

COMMUNITY COLLEGE CAPITAL FUNDING REQUESTS

INSTRUCTIONS
2021-2023 Biennium
2.18.20



TABLE OF CONTENTS

SUBMISSION DEADLINE	3
INTRODUCTION	3
Process Overview	3
Statutory Authority/Rules/Timeline	4
PROJECT SUBMISSION	5
PROJECT ELIGIBILITY, MATCHING, AND GRADING APPROACH	5
INSTITUTIONAL CAPITAL PLAN INFORMATION	6
COMMUNITY COLLEGE CAPITAL CONSTRUCTION DUE DILIGENCE TEMPLATE	7
CAPITAL SCORING RUBRIC	9
APPENDIX A: DAS REQUIRED FORMS	11
APPENDIX B: HECC CAPITAL PROJECT COST SUMMARY	14
APPENDIX C: DEFINITIONS	15

SUBMISSION DEADLINE: WEDNESDAY, APRIL 15, 2020

Email all documents to:

hecc.capconstructreimb@hecc.oregon.gov and bruce.johnson@hecc.oregon.gov

Should the submission be too large a file size for routine e-mail, please use our file transfer utility:
<https://ccwd.hecc.oregon.gov/filetrans/default.aspx>

Call (503) 947-0004 for any questions or assistance.

INTRODUCTION

PROCESS OVERVIEW

The goal of this process is to assist the Legislature in determining the most appropriate strategic investments in the state's institutions and student access programs necessary to achieve state postsecondary education goals as included in ORS 350.075.

Because funding is limited, a prioritization process must occur. Project submissions are collected in order to meet Department of Administrative Services (DAS) Capital Budget requirements and to provide the data necessary for consideration. The Commission's recommendations are based upon a prioritization process that incorporates the criteria detailed in the capital scoring rubric. The grading process, by which projects are considered for their alignment with the rubric, is described in the grading approach section of this document. Projects that are recommended, but unfunded, can be resubmitted the following budget cycle if the project remains a priority for the institution. Previously recommended, but unfunded, projects are not guaranteed recommendation in the following cycle.

HECC STRONGLY SUGGESTS INSTITUTIONS ENGAGE THEIR ACADEMIC AND INSTITUTIONAL RESEARCH TEAMS TO ASSIST IN THE DEVELOPMENT AND COMPLETION OF THE SUBMITTAL.

STATUTORY AUTHORITY/RULES

The authority for this work is included in ORS 350.075(3), which states that:

The Higher Education Coordinating Commission shall:

- (a) Develop state goals for the state postsecondary education system, including community colleges and public universities listed in ORS 352.002, and for student access programs.
- (b) Determine strategic investments in the state's community colleges, public universities and student access programs necessary to achieve state postsecondary education goals.

(c) Coordinate the postsecondary elements of data collection and structure, with the advice and recommendation of the state's independent institutions, community colleges and public universities, as appropriate, in order to construct a state longitudinal data system.

(d) Adopt a strategic plan for achieving state postsecondary education goals, taking into consideration the contributions of this state's independent institutions, philanthropic organizations and other organizations dedicated to helping Oregonians reach state goals. State post-secondary education goals as described in this section should include, but need not be limited to:

- a) Increasing the educational attainment of the population;
- b) Increasing this state's global economic competitiveness and the quality of life of its residents;
- c) Ensuring affordable access for qualified Oregon students at each college or public university;
- d) Removing barriers to on-time completion; and
- e) Tracking progress toward meeting the state's post-secondary education goals established in the strategic plan.

TIMELINE

For the 2021-23 biennium, institutions must submit project proposals to HECC by April 15th, 2020. HECC Staff Evaluations will be conducted using the criteria in this instructions guide. After evaluation, HECC staff will present the prioritized statewide list to the Commission for action at the June 2020 Commission meeting.

February 17, 2020: Call for 2021-23 Capital Proposals

April 15, 2020: Submission Deadline

April 20-May 15, 2020: HECC staff evaluations

June 11-12, 2020: Presentation to HECC Funding and Achievement (F&A) Committee

August 13, 2020: Submission of the prioritized list to the Legislative Fiscal Office (LFO) and the Department of Administrative Services (DAS) project submission

PROJECT SUBMISSION

INSTITUTION CAPITAL PLAN INFORMATION

Institutions requesting cash or debt financing from the state for capital projects in the 2021-23 biennium, are expected to provide the information described below. This information is required once, regardless of how many projects are being submitted.

- Identify whether the institution has a master facilities plan and, if so, the date on which it was adopted and/or last amended.
- Provide a description of the institution's plan for managing facilities, reducing any deferred maintenance backlog and addressing future deferred maintenance needs.
- Provide an estimate of the institution's deferred maintenance backlog for education and general service facilities.
- Provide an estimate of the institution's seismic upgrade needs for educational and general service facilities.
- Identify any bond-funded projects that were authorized in prior biennia that will require reauthorization by the 2021-23 legislature. Include the name of the project, when it was authorized, the amount that needs to be reauthorized, and a description of any changes to the project since it was originally authorized (include changes in project cost and funding).

PROJECT ELIGIBILITY AND MATCHING

- During 2017 Legislative Session some limitations were posted in SB 5005(2017).
- It appears that all seventeen of the Community Colleges, except Tillamook Bay, received legislative approval for at least one project in the last two biennium.
- When matching funds for the XI-G bonds have not been secured, the institution may request a reauthorization of the existing project.
- XI-G bonds are constitutionally required to be matched by the community college. Additionally, the provisions in [section 10, chapter 705, Oregon Laws 2013](#) related to community college XI-G projects continue to apply to new requests.

GRADING APPROACH

Those community college presidents who are not submitting packages will serve as the pool of volunteers for scoring. Representative from HECC staff and OCCA will be included in the group of those who score submitted proposals as well.

Preliminary grading by the volunteer group will then be presented to the Oregon President's Council (OPC). Once the OPC has made its review, the results will be advanced to the HECC Staff for consideration.

Final recommendations will be advanced by HECC staff to the Funding and Achievement Committee for consideration in the Agency Request Budget.

COMMUNITY COLLEGE CAPITAL CONSTRUCTION DUE DILIGENCE TEMPLATE

For consideration for inclusion in the Higher Education Coordinating Commission's Agency Request Budget for 2021-23, please provide requested information to Bruce.Johnson@HECC.OREGON.GOV by April 15, 2020

I. Statement of the Need

- A. What is the nature of the problem to which this project is the solution?
- B. Who in the community college's Facilities Unit is primary point of contact? Please provide pertinent contact information including: e-mail, telephone number, fax, and the address of all involved.
- C. Why is this project required by the community college at this time?
- D. What is the program purpose to be served (varies by program -- academic justification for academic projects, auxiliary need for auxiliaries, etc.)?
- E. Is this project related directly to another project preceding or following it, to which an approval is tied?
- F. Are there external factors driving the need or timing (donor relations, community agreements, funding deadlines imposed by federal agencies, etc.)?

II. Statement of the Proposed Solution

- A. What is the final proposed solution to this need?
- B. What goals were set for the project and what criteria were used to examine alternatives?
- C. What alternatives were then examined, to what level of detail, and what were the conclusions the campus reached concerning them?
- 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?
- E. If this is a phased project, with some approvals already in existence, please provide such information.

III. Legislative Considerations

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

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.
- 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.).

- C. Provide estimated costs for the project, including planning and programming (if they will be included in the funding request); refer to materials prepared. Include cost per net usable square foot.
- 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.).
- E. Identify any architect and/or project development firms the community college has been working with to analyze and develop the project.
- F. Provide a complete estimate of the total project budget, identify any consultants that participated in developing the project budget.

V. Schedule

- A. What is the expected schedule for beginning and completing this project?
- B. What elements are on the critical path for this project?

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?
 - 1. Community college master plan and/or campus planning committee
 - 2. Community college academic plan
 - 3. Community college enrollment projections
 - 4. City and/or county master plan and zoning
 - 5. City and/or county design requirements
 - 6. City and/or county environmental issues, including traffic/parking
 - 7. City and/or county public information
- 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.

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. *Complete Attachment B: HECC Capital Project Cost Summary in Excel and include in the final package submitted to HECC PFC.*
- B. Please state amount of Article XI-G Bonds requested and the source of the required match funds. When will matching funds be secured? *Complete the Attachment A: DAS Capital forms and include in the final package submitted to HECC PFC.*
- C. If an acquisition of a major property is desired, have you obtained?
 - 1. Tax assessor's statement
 - 2. Two independent appraisals

3. Comparable sales information for similar facilities (if in rural areas, consider comparable from similarly-sized towns)
 4. If leasing of the space to others will be part of future stream of payment, identify estimated rents and tag to market
 5. Other considerations that may be required after this level of review
- D. 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.
- E. 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:
1. Review of Dunn and Bradstreet or similar ratings of financial performance.
 2. Review of past performance on related projects and any outstanding legal issues pertaining to them.

VIII. Legal Considerations

- A. Send electronic copies of all leases, easements, and related project support documentation, etc., in final package for review by HECC staff.

CAPITAL SCORING RUBRIC

Each institutional project will be graded using the rubric or grading sheet that follows:

Community College Capital Rubric Revised 1.30.2020		Points Revised	Points Earned
OAD Criteria (51 points possible)			
(a) Clearly serve an instructional purpose (directly support classroom, shop or lab teaching, basic skills teaching, customized training, tutoring, student testing and assessment, student advising or counseling and library services-first priority);		10	
(b) Clearly meet an important demonstrated service need of the college (second priority);		10	
(c) Clearly meet a facilities need that cannot be adequately addressed through alternative, interim, or existing facilities (third priority);		10	
(d) Clearly serve to complete a comprehensive community college facility (fourth priority);		7	
(e) Clearly meet an important and articulated objective of the college (fifth priority); and		7	
(f) Clearly reflect evidence of local planning and needs assessment (sixth priority).		7	
Presidents' Strategic Review Criteria (aligns with State and HECC Goals - 25 points possible)			
Does the project update, replace, or expand safety and security on campus?		5	
Does the project meet a demand occupation, community or economic need?		5	
Does the project include other partners; K-12, university, CTE, workforce, industry, etc...?		5	
Description of/or intention to meeting environmental sustainability standards		5	
Does the project support the upgrade, replacement, expansion of student services/spaces to increase completion and success?		5	
Due Diligence Criteria (24 points possible)			
Statement of need (nature of the problem and purpose to be served)		5	
Statement of solution (goals set for the project and maturity of description)		5	
Facility (building gross square footage and detailed information on academic (or other) program features)		5	
Costs (estimated cost including planning and programming)		3	
Schedule (expected schedule for completion)		2	
Planning considerations (received necessary approvals from appropriate campus and/or municipal jurisdictions)		2	
Financial considerations (funding for the college share)		2	
		100	0
Date			
Reader #			
Priority #			
College:			

APPENDIX A: DAS REQUIRED FORMS

In accordance with the Department of Administrative Services' Capital Instructions, send HECC the following files by April 15, 2020. Please do not alter these forms because we are using them in a rollup or summary function.

- HECC Community College Major Construction Project Narrative 107BF11a

Higher Education Coordinating Commission - Public University / Community College Major Construction/Acquisition Project Narrative

Note: Complete a separate form for each project.

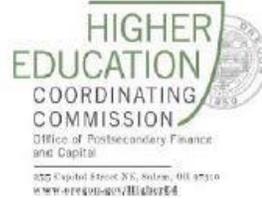
Public University or Community College:	Central Oregon Community College	Project Type - indicate percent of budget in each category; total should add to 100%:	
Project Name:	General Purpose Classroom	Planning/design	
Estimated Start Date:	January 2022	Land/real property acquisition	
Estimated Completion Date:	April 2024	New construction	
Total Estimated Project Cost	\$ 16,000,000	Addition	
Cost per net usable square foot added or renovated:	\$ 533	Remodel	
		Total	0%

¹Include all costs regardless of proposed funding model, such as design and planning, hard and soft construction costs, land and real property acquisition, infrastructure development, furnishings and fixtures, contingencies, etc.

Project Summary (describe the nature and purpose of the project):

The problem, for which this project is the solution, is the anticipated need for academic instructional space at the Central Oregon Community College (COCC) Redmond Campus. COCC's district encompasses 10,000 square miles. Within the District is the Bend-Redmond Metropolitan Statistical Area, the fastest growing region in the state, and one of the fastest growing regions in the nation over the last two decades. In the current economy, with historically high employment, enrollment at COCC has declined from the all-time high set in 2012-2013. Nevertheless, Central Oregon expects the population to continue to grow and the demand for community college educational and workforce services beyond Bend to increase significantly. COCC's 2018-2028 Facilities Master Plan identifies developing a comprehensive campus in Redmond as a top College priority. The Redmond Campus is poised to become that, yet lacks key capital assets.

Facility Details (describe specific details such as number of stories, square feet, type and number of components such as classrooms and labs):
 This project is related to the Redmond COCC Campus becoming a comprehensive campus, offering a complete catalog of classes in classroom and computer classroom/lab facilities meeting the quality standards of a postsecondary institution. Class offerings will include a comprehensive science sequence requiring full laboratory facilities, and general studies programming. Additionally, the facility will include science lab prep areas, faculty offices, student study areas, support staff offices and work areas. The project will also include investment in instructional technology and technology infrastructure to enable connectivity to the existing COCC technology network and expand COCC's capability for technology based instruction to and from the Redmond Campus. The project location is planned on land adjacent to the current COCC Redmond Campus. (See map below.) The preliminary gross square footage is 30,000, with 22,150 of assignable square footage. An anticipated design would be a sustainable two-story structure.



CAPITAL PROJECT COST SUMMARY

Institution: _____

Project Title: _____

Priority Number: _____

Capital Construction/Capital Renewal Project Cost Summary/Cost Savings

	First Year	Second Year	Third Year	Fourth Year	Fifth Year	Total Project Costs
Land/Building Acquisition						
Professional Services						
Architectural Services						
Engineering Services						
Planning Services						
Other Expenses						
Construction Services						
Site Improvements						
Utility Improvements						
Cost of Construction						
Other Const. Services						
Equipment and Furnishings						
Equipment						
Furnishings						
Communications + IT						
Operational Savings						
Staffing						
Utilities						
Other						
Net Project Total:	0	0	0	0	0	0

* Note that bonded projects have a three year project spend plan.

APPENDIX C: DEFINITIONS

A project qualifies for HECC capital construction review and inclusion in the capital construction budget if it meets the criteria set out below:

1. Capital Asset means:
 - a. Life of more than one year;
 - b. A cost of at least \$5,000;
 - c. Real property;
 - d. Information technology;
 - e. Fixed equipment;
 - f. Movable equipment; or
 - g. Instructional or scientific equipment with a cost that exceeds \$50,000
2. Capital Construction includes:
 - a. Must be capital costs with a life of more than one year and a cost of at least \$5,000 (State's threshold); and
 - b. Acquisition of a capital asset or disposition of real property.
 - c. Construction, demolition, remodeling, or renovation of real property necessitated by changes in the program. Changes in the program may also incorporate the need to meet standards required by applicable codes; to improve energy conservation; to save costs for facility staffing, operations, or maintenance; or to improve appearance.
 - d. Demolition costs are only capitalizable as part of a new building or asset being added in its place.
 - e. Site improvements or development of real property (landscaping, upgraded utilities, signage etc.) that are capitalizable.
 - f. Installation of the fixed or moveable equipment necessary for the operation of new, remodeled, or renovated real property, if the fixed or movable equipment is initially housed in or on the real property upon completion of the new construction, renovation or remodeling. The equipment must be capitalized as part of the construction project.
 - g. Installation of the fixed or movable equipment necessary for the conduct of programs in or on real property upon completion of the new construction, remodeling, or renovation. The equipment must be capitalized as part of the construction project.

- h. Contracting for the services from architects, engineers and other consultants to prepare plans, program documents, life-cycle cost studies, energy analyses and other studies associated with any capital construction project and to supervise construction or execution of such capital construction.
 - i. Installation, development, or upgrade of information technology, including the purchase of services for the office of information technology on the condition that the use of such services is the most cost beneficial option or falls within the duties and responsibilities of the office of information technology or the office's chief information officer. Only the application development stage of IT systems are capitalizable, per GASB 51.
 - j. Preliminary planning including initial review of proposed projects for a) conformity with long-range development plans; b) technical and economic feasibility of the project; c) preparation of outline plans and specifications; or d) preparation of preliminary cost estimates. The State allows these costs if the asset location has been identified, as costs must be directly identifiable with a specific asset. A feasibility study to determine the best location would not be capitalizable.
 - k. A new construction or renovation, including the cost of initial design has the total cost normally of more than \$500,000.
 - l. Capital construction projects arise out of an institution's need to create, expand, relocate, or alter a program due to growth, advances in technology or changes in methods or program delivery. Requests addressing physical space requirements needed to accommodate particular functions, such as those traditionally included in facility programs, would constitute a "program-driven" request, and therefore, be considered a capital construction request.
 - m. Capital Renewal requests are classified and prioritized as capital budget requests. Capital Renewal requests have costs normally exceeding \$2.0 million in a fiscal year and include projects that that are more cost-effective or better addressed by corrective repairs.
3. Completion: Community college completion rates show the percentage of students who earned an associate degree or career certificate or who transferred to any 4-year university nationwide, among students who were new to the institution in fall 2013, were not enrolled in dual credit/accelerated learning, and earned at least 18 quarter credits over 2 years or earned an award requiring fewer than 18 credits. This cohort reflects the degree-seeking cohort of the Voluntary Framework of Accountability (VFA) but with 4-year outcomes.
 4. Race/Ethnicity: The completion rate among those with more than one racial/ethnic group is 51 percent and among those not reporting a racial/ethnic group is 44 percent.
 5. Rubric: A grading sheet or tool that the HECC uses to evaluate capital projects in a systematic way.

