

STATE OF OREGON ACTING BY AND THROUGH THE  
STATE BOARD OF HIGHER EDUCATION ON BEHALF OF THE

# **UNIVERSITY OF OREGON**

February 22, 2008

**REQUEST FOR PROPOSALS**  
**FOR THE PURCHASE OF THE**  
**WILLAMETTE BLOCK BUILDING**

4 story office building located  
on .22 acres at 722 SW Second Avenue  
Portland, Oregon

## **1. INTRODUCTION**

### **1.1 Request for Proposal (RFP) Identification**

RFP Name: **Willamette Block**  
Issue Date: **February 22, 2008**  
Submission Date: **March 26, 2008 at 4:30 p.m. PT** (the closing date may be extended as described below.)

### **1.2 Overview of RFP**

The State of Oregon acting by and through the State Board of Higher Education on behalf of the University of Oregon (the "University") desires to sell the land and improvements known as the Willamette Block building (the "Property"). The Property is a 4 story office building on .22 acres located at 722 SW Second Avenue in Portland, Oregon. The building has been designated as a historical landmark by the Portland Historical Landmark Commission. The University is soliciting proposals to purchase the Property in accordance with the provisions of this RFP. The University desires to sell the Property to the proposer that best satisfies the goal of the University, as described in Section 3 below. The University will not consider proposals to purchase less than all of the Property.

### **1.3 Designated Contact**

All Proposals, questions, inquiries, or contact of any kind shall be through the Designated Contact, who is:

Randy Geller  
Deputy General Counsel  
219 Johnson Hall  
1226 University of Oregon  
Eugene, Oregon 97403-1226  
Voice: 541-346-3082  
Facsimile: 541-346-6110  
Email: rgeller@uoregon.edu

### **1.4 Project Web Site.**

The University has established a link to the Project Website at

<http://vpfa.uoregon.edu>

Notices of any amendments to the deadlines and requirements of this RFP will be viewable at the Project Website which will be accessible via a link from this web site.

## 2. PROPERTY DESCRIPTION

**Size:** The total site size is .22 acres based on Multnomah County records. The Assessor's Parcel Number is R245941.

**Zoning:** CXd (Central Commercial)

**Shape:** Rectangular

**Topography:** Generally level

### Adjacent Properties

**North:** Seven-story vacant office building

**South:** Yamhill Street, separating Property from mixed use buildings

**East:** Three-story office building

**West:** Second Ave., separating Property from a two-story office building

**Street Improvements:** SW Second Avenue is a three-lane, one-way, asphalt paved street with curbs, gutters, sidewalks, and streetlights. The site also has frontage on SW Yamhill Street, which is improved with the MAX light rail line improvements and excludes vehicular traffic.

**Utilities:** All utilities are available to the Property.

**Flood Plain:** The Property is in Flood Zone X. Zone X is outside the 100-year floodplain. This is referenced by Federal Emergency Management Agency Flood Map, Community Number #0183, Panel #4101830093E, dated October 19, 2004.

**Leases** There are three tenants in the building. All leases can be terminated by notice of no more than six months.

**Additional Information** Additional information about the Property may be available on the Project Website.

## 3. UNIVERSITY GOALS

The primary goal of the University is to sell the Property for the highest possible sales price.

## 4. PRE-SUBMISSION INFORMATION

### 4.1 Submission Date

**All proposals in response to this RFP are due by March 26, 2008, by 4:30 p.m. PT at the Office of the General Counsel, 219 Johnson Hall, 1226 University of Oregon, Eugene, Oregon 97403-1226. Responses must be hand delivered or mailed.** E-mails and faxes will not be accepted. In its good faith discretion, the University may (but is not required to) accept proposals submitted after the above deadline, provided that it has not yet opened any proposals that were timely submitted.

The University retains the right to extend the deadline, and potential proposers should regularly check the Project Website to determine whether the deadline has been changed.

#### **4.2 Information Concerning the Property.**

The University may make available certain documents providing information about the Property. These documents, if any, will be available at the Project Website.

*The University makes no representations or warranties with regard to the accuracy of this RFP or of any other documents, and shall not be liable to any party for any errors or omissions therein.*

#### **4.3 Due Diligence.**

**Each proposer shall be expected to complete, prior to the submission of its proposal, certain due diligence related to the suitability of the Property for the proposer's intended use.** Specifically, each proposer shall complete any soils/geological tests, environmental reports, title examinations, and property inspections that it deems necessary or desirable.

If a potential proposer desires to conduct, at its own cost, any inspections of the Property, it must contact the Designated Contact to obtain permission for consultants or agents to access the Property to conduct the additional inspections.

**No proposal submitted may be conditioned upon the proposer's future approval of a due diligence report described above. Proposers may, however, condition their purchase on the satisfactory resolution of a specified problem identified by a due diligence report previously conducted.**

#### **4.4 Access to the Property**

Site visits or on-site testing may be arranged through the Designated Contact (See Section 1.3). Since the Property is presently used by the University, unescorted or unapproved visits to the Property are NOT permitted.

#### **4.5 Questions and Clarifications**

Potential proposers are encouraged to ask questions and seek clarifications of the RFP process. All questions should be directed to the Designated Contact (Sec. 1.3). No proposer may rely on any oral answer or clarification, unless confirmed in writing.

It is the intent of the University to post on the Project Website the answers to questions that the University believes i) would be of value to the other proposers, or ii) might unfairly prejudice other proposers if not equally provided. However, no proposer or potential proposer shall have any cause of action against the University for its failure to provide answers on the Project Website, whether due to negligence, mistake or otherwise. Also, notwithstanding the above, the University may elect not to post a question or its answer if the University determines, in its sole discretion, that the question or answer may reveal a proposer's confidential business strategy or confidential business information.

#### **4.6 Request for Change to the RFP**

Prospective proposers to this RFP may submit a request for a change or amendment to this RFP. The request for change shall:

- Be in writing;
- Be submitted to the University no later than March 7, 2008;
- Include the reason(s) for the request;
- Include proposed changes to the RFP provisions, specifications, or terms and conditions; and
- Be mailed or delivered to the Designated Contact (See Sec. 1.3)

In the event that a change is adopted pursuant to this Section, the University will issue an appropriate addendum to the RFP by notice on the Project Website.

#### **4.7 Right to Amend or Cancel RFP**

The University reserves the right to modify the terms of this RFP, or extend the Submission Date, at any time prior to the Submission Date. Notice of such amendments and/or extensions shall be made by notice on the Project Website. In addition, a potential proposer may send written notice to the Designated Contact of its interest in the Property, and request that e-mail notice of any amendments to the RFP be sent to the potential proposer. The University intends to send written, e-mail notice of amendments to any party that so requests, but in no event shall the University be liable in the event it fails to send such notice.

In addition to the above, the University reserves the right to cancel this RFP at any time.

#### **4.8 Deposit Requirement and Proposal Fee**

Pursuant to ORS 270.135, each proposal shall be accompanied by a certified check or bond issued by a surety company authorized to do business in the State of Oregon in sum not less than ten (10%) percent of the total amount of the value of the Proposal. The check or bond will be returned to proposers who are not selected.

#### **4.9 Application of Public Records Act.**

This RFP is a public process. The information that is received by the University may be subject to disclosure under the Oregon Public Records Act (ORS 192.410 through 192.505). It is anticipated that submissions made in response to this RFP will contain little or no material that is exempt from disclosure under Public Records Act. However, if a proposer wishes to keep some of its proposal confidential, and believes such information is exempt from the Public Records Act, it will need to take the following steps with respect to information it believes is exempt from disclosure:

i) Provide a list and generalized explanation of all items submitted with the RFP that the proposer believes are trade secrets or otherwise exempt from disclosure under the Oregon Public Records Act, and

ii) clearly mark the upper right corner of each page of any such document or material with substantially the following legend:

*“This document is exempt from disclosure under ORS 192 [citing the statutory section and subsection that provides the applicable exemption].”*

The University’s disclosure of documents or any portion of a document submitted and marked as exempt from disclosure under the Oregon Public Records Act may depend upon official or judicial determinations made pursuant to the Oregon Public Records Act. If the University receives from a third party any request under the Oregon Public Records Act for the disclosure of information identified by a proposer as confidential, the University will notify the proposer within a reasonable period of time of the request. Under such circumstances the proposer shall be responsible for assisting the University in determining the confidentiality of the requested information. If any third party appeals a decision to withhold information submitted by a proposer, the proposer shall be responsible for all costs the University may incur in defending against the appeal, and the University shall have no obligation to defend against such an appeal unless it receives adequate financial assurances or indemnities.

## **5. PROPOSAL CONTENTS**

The proposer shall submit, by the Submission Deadline, 5 copies of its Proposal. Each proposal shall contain the following:

### **5.1 Cover Letter**

At a minimum, the cover letter shall include the following:

- a. Letter of introduction signed by an authorized principal of the proposing entity;
- b. Name, address, email address, and phone number of the proposer (including contact information for each affiliated member if the acquisition team includes more than one entity);
- c. A brief summary of the proposal, and why the proposer believes its Proposal will best meet the goals of the University, [as described in Section 3 above].
- d. A statement that, except for the conditions stated in response to Section 5.4 below, the proposal is binding on the proposer; and
- e. A detailed statement explaining the Proposer's proposed use for the Property.

### **5.2 Property to be Purchased.**

The proposal must provide for the purchase of the entire Property and may not offer to purchase less than all of the Property. Potential proposers wishing to purchase less than all of the Property should submit a joint proposal with another proposer that is willing to purchase the remainder of the Property.

### **5.3 Purchase Price**

The University expects the purchase price to equal or exceed \$6.0 million.

The proposal shall clearly set forth the amount offered for the purchase of the Property. Any amount less than the amount set forth in the previous paragraph must be supported by an appraisal by a qualified appraiser acceptable to the University.

The purchase shall be an all-cash transaction. Proposers are responsible for obtaining all necessary financing.

### **5.4 Conditions**

As described above, each proposal shall be considered binding. The proposal shall expressly note if there are any material conditions on the proposer's ability to execute a Purchase and Sale Agreement consistent with its proposal. The proposer shall disclose in detail any such material condition(s). By way of illustration only, the following are considered material conditions:

- obtaining financing commitments
- obtaining corporate or other approvals
- land use designations
- obtaining requisite insurance

Unless expressly stated as a condition in the proposal, each of the above shall not be acceptable conditions to closing a sale for the Property.

If a condition to closing is stated, the proposer shall address with specificity how the proposer intends to satisfy the condition, and estimate how long it will take to satisfy the condition.

All other things being equal, proposals without material conditions will have a significant advantage in the selection process.

### **5.5 Non-Refundable Proposal Fee.**

The proposer shall include with its Proposal a certified check in the amount of \$100.00, as a non-refundable proposal fee, subject to the provisions of Section 4.8 above.

### **5.6 Security Deposit**

As required by ORS 270.135 (2), a deposit shall accompany all proposals submitted in response to this RFP. The deposit shall be:

- a. In the form of a certified check, or sufficient bond furnished by a surety company authorized to do business in the State of Oregon;
- b. In the favor of the “State of Oregon acting by and through the State Board of Higher Education on behalf of the University of Oregon.”
- c. In a sum not less than ten percent (10%) of the total of the purchase price in the proposal.

## **6. EVALUATION OF PROPOSALS**

### **6.1 Review**

The University is in the process of designating individuals to review and evaluate the proposals. These individuals will be charged with evaluating proposals, as described below, and communicating those evaluations to the President of the University. The final decision regarding the selection of a proposer shall remain at all times with the President of the University. Final sale of the Property is subject to the approval of the State Board of Higher Education or its designee.

## **6.2 Criteria for Evaluation**

Each proposal will be evaluated in light of the goal described in Section 3 above, as well as all other factors set forth in this RFP, including but not limited to financial capability. Evaluations will be communicated to the President. Each evaluation will be in writing. An evaluation may conclude that a specific proposal does not meet the goals of the University or is otherwise not qualified under this RFP.

The University President will review the evaluations and select the proposal that, in the President's sole discretion, is in the best interests of the University. His final selection shall be in writing and state the basis for his conclusion that the selected proposal is in the best interests of the University. The President reserves the right to reject all proposals.

## **6.3 Interviews**

Personal interviews of proposers may be required.

## **6.4 Negotiations and Rejection of Proposals**

After selection, the University shall begin to negotiate a Purchase and Sale Agreement with the selected proposer. If an agreement cannot be reached, the University may attempt to negotiate a Purchase and Sale Agreement with the next best proposer as determined by the President. If it appears to the President, acting in his sole discretion, that no agreement will be reached, or if all proposals are rejected, the University may cancel the process, and proceed to dispose of the property in any commercially reasonable manner.

## **6.5 Final Approval**

Any Purchase and Sale Agreement that is negotiated is subject to the approval of the Oregon Department of Justice and the State Board of Higher Education or designee, which may be granted or withheld in their sole discretion, and neither they nor the University shall have any liability therefor.

## **6.6 Decisions Final and Not Subject to Review**

Pursuant to ORS 270.135, the University's decision regarding the most advantageous proposal is final and conclusive and not subject to review by any court.

***End RFP***