AGENDA ITEM SUMMARY

1. NAME OF ITEM: Proposed Relocation of University College-Saco Center, UMA

2. INITIATED BY: James H. Page, Chancellor

3. BOARD INFORMATION: BOARD ACTION: X

4. BACKGROUND:

The University of Maine at Augusta/University College is seeking approval of the Board of Trustees to lease 4,023 square feet of space in the Saco Valley Shopping Center in order to relocate the University College-Saco Center from its present location on Saco Island when the current lease expires at the end of August 2014.

Started in 1973, the University College-Saco Center has been successfully serving the needs of students in the Saco-Biddeford region by offering live, interactive television, videoconference and web-based courses and providing academic and student support services for more than four decades. The Saco-Biddeford region of York County has been identified by the State Planning Office as one of the growth areas for the State of Maine. In FY’13 the Center reported total headcount of 499 students who attended classes during the fall, spring or summer semesters. The Center offers academic programs and courses from the seven Universities.

In May 2013 the University System Board of Trustees authorized the University of Maine at Augusta/University College to issue an RFP for space to house the University College-Saco Center. University College has been systematically reviewing its space requirements for each of the Centers; as leases expire UC will be reducing the size of Centers where possible. Currently the University is leasing 8,718 on Saco Island at an annual rent of $73,476, plus utilities. The lease for this space expires on August 31, 2014. UMA/UC is seeking Trustee approval to enter into a new five-year lease, with a renewal term for an additional five years, for 4,023 sq. feet of space in the Saco Valley Shopping Center. The proposed location is 4,695 feet smaller (a reduction of approximately 54%) than the present location. The initial rental cost per square foot for the new location is $8.75. The rent will increase to $9.25 in year 3 and increase to $9.75 in year 5. In addition to the rent, the University will pay common charges of $3.42 per square foot to cover property taxes, insurance, maintenance, snow removal, and parking. The total annual cost will be $48,960 (rent plus common charges), an annual reduction in rent of $24,516. The new location will require renovation to meet the University’s classroom, collaborative learning, and office needs. The property
owner will contribute $50,000 towards the cost of renovations; the University will spend $150,000 from its reserves to cover renovation costs and an additional $50,000 to cover other costs associated with the relocation such as telecommunication system installation, moving and other costs associated with the relocation of the Center.

With the move the Center will be located in a more desirable location in a busy shopping center with ample, well lit parking. The location is adjacent to public transportation and will be easily accessible from Route 1. The size of the Center will be reduced by more than 50%, operating costs will be reduced, and the needs of the students attending the Saco Center will be better met.

The Finance, Facilities and Technology Committee approved this recommendation to be forwarded to the Consent Agenda at the March 23-24, 2014 for the Board of Trustees approval.

5. **TEXT OF PROPOSED RESOLUTION:**

That the Board of Trustees approve the recommendation of the Finance, Facilities and Technology Committee for the University of Maine at Augusta to lease 4,023 square feet of space in the Saco Valley Shopping Center in order to relocate the University College-Saco Center from its present location on Saco Island.