparation of elementary and secondary teachers."

"Since the teacher education program in the Anderson report requires an adequate complement of courses in the broad fields of the humanities, social science and science-mathematics, the program in Portland should look forward at an early date to permitting a student to complete a bachelor's degree in any of one of these three broad fields."

"For many years to come, the training in professional fields, except teacher education, can be done best and most economically by the University and the State College. The Board also feels that specialized majors, both undergraduate and graduate, in the liberal arts and sciences should be confined to the University and the State College until such time as the need is definitely established in Portland or elsewhere. For example, both undergraduate and graduate specialization in such subjects as history, political science, economics, geology, botany, chemistry or physics should not be undertaken in Portland but should be restricted to the major campuses where adequate library, laboratory and other teaching facilities are now available."

The broad area majors did not last very long. At its meeting of July 22, 1958, the Board approved eight departmental majors in the Arts and Science areas. In addition, they approved a major in Applied Science and Business Administration. The Board also authorized a five-year teacher education program and the award of masters' degrees in that area. While various additions were made to the authorized departmental majors over the next several years, the next important change occurred in 1962 when the master of Social Work was authorized. Beginning in 1965, masters degree programs in a variety of liberal arts disciplines were authorized to be implemented over the next four-year period.

The next important curricular development was the authorization of three doctoral programs beginning in 1969-70.
Similar dramatic developments and changes in Board policy occurred with respect to the physical development of the institution. Its first long-range development plan was made in 1954. In a report entitled *The Prospect of a State College in Portland*, the Oregon State Board of Higher Education approved a plan which encompassed four square blocks based on the assumption of an enrollment of 5400 in 1955. Almost apologetically, the report stated "An enrollment of more than 5400 at Portland State in 1965 at first glance may seem fanciful." The actual enrollment was 9,125. In 1956, it became apparent that the four blocks would be inadequate and President Cramer reported to the October 23, 1956, meeting:

"The presently established campus boundaries include four blocks between Southwest Broadway and Southwest Park Avenue and between Southwest Market and Southwest Hall streets. It is recommended that the projected campus for academic needs be extended for an additional three blocks south to Southwest Clifton. It is not contemplated to acquire any property on the west side of the Park blocks."

Assumptions for a new long-range development plan were reviewed by the Board in July 1961. Among the assumptions were:

"The various land sites are to be located chiefly west of the Park blocks in Portland and may not be contiguous."

No provision was to be made at that time for sites for dormitories or student apartments.

The minutes of the March 1964 Board meeting summarize a report from Mr. H. A. Bork:

"... the Board had established boundary lines involving about twenty-five blocks for the area in which Portland State College is to develop. However, he indicated that it was not the intent of the Board to acquire all of the area within these boundaries since it was specified by statute that Portland State College was not to be a "campus" institution. This differs from the policy at "campus-type" institutions where it is intended that all of the land within the campus boundaries is to be acquired eventually."

At this point in time, the development plan for the institution contemplated an eventual enrollment of 12,000 students.

In 1966, the College undertook a third master plan development based on the assumption of an ultimate enrollment of 20,000 students. The minutes of the June 1966 Board meeting include the following statement:

"Institutional officials have affirmed their position that residences for single and married students should be provided by private capital and would not be the responsibility of the institution within the foreseeable future."


During the entire eighteen-year period since PSU was founded, both the institution and the Board have had a consistent attitude toward student housing: Housing should not be constructed currently but the option should remain open. This policy began with Chancellor Richards statement to the Senate Education Committee in January of 1955 when he said "Portland State at present does not have a provision for dormitories -- thinks, however, the Board should be free to consider such issues every year to see if circumstances will permit." Without reciting all of the interim statements, more recent policy reviews may be of importance. In its report to the Board of November 1966, the Ad Hoc Committee on student housing policies had proposed the following statement:

"When Portland State College was established, it was declared by statute to be an urban college not of the "campus-type." In other words, it was created to serve Portland area students who could live at home and commute. Consistent with the Board's conclusion that student housing is to be provided for the primary purpose of extending educational opportunity, and since educational opportunity does not appear to be impeded by the absence of student housing at Portland State College, the Board has no plans for constructing housing for students at Portland State College.

It is the policy of the Board to provide residence halls for single students at all institutions in the System with the exception of Portland State College. The institutions are expected to maintain services and establish regulations which will permit residence hall living to contribute to the institution's educational objectives."

During the discussion of the committee report, the two paragraphs quoted above were deleted and the following language was adopted:

"It is the policy of the Board to provide residence halls for single students in order to insure their adequate educational opportunities. The institutions are expected to maintain services and establish regulations which will permit residence hall living to contribute to the institution's educational objectives."

Another indication of continuing Board member support for keeping housing options open is found in the minutes of the July 1969 Board meeting relating to the leasing of university-owned buildings to Portland Student Services, Inc.

"Mrs. Johnson said that she has favored housing for Portland State University but that she was concerned with this particular proposal . . . . She said she would like this to be considered from the point of view of attempting to provide housing for the institution through a clear-cut proposal that it be done by the institution and the Board rather than by an intermediary corporation."
Additional supporting statements are found in the May 1972 Board minutes.

"Mr. Mosser commented that he did not believe that it should be
indicated that the Board would never build, participate or
encourage student housing in relation to Portland State University.
He said urban transportation problems or other considerations might
make it necessary to give future consideration to student housing,
if not on the campus, in the near vicinity of Portland State
University.

Mrs. Johnson indicated she would also be unwilling to restrict the
opportunity for future housing projects at Portland State University."

The purpose of this entire section is to emphasize the enormity of the
change in the institution in less than two decades. Academically, we
have been transformed from an inadequate teacher-training institution to
a university. The physical institution has grown from a contemplated
four-block campus to one which now embraces fifty blocks. None of these
things has changed the character of the institution from its originally
intended urban, downtown type city college. If anything, these develop-
ments have enhanced its character as such an institution.

No one would question the fact that the University of Illinois at
Congress Circle, University of Houston, Temple University, the University
of Wisconsin at Milwaukee, and San Francisco State College, among others,
are urban institutions in character, yet all of these colleges have
significant amounts of student housing. It is asserted that even if
1,000 units of student housing units were provided, only 7% of the
university's enrollment would be accommodated and this minor fraction
could hardly change the basic character of the institution itself.

Is there community support for institutionally-owned housing at PSU?

On this topic, it is probably more useful to focus on the recent past.
Certainly the Portland City Club report, presented on May 27, 1966, was an
important document embodying community support for student housing. The
conclusions and recommendations of that report are quoted below:

"ADDITIONAL STUDENT HOUSING AND ITS FINANCING"

Conclusions
1. The original concept on which PSC was established as a non-
domiciliary institution has been outgrown in many important
respects.

2. There is an urgent need for housing at PSC and several
financing methods are available if the college wishes to
use them. Private investors, if properly encouraged, might
build good student housing within financial reach of many
PSC students and the students of other training institutions
in the area. It is also possible that, if they are convinced
of the need and properly encouraged, some non-profit
organization such as a church, a social group, a fraternal organization, or a foundation might develop satisfactory housing facilities through federal programs available to them. It appears to your Committee that PSC, however, is in the best position to provide low-cost housing for its students through the state bonding program.

Serious as it may now appear, the present housing problem is minor compared with the problems which will exist in the future if the annual increase in student enrollment continues and this increasingly large number of students is concentrated in the immediate area surrounding PSC where facilities are already inadequate. This problem will become even more serious under the impact of the recently enacted "Cold War G. I. Bill."

3. In light of PSC's present and projected growth and the unique nature of many of its academic offerings, it appears to your Committee to be inconsistent to provide housing for students at all other state institutions of higher education and not to provide housing for that portion of PSC students needing it. Some of them are enrolled in special courses not elsewhere available.

4. The Oregon State Board of Higher Education appears to have construed the statutory limitation on its authority as precluding the provision of dormitories at Portland State College. While the Committee is not convinced that the Board's authority is so limited, it might be desirable to secure an opinion from the Attorney General as to whether the Board can legally build student housing at Portland State College.

Recommendation

Your Committee recommends that the Oregon State Board of Higher Education seek to provide student housing at Portland State College and that it investigate the means to finance appropriate student housing, including state bonds for dormitories, federal loans, increased private investments, or nonprofit sponsorship to cope with the present need and prepare for the obvious future increase in housing needs. If the Board determines that it cannot legally provide such housing under present enabling legislation, recourse should be had to the 1967 Legislature to grant such authority."

The staff of the Portland City Planning Commission published a report dated June 1970 entitled Portland State University Housing. The report was transmitted to the Chancellor by the Commission director on February 10, 1971. Since the Planning Commission is a public body, its endorsement of the report is significant in reflecting community attitudes. The Purpose, Implementation and Summary sections of the report are quoted below:
"PURPOSE

The purpose of this report is to bring to the attention of all concerned the need for student housing to serve Portland State University and to suggest possible locations for its development. A secondary purpose is to show how the very critical parking problem in the vicinity could be relieved to a considerable extent by housing students close enough to allow walking, bicycling, or short haul shuttle busing.

There are presently a number of large parcels of land which are undeveloped, or in need of redevelopment, that could be ideally developed for student housing. Several of these are briefly analyzed in this report.

It appears inevitable that housing must be provided, through some method, in the vicinity of the University. If it is not given consideration soon, the land that is available now might well be developed for some use other than housing. This would force students to live some distance from the campus and use their cars to commute to school, which would increase the already critical parking problem.

The idea of developing outlying sites with shuttle bus service appears second best. The argument that outlying housing developments would be less costly is debatable if consideration is given to both the loss of time in commuting and the lack of proximity for maximum use of the educational institution.

It should be pointed out that this report is neither an economic feasibility study nor an architectural program. It is simply a method of calling attention to a need and pointing to potential sites and, diagrammatically, to possible architectural solutions appropriate to each. In doing so, no attempt has been made to indicate all of the potential sites nor alternative architectural solutions. The goal has been to encourage the development of large parcels of land and to suggest the integration of parking, pedestrian places, pedestrian access to the campus, appropriate heights, density, and meaningful forms in terms of meeting broader urban design obligations. These points are explained more thoroughly in examining possible sites.

The immediate vicinity surrounding Portland State University is largely in a state of transition. The presence of the recently completed Viking Residence Hall and its comparative success in meeting some of the housing need provides the potential for greater density in this corner of the downtown. Other sites outside these photographs are also potentially available for immediate redevelopment.

Considering the program for expansion of the University it becomes obvious that these sites will rapidly develop, but they may not relate in use to the University. A major point of this report is that if housing within walking distance is to become a reality
It must be given serious consideration quickly. Whether student housing is considered depends largely on the attitudes within the University itself, the Oregon State Board of Higher Education, and the foresight of local developers.

There is a distinct advantage, from an urban design point of view, that the development be "controlled" by the institution. A more successful relationship with the proposed Portland State University program can be maintained and a greater sense of total design can result. It is likely and certainly advantageous that larger sites could be purchased and redeveloped if the institution assumed the role of leadership.

A committee of the City Club produced in May 1966, a report on "supervised housing for minors and young single adults." The report outlines the housing policy of the Oregon State Board of Higher Education as it relates to Portland State University. The report builds a case for University involvement in housing.

The principal philosophical argument advanced by the administration of PSC, in support of its practice concerning student housing, is that the European approach is more desirable for such an urban institution. This concept holds that the institution should concern itself only with academic matters. Students are responsible entirely for their own accommodations. In contrast, the traditional American approach, which assumes responsibility for student housing, applies at the six 'campus type' State institutions of higher education in Oregon.

IMPLEMENTATION

In order to assemble and acquire sites for housing in parcels large enough to be workable, eminent domain may be required. The State Board of Higher Education has this power or urban renewal could be used.

It might be desirable that private enterprise build and operate the housing, but Portland State University through the State Board should assemble the land.

It is fairly certain that areas A and C (Lair Hill Park and Goose Hollow) would be eligible for urban renewal. Areas B and E may be eligible as well.

An opportunity may exist to utilize an unexploited financial resource to the mutual benefit of the City of Portland, the University of Oregon Medical School and Portland State University. The Medical School has launched an extensive building program. It may be possible to use non-cash local urban renewal credit allowable under the conventional urban renewal process or possible under Section 112 where colleges or universities may participate as the sponsoring agents. The Portland Development Commission is conducting a study to determine feasibility of using urban renewal in the Lair Park area.
Site A would be a logical choice because it is within the ½ mile distance limit of the Medical School. Housing needs are just as critical at the Medical School as at Portland State and housing sites are even more difficult to find. The steep topography on Marquam Hill and resistance by home owners to more apartments indicates a need to look elsewhere.

Site A is considerably below the Medical School; however, a shuttle bus or even a cable car system could provide necessary transportation. With the cooperation of the institutions, the neighborhood and public agencies, this site could be developed to serve several housing needs.

SUMMARY

Portland State University has become an established element of downtown Portland. Its contributions to the community are many and its potential is assured. Because of its rapid development, decisions concerning the University have an impact on the entire community. Campus expansion and the subsequent housing and parking problems have been critical.

As late as 1962 the Portland State corner of downtown Portland was largely residential with many turn-of-the century homes and apartments. There were few academic buildings and housing was not a critical issue.

With the realization of student demand for more education, the desire for more sophisticated academic facilities, and the general acceptance of a city center university came the expansion that removed housing and added students and cars.

For good or bad the character of the area has changed. Housing when it is developed, will not be the same; however, it need not be without character and a built-in sense of individuality, of humanism.

This report is meant to stimulate thinking that can lead to quality student and, possible, faculty housing. Several organizations are pursuing the development of housing through federal programs. Private enterprise has begun to move slowly in the direction of housing, but generally this has been limited, with the exception of the Viking, to expensive smaller developments that are pointed at a broader market.

Close-in student housing is needed for several reasons. One, it would support and extend educational goals and general campus life. Two, it would tend to reduce the commuter traffic problem. Three, it would provide an option to commuting to alternative housing areas such as the northwest or southeast. Four, it would meet an obvious need in providing replacement housing for the present, rapidly diminishing supply.

There is a need for student housing for Portland State University and action should be taken now while sites are still available.
As we will discuss in the section on "need for housing," students compete with the elderly and fixed income families with low-income housing in the Portland metropolitan area. A significant number of students are housed or seek housing in the facilities operating by the housing authority of Portland. And, support of housing at PSU is described in a letter from the chairman of the Board of Commissioners to Mr. Layman, President of the Board of Higher Education. For the record, this letter is quoted below:

"27 March 1973

Mr. George H. Layman, President
Board of Higher Education
Post Office Box 3175
Eugene, Oregon 97403

Dear Mr. Layman:

Qualifications for admission to public housing is becoming as difficult for students in some cases, as admission to an institution of higher learning.

As of March 1, 1973, the Housing Authority of Portland was facing a waiting list of over 6,000 applicants, many of them students. In January 1972, the consultant firm of Lund, McCutcheon and Jacobson reported to the Housing Authority of Portland on an analysis of the current and future requirements for the publically assisted housing programs in the City of Portland and Multnomah County. The report stated, in part, as follows:

'To fulfill the critical low-income shelter needs for qualified families; the Housing Authority of Portland should plan to meet an additional demand for 5800 to 5900 between 1971 and 1975.'

With all new federal commitments for subsidized housing programs halted, including interest subsidy programs for homeownership, for rental and cooperative housing, rent supplements, low-rent public housing and college housing, it is important that we begin to direct our efforts to innovative financial approaches for the creation of low income housing on a State and local level.

Fortunately, the Oregon State Legislature is presently considering HB 2398 which proposes to finance the construction and sale of moderate income housing and the rehabilitation of low-income housing. We have supported this measure; but contend that it does not go far enough in reaching the low income person who cannot find decent, safe and sanitary housing in the private sector.
We are advised that the State Board of Higher Education may have an opportunity to provide housing for low income students. If this housing was created, we believe it would be a major step in the direction of easing the critical housing shortage evident in this area. This housing would allow many of the students presently on the waiting list of the Housing Authority of Portland an opportunity to find additional housing and free up spots on the waiting list to elderly and non-elderly families who are not students.

The concern for housing of the low income citizens is with each of our agencies; and we would certainly encourage the State Board of Higher Education to develop innovative approaches to the creation of housing in light of the realization that federal programs and funding are no longer available.

We support you in your deliberations and hope we can work together towards this common goal.

Sincerely,

Fred M. Rosenbaum, Chairman
HAP BOARD OF COMMISSIONERS

Approximately two years ago the Portland City Council created an Ad Hoc unit in the City Planning Commission staff, employed consultants and appointed a Mayor's Citizens Advisory Committee to develop a downtown plan for the City of Portland. When adopted by the City Council, the downtown plan will constitute city policy indicating the course of action the city intends to follow in making public improvements and encouraging private development. After fifteen months of study, a report was issued by the Study Committee and has, since early 1972, been under consideration by the City Council, using the vehicle of a series of public hearings. The goals and guidelines recommended in the original report have been amended by the Council and it is now nearing final adoption.

There are a number of goals established for different areas of the central business district, including Portland State University. Two paragraphs from that section of the report are quoted below:

"B. Minimize congestion in the PSU area caused by student autos; develop alternatives to private vehicle parking in the area.

1. Portland State University should be encouraged to reduce the required parking ratio of one space for every three students. We believe the 3:1 ratio will serve to create rather than reduce congestion and will hinder the development of alternative modes of access. The Portland Development Commission should be informed that we feel that it is desirable for the University to maintain only the minimum amount of parking necessary to complement alternative modes of transportation."

"D. Minimize the impact of students on the already burdened low-cost housing market.

1. Encourage private developers to build additional conventional housing suitable for students, rather than dormitory-type housing (PSU is not permitted to build student housing). Such housing should be integrated into the larger community to promote maximum cultural mixing."

It is our understanding that the specific language regarding private development of housing was adopted on the assumption that Portland State University is not permitted to build housing. Our conversations lead us to believe that the language would have been different under our current interpretation of ORS 352.195. The plan is subject to annual review and it is our intention to seek clarification of this section at the next opportunity.

There has not been sufficient time since the March 27, 1973, Board meeting to schedule appearances before many organizations and public bodies to ascertain their position on the policy issue. We have, however, had conversations with staff members and officers of several organizations. The administrative assistants of each of the City Commissioners have been contacted and they have unanimously suggested that their Commissioners will have an affirmative attitude on the proposal. University officers are scheduled to appear at an informal legislative briefing of the Portland City Council later this week. It is anticipated that some expression of Council support will be forthcoming and there is a possibility that the Mayor will appear at the April 18, 1973, Board meeting to make such a statement. Officers are also to appear later this week before the downtown Citizens Advisory Committee and also anticipate affirmative endorsement. Similarly, officers of the Portland Chamber of Commerce have expressed positive attitudes on behalf of the Chamber, although their committee organizations are not able to respond in the time available. Again, an officer of the Chamber may appear before the Board on April 18 to express their viewpoint.

In summary, we have formal or informal expressions of interest on the part of most local public agencies which have a concern for this problem. We assume that the City Club report and the responses from Chamber of Commerce officials represent the attitude of the business community.

Is there a need for additional student housing for PSU students?

In national terms, the University of Washington, Arizona State University, UCLA, San Francisco State University, University of Wisconsin-Milwaukee, Temple University; University of Houston, and University of Illinois-Congress Circle are all examples of urban institutions which have significant amounts of housing. Although some of these institutions
(notably the first three) are comprehensive state universities, they also service to a large extent the metropolitan areas in which they are located. The percentage of enrollment housed varies among the institutions cited from 5% at San Francisco State to 30% at the Chicago campus of the University of Illinois. Most institutions house from 10% to 20% of their reported enrollment. These data are from the U. S. College Blue Book of 1972.

Were there not a recognized need (albeit potential and unmeasured), Board officers, Board members and University officers would not have made statements for the record since 1955 for the purpose of keeping housing options open. While the University has never assumed responsibility for housing of its students, for over a decade it has maintained a housing office to assist students in locating suitable living accommodations.

A number of statistical studies of the student body have been undertaken over the years. President Millar reported in the early 1960's that approximately 40% of the student body did not live at home or with relatives. In 1969, President Wolfe reported that 45% of the student body did not live at home or with relatives and that the percentage appeared to be increasing. In a study completed early this year, the PSU Office of Planning and Institutional Research found that 34% of our students live with their parents, 3% live with relatives and 54% have independent accommodations. No response to this question was received from 9% of the students.

In the spring of 1969, Portland Student Services, Inc., (PSS, Inc.) surveyed 1,000 PSU students and found that 50% of full-time students provided their own housing. Of the 4,300 independently-housed students, 82% were either 21 years old and over or married. Almost 50% of the independently-housed students were dissatisfied with their current accommodations due to high rents, long distances from the campus, or poor housing conditions. At the same time, PSS found that Portland had the highest percentage of senior citizens of any of the 50 largest cities in the nation according to the 1960 census. In this tight low-cost housing market, students and senior citizens are being forced to compete for available housing.

Perhaps the most dramatic demonstration of need in 1969 is contained in the first annual report of PSS:

"On October 1 and 2, over 200 students lined up to rent the 116 apartments then available. All units were rented within one hour. The line outside the rental office for the November 20 opening of 55 units of the Blackstone Apartments began forming early the afternoon of the 19th. All units were rented within one hour, mostly to the 50 students who waited in line all night."
As the remainder of the PSS apartments were opened, they were rented and occupancy has never been less than 95.5%.

Without reciting all the statistical information, it's important to note that the Federal Department of Housing and Urban Development made a 40-year loan of 3 million dollars to a corporation which had no assets, entirely on the basis of the demonstration of need for student housing.

An analysis of housing units within the six census tracts containing and surrounding the University indicates housing unit supply decreased between 1960 and 1970 by 31% of 3,835 of the 11,420 units. The decline in the tract containing the University campus exceeded 47% or nearly 1500 units.

In the six-tract area, generally the area bounded by the river, Burnside Street on the North, Vista Avenue on the West and the Stadium freeway to the Ross Island Bridge on the South, the loss of housing units renting for less than $60 per month was 64% of the supply, or 3,865 units. For the $60 - $100 per month range, a loss of 539 units (18%) was experienced. The improvement came in the supply of units renting at over $100 per month for which almost a three-fold increase occurred.

These data were supplied by the Population Research and Census Bureau at the University.

In addition to the census data, two comprehensive studies of low-income housing requirements have been undertaken recently. The PSU Urban Studies Center prepared a 120-page report for Urban America, Inc., in which it observed that:

"The housing need of low-income households have increased since 1960 and are approximately 4 times as great as those of moderate-income households."

In its analysis of publicly assisted low-income family housing requirements, Portland, Oregon, 1971-75, Lund, McCutcheon and Jacobson, Inc., management and marketing consultants, made these observations:

- The housing authority of Portland presently operates approximately 3700 low-income housing units and has approximately 6200 families on the waiting list.

- Non-elderly residents comprise 47% of the present occupancy and over 50% of the approved applicants on the waiting list.

- The median age of the Portland area population has declined from 32.5 years in 1960 to 29.1 years in 1970. More young people are in the housing market.

- Of the non-elderly residents, 62.5% are non-working homemakers or students, 48.5% of the non-elderly applicants on the waiting list, 50% are non-working homemakers or students.
The proportion of dwelling units in this metropolitan area renting for under $80 declined by 40% between 1960 and 1970.

In a survey completed winter term 1973, Portland Student Services ascertained these facts:

- Half the student population is currently self-housed, away from parents or guardians.
- Of these students, 83% are over the age of 21 years.
- Of students not living with their parents, approximately 40% are married and 60% are single.
- Of those students neither living with their parents nor in PSS housing, 26% consider their dwelling units inadequate either in terms of condition or location.
- Of those students living at home, 34% desire to live in the immediate PSU campus area.
- PSS estimates a 2900 student demand for on-campus or near-campus housing.

PSU admissions officers and those visiting high schools report that the absence of identifiable housing accommodations is an increasing deterrent to students wishing to attend Portland State University. The institution now offers a number of programs which are unique in the State System. Among these are degrees in Social Work, Urban Studies, and Systems Science. In addition, certificate programs are offered in Middle East Studies, Central European Studies and Urban Studies. The Center for Population Research and Census offers opportunities for students interested in demography. The new Pacific Rim Studies Center will undoubtedly be of interest to students throughout the state. Our program in English as a Second Language is also unique. Programs which are not unique but for which greater field opportunities available in the metropolitan area are important include several specialized areas of education, science programs related to air quality, clinical programs in speech and hearing and others.

In an era of decreasing financial aid, the opportunity for part-time employment will become increasingly important.

The metropolitan area of Portland has historically offered substantially more part-time work opportunities than other areas of the state. The availability of part-time jobs may become a critical factor in extending educational opportunities. Students who choose to come to Portland for this purpose will need housing.
Pressures on the downtown city to achieve environmental improvements, primarily through control of the automobile, have been passed on to the University. The parking and circulation elements of the Downtown Plan and the City of Portland Transportation Control Strategy call for the development of additional student housing for Portland State as a means of lessening the transportation burdens on the downtown.

Present plans under study by the City Council will substantially reduce on-street parking supplies near the University, and will request the University to review its present on-site parking plans. Student housing would be one of the alternatives to the transportation crisis.

**Summary and Recommendations**

The Board of Higher Education has legal authority to approve institutionally-owned housing at Portland State University. Since its creation in 1955, the institution has grown dramatically and significantly with respect to its academic programs and its physical environment. The University's impact on the metropolitan area of Portland has been increasingly important economically, socially, politically, and physically, as well as educationally. There is both demonstrative need for and community support for additional student housing at the University.

Preliminary studies indicate that a housing project of approximately 200 units at a cost ranging from 3.5 to 3.75 million dollars is feasible and will provide housing at a cost which students can afford.

It is our conclusion that no change in present Board policy is required in order to authorize a student housing project for the University. It is recommended that the Board amend its 1973-1975 capital outlay program for auxiliary enterprises to include a housing project for PSU in an amount which you deem appropriate. It is understood that if such a project is authorized by the legislative assembly, the University will undertake, in cooperation with local officials and the Board's staff, a thorough study of University housing requirements giving specific attention to site, size, characteristics, and other features of the proposed facility.

Yours very truly,

W. T. Lemman, Jr.
Vice President for Business and Finance (for the President)

WTL/ed

cc: Mr. Neland
President Wolfe