



Due Diligence Review: Middle College Skill Center

The Dalles – Main Campus

*Modifying and replacing Due Diligence Review titled
“Hood River Center Phase II – Indian Creek Campus Building II”
as per SB 5507 2013-15 Community College Project
and revising Due Diligence Review
“Middle College Skill Center – The Dalles Main Campus”
as submitted March 30, 2016*

June 6, 2018

Columbia Gorge Community College (CGCC) is submitting this capital construction priority request for \$7.32 million in Article XI-G funding, to be matched by \$7.32 million from non-state sources, for a total project value of \$14.64 million, to fund construction of a Middle College Skill Center (“Skill Center”) Prototype Facility on the Main Campus in The Dalles, Oregon. This project implements critical components of the college’s facilities master plan focused on high school dual enrollment and job training. Funding is crucial to meet the needs of college patrons in the Columbia Gorge Community College service district and to support new skill training that aligns with the changing workforce needs of the business community in the Columbia Gorge region. According to the college’s 2012 Facilities Master Plan, 68 percent of the college’s facilities are older inventory, constrained by their configuration or previous use. These spaces cannot support essential skills training pertinent to the region’s economy.

Originally, this project was planned for the college’s Hood River – Indian Creek Campus. In cooperation with Hood River County School District, North Wasco County School District, and state legislators it was decided to be in the best interests of the community to move and rename the project to reflect a clear K-14 partnership. As was the original purpose described in the due diligence for Phase II Hood River, the focus of the skill center is still workforce training, instruction, industry and community needs. In addition, on-campus housing is proposed as an essential support for education and workforce training to occur in the Skill Center. Together with associated parking and access, this will ensure full integration of the facility into the main campus. As per authorization from Legislative Fiscal Office and the Oregon Department of Justice received in June 2017, non-state investment in Campus Housing may serve as requisite match for Article XI-G funding.

I. Statement of the Need

A. What is the nature of the problem to which this project is the solution?

- 1. Instructional space:** Continuing growth of the K-14 student population and a shortage of family-wage skills in our region presents an urgent demand for such skills as diesel and auto mechanics, HVAC repair and installation, construction trades, welding, machining, fire sciences and culinary arts. Most or all of these acquire a STEM component amid rapidly-advancing technologies. Specific needs have been identified through field surveys conducted by CGCC at more than 30 regional industries beginning in the spring of 2017; these industry site visits are on-going to ensure continuing programmatic relevance. Currently, there is limited or no instructional space dedicated to these identified needs; for instance, the college has no suitable space for diesel mechanics or machining. With our business partners making it clear that we are not meeting their needs in the form of skill development, our current space cannot support essential family-wage jobs training.
- 2. Campus housing:** Currently, CGCC serves more than 10,000 square miles of rural area including five Oregon counties of the Columbia Gorge region. Our STEM Hub, Four Rivers Early Learning Hub, Title IB Workforce Region, and Regional Achievement Collaborative (RAC) coincide with these counties (Hood River, Wasco, Sherman, Gilliam and Wheeler). As documented in a Qualtrics survey undertaken by CGCC in December 2017, students are hard-pressed to find affordable housing near The Dalles Campus; the survey indicated approximately 10 percent of respondents are living in their personal vehicles, in shelters or on the street while attending class. The Governor’s Regional Solutions Group has identified “Attainable Housing” as one of the most pressing issues in the region and has invested \$2

million in an effort to address the challenge. The 2018 Comprehensive Economic Development Study of our region, an annual report conducted by Mid-Columbia Economic Development District, assigned the CGCC Skill Center/Campus Housing project as its top Wasco County priority. Campus housing must be not only available but affordable for students, most of whom qualify for financial aid.

3. **Collaboration and Shared Space:** This facility will accommodate shared space with K-12, business partners and community members, including a working fire bay in partnership with Mid-Columbia Fire & Rescue District and fitness center. We are fully cognizant of the requirement that no XI-G funds may be used for residence halls and we do not propose such use in this analysis; we further understand that the college as fiscal agent must have management control of the facility. We have addressed these concerns moving forward.
 4. **Access:** Physical access to college property is constrained. Currently, the college has only one entrance and exit. With the increased use of the campus, we will need to evaluate the challenge and respond accordingly. There will likely be some changes required of the college roadways.
 5. **Parking:** While parking is adequate on the main campus, the partnership will require a change in the number and types of vehicles on campus. Specifically, there will be a need for approximately 80 parking spaces associated with the housing component and 20 spaces with the Skill Center, as well as materials and supply access.
- A. ***Who in the Community College's Facilities Unit is primary point of contact. (Provide pertinent contact information, including e-mail, telephone number, fax number, and the address of all involved).***

James Austin, 400 East Scenic Drive, The Dalles, Oregon 97058, (541) 506-6070, (541) 506-6102 fax, jaustin@cgcc.edu

B. *Why is this project required by the Community College at this time?*

There is a critical shortage of skilled workers to serve our region's burgeoning economy, which represents a mix of cutting-edge technology companies (aerospace, robotics, advanced composites, information technology) and traditional industries (forestry, agriculture, light manufacturing, all requiring an increasing level of technological aptitude). CGCC is well aware of this shortage but does not have appropriate training space to respond: We need flexible, high-bay industrial space capable of adapting constantly through time as our industries' training needs continue to change. All of this must occur in concert with our K-12 partners, as students transfer seamlessly from high school to community college en route to industry-recognized certificates and degrees. The paradigm shift to a K-14 system requires innovation in terms of programs as well as facilities; flexible instructional space is a critical component, capable of supporting an ever-changing curriculum under the guidance of our new president, Dr. Marta Yera Cronin. Unless the Skill Center construction moves forward, we will be unable to meet the expectations of high school and post-secondary students, business partners and community. We would also expect the shortage of affordable housing to present an on-going challenge to student recruitment, retention and success.

This project will enable us to increase access to high school students. On October 20, 2014, the Oregon Education Investment Board began aggressively pushing for a **K14 model for student success**. This model was driven by Senate Bill 222, which formed an Accelerated Learning Committee (Representative John Huffman was a key member of this Committee). Both the Superintendent for District 21 and the President of Columbia Gorge Community College were asked at various times to engage in work sessions. A key finding of the SB222 workgroup is that students who earn college credits in high school are statistically more likely to finish high school, attend college and complete a degree than those who do not. It was this committee that established the requirement that every Oregon public high school offer at least three free college level courses that transfer to a postsecondary degree or certificate. On August 31, 2015, the Higher Education Coordinating Commission (HECC) began driving similar work as part of the Senate Bill 418 workgroup.

Following is a link to a sampling of accelerated learning history:

https://www.dropbox.com/sh/rd1b456ryxjrin/AAC9DaFmy5cKwfk-w8Qw_sF_a?dl=0

As part of this initiative, it is important to connect college with the workplace, enabling students to immediately apply skills in math, communications and problem-solving to real-world experience. There is thus a strategic relationship between the Skill Center and industry partnerships, opening a ready path from education to employment. In the process, we will better address the unmet education and training expectations of industry partners in the region, as documented through more than 30 site visits by college staff and board members to companies in major industry sectors beginning early in 2017. This is an immediate and urgent opportunity. Industry partners include Google, Insitu (a Boeing subsidiary and the largest employer in the region), Innovative Composite Engineering, and many other members of the Gorge Technology Alliance (www.crgta.org), an industry cluster organized by Mid-Columbia Economic Development District (www.mcedd.org).

The CGCC Skill Center is a logical and anticipated outcome of the college's phased strategy of aligning with the communities we serve. The current campus was designed to meet immediate needs of the community while deferring the development of additional facilities to accommodate growth over the following decade. Given the short time horizon for our initial capital construction work we proceeded with less than the preferred level skill learning space. This has become very apparent when Sherman County (which is not a formal part of any college service district) paid for development of a welding skill lab four years ago; the space has been at 100 percent utilization ever since.

Another burgeoning economic sector identified in the Master Plan is the food and beverage production industry, which is increasingly aligned with the locally-grown, packaged, and sourced economy of the Mid-Columbia region through such public-private initiatives as the Gorge Grown Food Network. These industries are spurring growth in the hospitality and tourism/healthful lifestyle aspects of the region. To better document this need, the college has been awarded a grant from US Economic Development Administration, with additional support from the Oregon Investment Board, to assess workforce needs in the food and beverage industry. This analysis will begin in July 2018 for completion over the following year – in time to inform design of the Skill Center, for instance should a teaching kitchen for culinary arts be indicated by workforce data. The need for other skills ranging from diesel mechanics and machining to construction trades is already well-documented through the college's industry site visits.

Separately, the Skill Center will include a working fire bay which will serve the training purposes of Mid-Columbia Fire & Rescue District, which has a fire sciences apprenticeship program. The district has been unable to retain students because those students cannot find affordable housing. This project will meet both purposes, offering a working fire bay, staffed by professional firefighters and trainers to support fire sciences instruction, while adjacent housing will meet the need of the district's apprenticeship program. Depending upon regional demand, the college may also consider creation of a paramedic program in concert with the fire sciences program, making use of existing facilities offered through the college's Health Occupations program.

All of these industries demand and support a strong STEM agenda, since technology is interwoven into nearly every industry now; for instance, programmable logic controllers (PLCs) are found in wind turbines, cherry processing plants, breweries, 3D printing, unmanned aerial vehicles (UAVs), robots and lumber mills, often in concert with complex, laser-guided machinery. Training in these and other relevant technologies will be integrated throughout the skill center. Columbia Gorge Community College is widely recognized as playing a central role in a seamless K-20 system for the Mid-Columbia region, attracting supply-chain industries and preparing an increasing number of students for the computer science and engineering fields.

Internships, pre-apprenticeship and apprenticeships programs will be fully integrated with Skill Center instructional programming, while the housing component will support students who live beyond commuting distance from the college as well as local students who cannot find affordable housing. The college is already a partner, with the Port of The Dalles, in a regional internship program called "GorgeWorks." This began in 2017 with support from the Oregon Talent Council, based upon a successful model in McMinnville, Ore. The college intends to expand its existing "Realizing Your Potential" essential skills ("soft skills" such as punctuality, appropriate attire, dependability) program into foundational aspects of pre-apprenticeship training, combined with basic math, communications, problem-solving and job placement skills. Finally, the college is working to establish formal apprenticeship opportunities in electrical, construction trades and HVAC installation and repair, all of which would be served by Skill Center programming. (On this point, it is relevant to observe that CGCC is regional contractor to the East Cascades Workforce Investment Board for Title IB Youth and Adult & Dislocated Worker career readiness and training services; both programs align well with goals of the Skill Center in terms of "skilling up" youth who have dropped out of high school as well as the older, incumbent workforce.)

Entrepreneurship and small business development in the region have consistently resulted in local start-up companies that have evolved into stable and expanding businesses, buffering the region from high rates of unemployment and economic recession. The college supports this growth through its Small Business Development Center, which is headquartered on The Dalles campus.

The Skill Center and Campus Housing will also have these important attributes:

- ***ACCELERATED LEARNING*** - By placing high school students physically on the college campus in a shared learning space, there will be more opportunity for dual-enrollment. It will eliminate traditional boundaries of time and schedule and

create an environment where students will learn to think at higher levels, employ strong literacy and analytical skills, and solve problems in unpredictable situations. High school juniors and seniors will learn the importance of a good work ethic from older students; likewise, older students will be energized and motivated by the enthusiasm and computer skills of their younger peers.

- ***STABILIZE FUNDING FOR THE COLLEGE*** - Thirty years of data analysis demonstrates that the college does well during economic downturns, but loses enrollment during periods of low unemployment. Yet robust employment figures can be misleading: These do not reflect those who have given up finding family-wage jobs, and those who are working multiple, low-income jobs that do not provide a living wage, nor essential benefits such as health insurance. The Skill Center and the family-wage skills it supports will provide new options for these individuals. And the housing component of this project will provide an affordable, on-campus option for students who cannot otherwise afford to attend community college. On-campus housing will also allow CGCC to market itself as a “destination institution,” thus growing enrollment even in a robust economy.
- ***GRADUATION RATE*** - Both the graduation rate for the high school and college will improve by creating a culture where 100 percent of students attend college and whose job placement is tracked through age 26. This requires not only rigor: it requires relationships. High school and community college staff can focus on this when they have students over multiple years. High school juniors and seniors (typically, with limited enrollment of freshmen and sophomores) will be physically placed on the college campus. Therefore, the idea of going to college is more than just an idea ... it becomes a physical reality in which one participates each day. The new focus here is on hope and success. By seeing and experiencing that they can continue through completion of a college certificate or degree, students will be motivated to graduate from high school. If they can graduate from high school with a college certificate or degree, this will be a significant economic value to the students and their families. By having more students in the pipeline to the college, college retention and completion will improve.
- ***COLLABORATION OPENS DOORS*** – Career and Technical Education programs make much more sense on a community college campus where regional programs focused on workforce need can be developed and sustained. This collaboration could also feed other opportunities such as college sports programs, workforce training and apprenticeship programs, and living space for students. This could be a significant win for the students because 62 percent of college expense is not tuition and books, but housing and food.
- ***RETURN ON INVESTMENT*** - While not possible to calculate the ROI at this time, the efficiencies gained from aligning two educational organizations is a game changer. For example, instead of having two ASPIRE programs, we could have one. This proposed model would directly support the Oregon Promise Initiative in terms of providing a focus on programs such as AVID. For years, the Oregon Career Pathways program has been working to build clear pathways between different levels of education leading to a career. By intentionally linking the college and school district, and focusing on true career and life learning, students will be motivated to participate. It also allows mentors, teachers, faculty, and advisors to more easily keep students on track by working together. This improved career pathway would also improve the focus on STEM training and Workforce

Innovation and Opportunity (WIOA) goals.

C. What is the program purpose to be served (varies by program -- academic justification for academic projects, auxiliary need for auxiliaries, etc.)

The college's Master Plan proposes to address an urgent recommendation from business and industry partners that we not only need to focus on access and success, but we need to also be the primary for courses and programs in the Science, Technology, Engineering and Math disciplines (STEM). Technology is embedded in everything around us. Automobiles, aircraft, manufacturing and production, communications, medical records and other health systems, wind turbines, robotic surgical devices, cameras and radar all represent the merger of electronics, programming, mechanical design, engineering principles, and project management. It is an A-to-Z work environment from conception to design, testing, production, monitoring and improvement. People working with embedded technologies design, monitor, operate and repair systems which manufacture logic chips, supply chain components, pilotless aircraft, agricultural products, fermentation science, and much more. Using the success of its program and delivery models in renewable energy technology and rural healthcare training, Columbia Gorge Community College is collaborating with regional design, engineering, technology and production experts, and employers, to develop cross-industry, multiple-career, skill training and curriculum. Most recently, the college received a National Science Foundation Grant to do just this type of work. As work has progressed in support of our recently approved master plan, the need for such skill sets became more apparent. Many of the companies we worked with are members of the Gorge Technology Alliance, which receives strong support from Insitu and Google. As we work to support the focus on specific skills, this work will support the K-20 seamless education model and 40-40-20 initiative by involving public K-12 educators, universities, private entities, and regional high-tech and production businesses. Completers will have an opportunity to learn relevant skills required by our local industry partners, and will also have opportunities for continued higher education and competitive career aspirations.

The Master Plan cites these related instructional opportunities:

Engineering/Manufacturing Design/Process Management:

- Process Industries and Management
- Aeronautics/Aviation/Aerospace
- Certified Composites Technician
- Project Management Certification
- Electronics Technician
- Welding Technicians
- Air Conditioning Repair
- Business Skills
- Basic use of tools

Computer Information Systems/Networks/Security/Technologies

Food and Beverage Industries

- Wine/beverage/food/culinary arts

Other recommendations demonstrate a strong commitment and vision for the college as a vibrant community partner:

- Continue to be an exceptional college that offers courses on-site and on-line
- Be a community gathering place, a hub for education and events
- Become a larger presence in the community
- Be responsive to the Latinx community and make this a priority
- Support four-year colleges and universities in providing bachelors and graduate degrees using the OSU “open campus” model.

D. Is this project related directly to another project preceding or following it, to which an approval is tied?

No. The Skill Center is a stand-alone project authorized by the Legislature. On February 25, 2016, language was placed in House Bill 5202A called the Bonding Limits Bill. The specific wording is as follows: “*Columbia Gorge Community College: approved a scope change to the Advanced Technology Center project approved in Senate Bill 5507 (2013) and reauthorized in House Bill 5005 (2015), to allow the college to construct a Middle College Prototype Facility. The facility will be used by the college and the North Wasco School District to focus on grades 11-14 and the transition between high school and post-secondary education.*”

Development of campus housing, non-state investment in which is recognized by Legislative Fiscal Office and the Oregon Department of Justice as an allowable source of match for Article XI-G funds, is an integral part of the same project. Design and construction of the skill center and campus housing will proceed in tandem.

E. Are there external factors driving the need or timing (donor relations, community agreements, funding deadlines imposed by federal agencies, etc.)?

Yes. Demonstration of match through non-state investment in campus housing is contingent upon approval of a local source of public equity (\$3.5 million) and debt investment (\$3.8 million) in the campus housing component of this project, either by the college or by one or more private investors. We anticipate to be able to provide assurance of this match by January 2019 in the form of a dedicated bank account.

II. Statement of the Proposed Solution

A. What is the final proposed solution to this need?

1. **Instructional space:** Construct a flexible space “skill center” with the ability to teach things such as advanced alloy welding (MIG and TIG), carpentry, diesel and auto mechanics, fire sciences, machining, and possibly culinary arts.
2. **Intern, student, and business transition living space:** Build a 72-unit residence hall that can accommodate short-term and long-term stays in support of skill learning and workforce training.
3. **Collaboration and Shared Space:** Align instructional and living space to cultivate a habit of lifelong learning through proximity to tutoring labs, conversation spaces, meeting spaces

- for community, the AVID program, credit recovery and community health (opportunities to engage in mental and physical health activities).
4. **Access:** Construct emergency, bicycle and pedestrian routes to promote safety and access.

B. *What goals were set for the project and what criteria were used to examine alternatives?*

1. **Instructional space:** Establish high-bay, flexible industrial training space to accommodate the region's unmet workforce demand. Expand instructional space. Estimate appropriate building size by using current buildings as a reference point and confirming estimate through the college's Facilities Master Plan, with guidance from the Master Plan.
2. **Campus housing:** Provide managed, affordable on-campus housing for students with rent structure predicated upon a cost-recovery model. Adequate property exists to build this space. A business analysis of student housing needs and financial case study were completed in February 2018 by the Portland firm of Leland Consulting; cost of this study was underwritten by the City of The Dalles upon authorization of the city council, which recognized completion of the skill center as complementary to the city's own economic development goals. Additional data on student housing came through a Qualtrics survey completed by the college of current and prospective students, and their parents. Copies of the study survey, housing analysis and business case are available upon request.
3. **Collaboration and Shared Space:** As the project is developed and constructed, it is important that space be aligned, integrated, and welcoming to encourage collaboration and sharing.
4. **Access:** Access must meet requirements established by the City of The Dalles.
5. **Parking:** This must conform to building capacity, environmental constraints, local topography, zoning, and requirements established by the City of The Dalles.

C. *What alternatives were then examined, to what level of detail, and what were the conclusions the campus reached concerning them?*

1. **Instructional space:** Additional space can be obtained either through construction or lease of other building space within the community. Appropriate lease space is very difficult to obtain in the Dalles; the college has leased space prior to establishing its current permanent campus but it was insufficiently flexible. We do not consider this a viable alternative at present. Construction of a second facility potentially consisting of separate spaces on the existing campus is identified as the preferred alternative.

Campus housing: The College once had a 50-unit residence hall that had to be demolished because of deterioration, modern code requirements and cost of extensive remodel. (As was the case with other campus buildings, this structure had been vacant for several years prior to CGCC moving to the campus in 1996 from downtown The Dalles. It had been largely abandoned with no attempt at preservation prior to the college's arrival.) Since then, we have tried a number of approaches that include support from hotels and individual residents, none which provided the integrated connection for an effective learning space.

2. **Collaboration and Shared Space:** Opinions vary widely on the subject of how best to ensure space that encourages collaboration. One recent discussion involved using a system called "Caretta" that integrates personal and shared spaces to support face to face collaboration. Caretta allows the discussion and engagement with each other in a learning environment. In other words, individuals can examine their ideas in their own personal space and shared space allowing participants to engage in group activity interchangeably

and seamlessly using both types of space. This type of learning is useful where collaborative tasks are desired. In a world of high complexity and fast rate of change, it is critical to teach critical thinking skills. Collaborative learning research has demonstrated that space alignment to encourage peer based work can benefit articulation of ideas in a participate manner resulting in the creation of ideas required for problem solving and critical thinking. In other words, the design of space must help students converge to a common understanding of a problem and solution.

3. **Access:** There is one ingress and egress point for the CGCC Campus and parking lots are limited to cars only. With the increase of bus traffic, and traffic in general it is critical to accommodate this change for safety and security. Additionally, we will need to upgrade our roadway and path system to include an emergency access point. We have evaluated access directly from the “Dry Hollow” road system, but the challenges in permitting and associated costs are prohibitive. We have also evaluated the existing network of residential streets to access property through the West End Park area, but residents have made it very clear that this will not happen; current residential streets are not designed for heavier traffic volumes, and current street widths are inadequate. A potential, cost-effective option for emergency access would be a gated route through an existing public park, where such access existed prior to 2008 and could be re-activated.
4. **Parking:** We anticipate need for approximately 20 private vehicle parking spaces for the Skill Center, with short-term parking for supply and equipment delivery. We propose 80 new parking spaces for Campus Housing. Three alternatives are possible. First, the facilities master plan proposes the elimination of building #4, and using the space for the required new parking. In the years since the facilities master plan was developed, building #4 has become the college’s arts studio. At this time, we would not demolish this building. Second, add new parking along the improved road sides and in front of the new facilities together with improved bicycle and pedestrian access. Third, at-grade parking immediately north and west of the Skill Center and Housing. Our preferred alternative is a combination of the second and third options.

D. At what stage of maturity is the solution, i.e., early concept, initial planning, schematic design, design development, construction drawings, and/or fund-raising and other implementation? The Skill Center is a mature concept. There are multiple such centers located in Oregon and around the country. We have had multiple meetings with Clackamas Community College and Clatsop Community College. Both colleges have focused on collaborative skill learning space and partnerships with K-12.

1. **Instructional space:** The Master Plan for the college was completed in June of 2016. A revision to the Facilities Master Plan is not necessary.
2. **Campus housing:** A preliminary design, business case, financial analysis and construction cost estimation have been completed for the campus housing component of this project.
3. **Access:** This will be determined through a conditional use permit process to occur beginning in July 2018 under direction of the City of The Dalles planning department.
4. *If this is a phased project, with some approvals already in existence, please provide such information.* A phased approach is not currently envisioned.

III. Legislative Considerations

- A. *Identify any possible conflicts with existing statutes (ORS), policies, regulations, etc., if known.*

This project is allowed as a conditional use of existing zoning. The site is within the urban exempt areas of the Columbia River Gorge National Scenic Area, and thus not subject to scenic area building restrictions. We propose to use existing building pads established in 2009. No other legislative considerations have been identified.

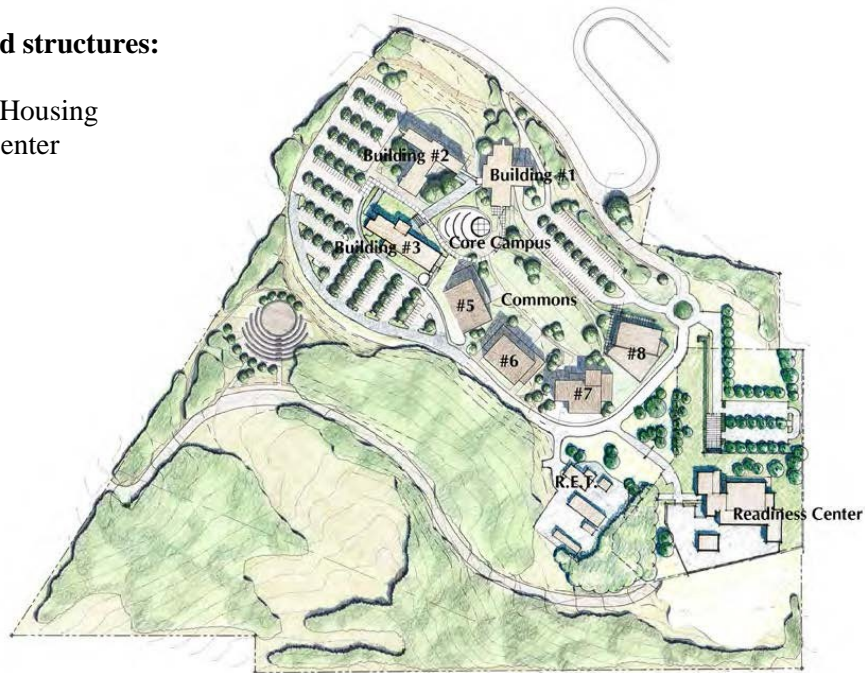
IV. Facility Information

- A. *Provide standard information on the physical characteristics of the project: location (with an accompanying map(s) showing the parcel in relation to any existing campus and/or city involved; building gross square feet and assignable square feet; height, design features.*

- We envision a set of facilities as described in the CGCC 2012 master plan. The spaces would align with the campus common core and commons area. Currently these are identified as site locations 5, 6 and 7. There will be 22,000 SF of programmed instructional space with a total footprint of 30,180 gross square feet; the housing component would have 22,262 SF of rentable space in a gross building area of 29,920 SF. This proposed footprint fits well within the approved master plan, and offers significant design flexibility as we develop the concept of an integrated living and skill learning center on the college campus. The college master plan has been previously approved by the city and county, and the height and design features will fit well within those approvals.

Map key of proposed structures:

- #5 and #6 – Campus Housing
- #7 – Skill Center



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DLR GROUP
Revised March 27, 2012

- B. Provide detailed information on the academic (or other program) features of the project, such as amount of assignable square footage for major uses (classrooms, offices, athletic fields, conference rooms, etc.).**

Academic program details are described under Item I-C above. Assignable usage will be confirmed through the Facilities Master Plan; estimates given in this report may be found in the CGCC Facilities Master Plan approved in July 2012.

- C. Provide estimated costs for the project, including planning and programming (if to be included in the requested funding); refer to materials prepared. Include cost per net usable square foot. Note: a detailed updated estimate is included at the end of this report and accounts for the modifications required to convert the advanced technology center concept from the Hood River Campus into a Middle College Skill Center concept for main campus.**

- 1. Instructional space:** \$7.32 million.
- 2. Intern, student, and business transition living space:** \$6.9 million
- 3. Collaboration and Shared Space:** Included in instructional space
- 4. Access and parking:** \$420,000
- 5. Soft costs:** A&E, permitting, soils analysis, construction management, legal, energy modeling, advertising, commissioning and other soft costs are included above

- D. Summarize any particular campus-related facilities issues that are affected by the project (i.e., replacement parking, movement of existing facility, notice of hazardous material remediation, etc.).**

The master plan developed over many years does not anticipate any issues that might impact the project. There is adequate flex space and temporary parking that could accommodate the construction of the skill center. There is adequate space to create interim replacement parking if necessary. No environmental work is anticipated as this was accomplished during the rebuild of the main campus in 2009.

- E. Identify any architect and/or project development firms the community college has been working with to analyze and develop the project.**

BLRB Group, Portland, Oregon; Leland Consulting, Portland, Oregon; and David E. Waldron and Associates, Bend, Oregon.

- F. Provide a complete estimate of the total project budget; identify any consultants who participated in developing the project budget.**

Total estimated project cost: \$14,640,000. Assistance from BLRB Group and David E. Waldron Associates (noted above).

V. Schedule

- A. What is the expected schedule for beginning and completing this project?**

Two years for site work, building and parking, A&E and construction, commencing upon bond sale in March or April 2019.

B. *What elements are on the critical path for this project?*

Program review, traffic access review, geo-technical review and update, planning review, permitting, A&E, proposal preparation and solicitation, proposal review and award.

VI. Academic and Planning Considerations

A. *Has the proposal been examined in light of the following and received necessary approvals from appropriate campus or municipal jurisdictions?*

- a. Community College master plan &/or campus planning committee;
 - Yes; master plan approved by City of The Dalles, OR
- b. Community College academic plan;
 - Yes; Academic Master Plan updated for 2016-19
- c. Community College enrollment projections;
 - Yes; projections support the MCSC concept.
- d. City and/or county master plan and zoning;
 - Modified master plan will be required. Use allowed under current zoning or as Conditional Use Permit
- e. City and/or county design requirements;
 - No; approvals required
- f. City and/or county environmental issues, including traffic/parking;
 - No; approvals required.
- g. City and/or county public information
 - Project is receiving local media coverage; public comments also received through student housing survey conducted in December 2017 through January 2018 and will inform development. Additional public comment will be obtained during conditional use process.

B. *For each, please identify significant issues that have been investigated and resolved (i.e., competing land use, high-cost campus or city requirements exacted in return for approvals, neighborhood/municipal public concerns. If legal documents have been filed, please provide information on each.*

See above

VII. Financial Considerations

A. *How will the Community College's financial contribution to this project be funded? If any form of financing is expected to be used to fund the contribution describe the specific nature, amount, source of repayment and term of the financing.*

Oregon Fiscal Office and Oregon Department of Justice advised the college in June 2017 that non-state investment in Campus Housing may be used as project match, provided it falls within the project scope. Documentation of relevant E-mail is included as appendix. The college has requested

a grant of \$3.5 million from the City of The Dalles and Wasco County, which are authorized by Oregon State Statute to allocate local revenues received from enterprise zone tax abatement. This equity contribution will fund a portion of the Campus Housing project. The balance, \$3.8 million, will be executed through debt instrument either by full faith and credit of the college or by one or more private investors. These figures are predicated upon a business case analysis of Campus Housing with a projected average annual vacancy rate of 26 percent and monthly rent target of \$675 per quad unit, which given rental scarcity and pricing (average comparable monthly rent in The Dalles is \$866 as of February 2018) are considered conservative. A more likely vacancy range is 5 to 10 percent. This analysis was completed by Leland Consulting Group in February 2019 through funding provided to the college by the City of The Dalles. Leland Group's market and financial analysis are available upon request.

B. Please state amount of Article XI-G Bonds requested and the source of the required match funds. When will matching funds be secured?

- \$7,320,000 requested through Article XI-G for the skill center
- \$7,320,000 pending through non-state equity and debt investment in the campus housing component of this project.

C. If an acquisition of a major property is desired, have you obtained:

- a. Tax assessor's statement;
 - Not applicable
- b. Two independent appraisals;
 - Not applicable
- c. Comparable sales information for similar facilities (if in rural areas, consider comparables from similarly-sized towns);
 - Not applicable
- d. If leasing of the space to others will be part of future stream of payment, identify estimated rents and tag to market;
 - Not applicable
- e. Other considerations that may be required after this level of review.
 - None identified at this time

List source(s) of repayment for all Community College debt proposed. If you have a complex plan for repayment, offer detailed information by fund source for the entire period of the bond. [NOTE: State must also obtain proper review and approval of all bond-related matters from the OUS Bond Counsel, in addition to in-house review.]

In cases where Community College is leasing land to a Developer or third-party, over a long-term period, additional financial requirements will be placed, including, for example, the following:

- a. Review of Dunn and Bradstreet or similar ratings of financial performance; and
- b. Review of past performance on related projects and any outstanding legal issues pertaining to them

VIII. Legal Considerations

Copies of all leases, easements, etc., will be required to be provided to the Department of

Community Colleges and Workforce Development for review prior to Ways and Means approval.

2016 LEGISLATIVE SESSION ACTIVITY: During the Legislative Session, it became clear that losing our \$7.3 million in XI-G funds was a reality. We therefore took steps to make sure it was not redistributed. We worked with Representative Mark Johnson (Hood River), Superintendent Dan Goldman (Hood River), Superintendent Candy Armstrong (Wasco County), and Representative John Huffman (Wasco County) to accommodate a potential partnership with District 21 to do something in support of accelerated learning. The repurpose language was put into House Bill 5202A called the Bonding Limits Bill. The specific wording is as follows: *“Columbia Gorge Community College: approved a scope change to the Advanced Technology Center project approved in Senate Bill 5507 (2013) and reauthorized in House Bill 5005 (2015), to allow the college to construct a Middle College Prototype Facility. The facility will be used by the college and the North Wasco School District to focus on grades 11-14 and the transition between high school and post-secondary education.”*

Middle College Skill Center: As noted in the legislation, we were approved a scope change to build a Middle College Prototype Facility. As we have been working with the community, the school districts, and the college community, it became clear that the key element of the advanced technology center to focus on the development of skills was still relevant and required to support our business and community expectations.

Campus housing match: Legislative Fiscal Office and Oregon Department of Justice review of Article XI-G voter intent in the summer of 2017 resulted in permission for CGCC to use non-state investment in campus housing as match for Article IX-G allocation for the skill center. This is documented in e-mail exchange with relevant state authorities and attached as appendix.

Appendices:

1. E-mail discussion from Oregon Fiscal Office per: Article XI-G match