Capital Budget Planning Recap

Clackamas Community College
February 2010

Agenda

This presentation provides an overview of the college's facility needs, identifies key questions and provides a possible capital campaign timeline.

--Phase 2
  --Next Bond Possibilities
  --Costs per $1,000
  --Master Plan Issues
  --Message Examples
CCC Has 3 Campuses

Oregon City

Harmony Community Campus in North Clackamas

Wilsonville

www.clackamas.edu

Wilsonville Campus (50,000 square feet)
College Facilities by Age

- Phase 1 (8 buildings) (30-40 years old)
  - Harmony – 20% ownership with OIT: 1952
  - Clairmont: 1969
  - Barlow: 1970
  - Lewelling: 1971
  - McLoughlin: 1972
  - Randall: 1972
  - Community Center: 1975
  - Pauling: 1981

- Primary Funding Source:
  - State support and COPS (now paid)

College Facilities by Age

- Phase 2 (5 buildings) – approx. 20 years old
  - Wilsonville – phase 1: 1989
  - Streeter: 1991
  - Family Resource Center: 1992
  - Dye Learning Center: 1992
  - Gregory Forum: 1992

- Primary Funding Source – GO Bond
  - 1989 Authorization (passed 50.8%):
    - Authorized: $9.5m
    - Payoff Date: (paid by end of year) 2010
College Facilities by Age

- **Phase 3 (7 buildings) – 5 to 10 years old**
  - Wilsonville - phase 2 2001
  - Training Center #2 2002
  - Studio Art 2003
  - Dejardin 2004
  - Rook 2004
  - Streeter Annex 2004
  - Niemeyer 2005

- **Primary Funding Source – GO Bond**
  - **2000 Authorization (passed 54.1%)**:
    - Authorized: $47.0m
    - Issued 2001/ Partial Refunded 2007
    - Outstanding Balance – Year End: $35m (74%)
    - Payoff Date: 2020

College Facilities by Age

- **Phase 4 (1 building) – 1.5 years old**
  - Harmony 2008

- **Primary Funding Source – COP**
  - **2006 Issue (Harmony)**
    - Outstanding Balance – Year End: $18.5m
    - Annual Debt Service $1.7m
    - Payoff Date: 2026
Deferred Maintenance Detail

- **Big Ticket (outside of operating budget) maintenance needs include ($20m total):**
  - Roofing
  - Seismic
  - Electrical upgrades / service loop
  - Plumbing upgrades
  - Asphalt / Parking lot and roadway resurfacing
  - Upgrade Irrigation system
  - Improve storm-water system / ELC restoration
  - Improved Exterior Lighting
  - Safety / Security
  - Technology infrastructure
  - Track resurfacing or relocation
  - Mechanical system improvements (equipment / controls) / Energy Conservation
  - Renovations of old classrooms / labs
  - Furniture replacement

Recap of College Facilities

- **Building are Aging**
  - The college is over 40 years old and its facilities are aging – around 40% are between 30 to 40 years old.
  - The college needs to upgrade and maintain aging facilities
Recap of Debt Service Reserves

- College Debt Service Reserves are Declining
  - Debt reserves will be completely depleted in 12/13.
  - The college needs a bond to assume some or all of Harmony debt service costs. Otherwise, $1.7m Harmony debt service payment falls to operating budget.

Recap of College Enrollment

- Enrollment Up Dramatically / Many More Students Served
  - Total students served now will likely approximate 40,000. This is up about 50% over ten years.
  - The college needs to add classrooms to meet increased student needs now and in the future
    - Harmony Phase 2 / State Matching Dollars
    - Another building at OC?
    - Partnerships?
Recap of Other Recent Community College Bond Approvals

- Other Communities are Investing in Community Colleges – since our last bond measure nine community colleges have passed bond measures.

- The college needs a bond to remain competitive / meet increasing and ever changing academic needs.

Our District

Our college district covers most of Clackamas County, including Milwaukie, Gladstone, Oregon City, Molalla, Canby, Estacada, Happy Valley, West Linn and Wilsonville. It also includes some unincorporated areas.

As a result we have a large and diverse tax base compared, for example, to most school districts and our bond cost per thousand is relatively inexpensive.

www.clackamas.edu
Recap of Total College Property Tax Rate

- **Tax Rate is Down Significantly**
  - The college's total tax rate has declined by almost half - from $1.40 per thousand AV in 92/93 to the current rate of 72 cents.
  - In most parts of Clackamas County, for every dollar paid in property taxes, less than five cents goes to Clackamas Community College.
  - A CCC $70m bond would cost local taxpayers about 17 cents per thousand - or about $3 a month for the average homeowner. A $90m bond would cost approx. $4 per month.
  - CCC is a good investment whose cost to taxpayers is modest.

Recap of Possible Uses

- **Renovation / Renewal / Deferred Maintenance**
- Harmony COP Refunding
- Growth
- Program Needs
Key Questions

- **Content**
  - What are all of the college's facility needs?
  - What programs should the college expand to meet needs?
  - Partnerships?
  - What will CCC look like in 20 years and what portion of this will be covered by the bond?
  - How best do we prioritize these needs? What needs are funded and which are not?

- **Cost**
  - What is the cost to the taxpayer?
  - Understand OCC master plan costs if we add more than 50k square feet
  - How much will the community support?
  - Why can't these projects be funded with current revenues?

- **Communicate**
  - How will the money be used?
  - Why does the college need a bond measure?
  - Why is this bond important to our community?

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27,775 students get an affordable education each year at Clackamas Community College.

**How will the Clackamas Community College bond be used?**

- Add classrooms:
  - Clackamas Community College provides educational opportunities to thousands of students through a variety of programs. The master plan will help the college meet this goal.

- Repair worn-out buildings:
  - It is often difficult to maintain Clackamas Community College's buildings, which are at the end of their useful lives. The master plan will help the college meet this goal.

- Improve technology:
  - Students need access to up-to-date technology to be competitive in the job market.

**How much will it cost?**

- The bond is expected to cost approximately $350 million.

**Vote YES for Clackamas Community College.**
CCC Bond Election is Nov. 7, 2000

27,775 students get an affordable college education at Clackamas Community College.
And more students are enrolling every term.

THIS MEASURE WOULD:

ADD CLASSROOMS

New classroom space for more students will replace temporary and inadequate space.

UPGRADE AGING FACILITIES

Buildings, roofs, roads, plumbing and safety systems, worn out after more than a decade of use, will be repaired.

IMPROVE TECHNOLOGY

Laboratory and shop space will be added to meet new technology and work readiness training needs.

These expanded, renovated, upgraded and new facilities are estimated to cost $20 cents per $1,000 of assessed property value or $2.80 a month on a $150,000 home for the proposed $447 million bond measure.

For more information call President John Seyer at 503-657-6958, ext. 2405 or Community Relations Director Corky Kirkpatrick at 503-657-6958, ext. 2536.

Look for Measure 3-97 on your November 7 ballot.

A BOND MEASURE TO UPDATE & RENOVATE

CLACKAMAS COMMUNITY COLLEGE

Why does Clackamas Community College need a bond measure?

Rapid growth in student enrollment and demand has left CCC short of classroom space. Enrollment increased 24% in the last five years and the college's outdated buildings are inadequate. Clackamas Community College completed several bond measures in the past.

Aging facilities are in urgent need of repair and renovation. Buildings, sidewalks, plumbing and electrical systems are wearing out after decades of use. Expensive repairs are needed to keep safe.

New technology in the instructional process can greatly reduce the need for traditional lecture and class time. The measure will provide needed technology to meet modern demands.

How will the money be used?

- Update and renovate five existing buildings to strengthen teaching and learning facilities
- Construct four new buildings to accommodate the growth in student enrollment
- Build a new multipurpose classroom building
- Build a new arts center
- Expand and improve facilities for student support services
- Provide matching funds for UnRCIC projects
- Provide matching funds for a new Community and Technical Center
- Refinance outstanding债务

Financial Update
**JOBS for Now, JOBS for the Future**

Average cost to homeowners:

**LESS than $2 a month!**

- Good for our College
- Good for our Community
- Good for our ECONOMY

**COC: Yes!**

**MEASURE 9-73**

Paid for by COCC YES. Friends of the College. P.O. Box 7545, Bend, Oregon 97708.

WWW.COCYES.COM

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**PORTLAND COMMUNITY COLLEGE**

**PCC BOND MEASURE 26-95**

At locations throughout the PCC district, the bond would allow PCC to expand workforce training, serve more students and modernize classroom technology.

**Rock Creek Campus**

- Computer and drafting center
- Expanded trades programs
- Increased capacity of student success center

**Cascade Campus**

- Increased capacity of student success center
- Expanded trades programs
- Increased capacity of computer lab

**Willow Creek Center**

- Improved capacity for adult education

**Southeast Center**

- Increased capacity for adult education

**Newberg**

- Expanded capacity for adult education

**Sherwood**

- Expanded capacity for adult education

**Sylvania Campus**

- Expanded capacity for adult education

For more information on the bond measures, visit www.pcc.edu/about/bond
Oregon City SD 11/09 Survey – Local Option
(note 60% were definitely or probably against - at least initially)

Support for Proposed Local Option Levy
(Continued)

Question: If the election were held today, how do you think you would vote — would you vote for or vote against this local option levy?

- Definitely Vote For: 16%
- Probably Vote For: 17%
- Probably Vote Against: 16%
- Definitely Vote Against: 64%
- Don't Know: 8%

Timeline

- Analysis / Needs Review / Public Input
  - Next Year (September to May)

- Board Approval / Communication / Campaign
  - Spring or Fall of 11?

- Election
  - November 11 / May 12 / November 12?