

Contracts Executed Under Delegated Authority

BACKGROUND

Board of Regents Resolution #221118-66g delegated authority to the President or designee to approve and execute time-critical contracts requiring action between scheduled Board meetings; provided that:

- The cost to WSU of any contract approved under the delegation is estimated to be less than \$15,000,000; and
- The President or designee consults with the Chair of the Board, or Vice Chair if the Chair is unavailable, prior to the execution of the contract.

Resolution #221118-66g further provides that the President or designee will provide a written summary of action taken pursuant to this delegation to the Board on or before the next regular Board meeting.

UPDATE AND DESCRIPTION

WSU executed the following contract that falls within the above reporting requirement:

Lessee: Vineyard Apartments, LLC

Amount: \$38,467,770 (revenue to WSU)

Effective Date: October 10, 2024 (Amendment #4), original ground lease signed October 20, 2017

Purpose: Student housing apartment complex

On October 20, 2017, WSU entered into a 65-year ground lease with Vineyard Apartments, LLC for the purpose of constructing and operating student housing on the Tri-Cities Campus. Subsequent to completion and occupation of the housing complex, Vineyard requested a 30-year extension to the lease. In consideration for agreement to the new term, WSU requested and received rent escalation increase from 3% to 4% per year; fair market look-in every 10 years rather than every 20 years; and upgraded maintenance requirements. The contract is effective through September 2112, and increases WSU's revenue from the project from \$7,872,534 over term to \$38,467,770 over term.