



# 2025-27 HECC Agency Request Budget (ARB) Development:

## College and University Capital

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# Overview

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## Background and Process

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## Community College Projects

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## Public University Projects

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## Detailed Rubrics

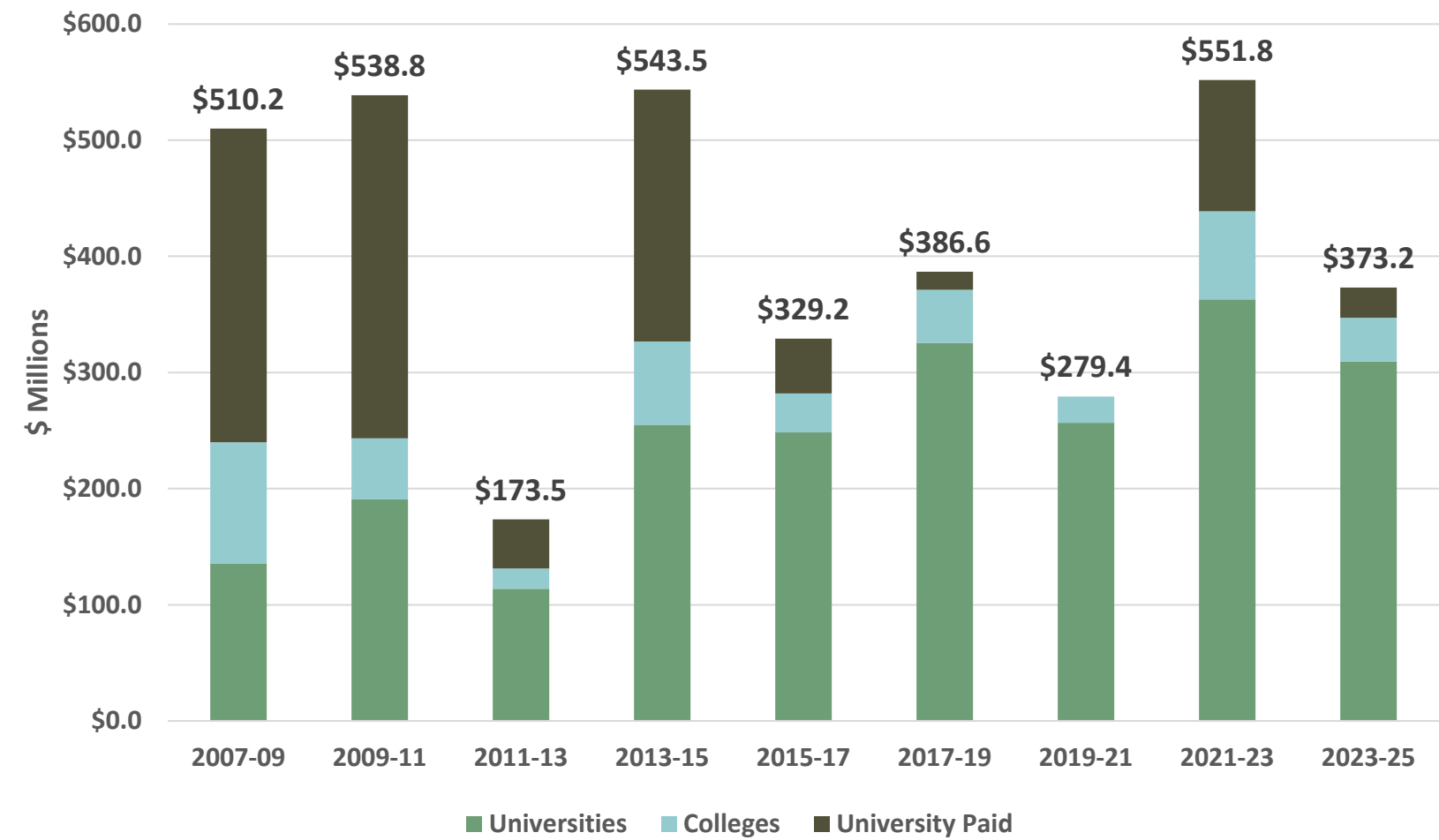
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### HECC Strategic Roadmap

- Transform and innovate to serve students and learners best.
- Center higher education and workforce training capacity on current and future state needs.
- Ensure that postsecondary learners can afford to meet their basic needs.
- Create and support a continuum of pathways from education and training to career.
- Increase public investment to meet Oregon's postsecondary goals.

# \$3.7 Billion State Investment in Capital

State Issued Bonds for Postsecondary Education, 2007-2023



- \$2.2B Universities (G, Q)
- \$461M Comm. Colleges (G)
- \$1.0B University Paid (F)

**XI-F(1) BONDS – University Only**  
Backed by university revenues and can be utilized for non-E&G projects  
University pays debt service

**XI-G BONDS – Colleges and Universities**  
Institution must provide at least 1:1 match. Restricted to higher education.  
State pays debt service

**XI-Q BONDS – University Only**  
No matching requirement. Restricted to state-owned buildings.  
State pays debt service

Notes: Data from DAS Capital and HECC staff. Does not include institutional funding, state cash funded projects, or local bonds.



# What progress has been made?

(for the public universities)

	Current Replacement Value – CRV (\$ millions)	Deferred Maintenance Backlog – DM (\$ millions)	Facility Condition Index (FCI)
2002	\$2,971	\$592	19.9%
2012	\$4,230	\$528	12.5%
2019	\$10,158	\$966	9.5%
2023*	\$13,087	\$1,300	10.1%
*Estimated. The facility condition index is DM divided by the CRV. Below 10% is ideal and indicative of facilities in generally good condition.			

- The FCI has improved due to state investment.
- The CRV has grown faster than inflation since 2002.
- The state has invested \$485 million in Capital Improvement and Renewal (CIR) since 2007-09.

# HECC Capital Principles

Capital renewal  
approach that  
repurposes existing  
space

Operational cost  
savings along with  
safety and security

Multi-party  
collaborations

Leveraging of private  
and institutional  
resources

## College Limitations

No more than one project approved, awaiting match per institution.

Aggregate amount authorized for projects at a single college may not exceed \$8 million.

**Note:** Community college limitations from SB 5506 (2013 RS).

## University Principles

All state-backed debt will support the Strategic Plan through investments in education and student support spaces.

Institutions must plan for the ongoing operational and maintenance needs of their facilities.

State-backed debt will extend the useful life of current assets, expand the capacity to meet student needs, or further competitive advantages.

# Process Timeline and Overview



## Community Colleges

- The Commission is charged with approving all capital construction projects and listing them in priority order (OAR 589-003-0100).
- Projects ranked in collaboration with the colleges using a rubric in rule.

## Public Universities

- Commission charged with establishing a process for reviewing requests (ORS 352.089).
- Projects ranked using a Commission-adopted rubric.

## College Rubric

Project Criteria  
(1-50 points)

Strategic Review Criteria  
(1-26 points)

Due Diligence Criteria  
(1-24 points)

## University Rubric

Strategic Priorities  
(1-52 points)

Operational Savings and Sustainability  
(1-8 points)

Life safety, Security or Loss of Use  
(1-10 points)

Institutional Priority  
(1-5 points)

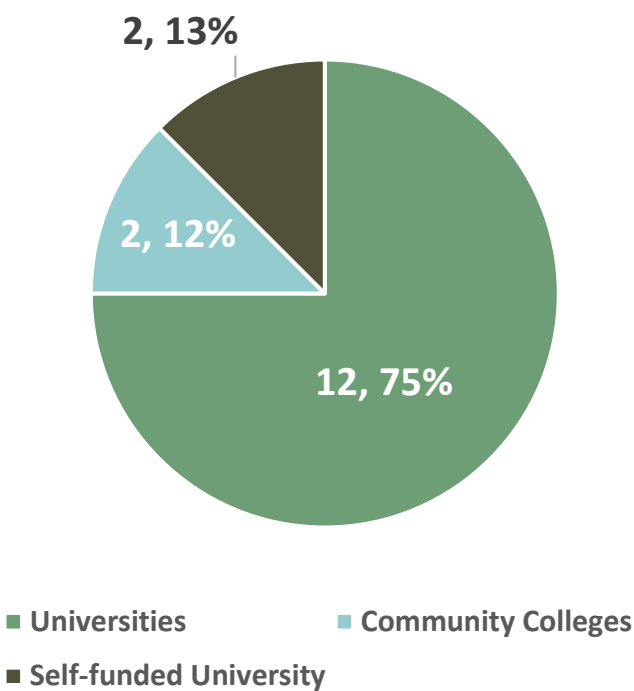
Student Success for Underserved  
Populations (1-10 points)

Leveraging Institutional Resources  
(1-15 points)

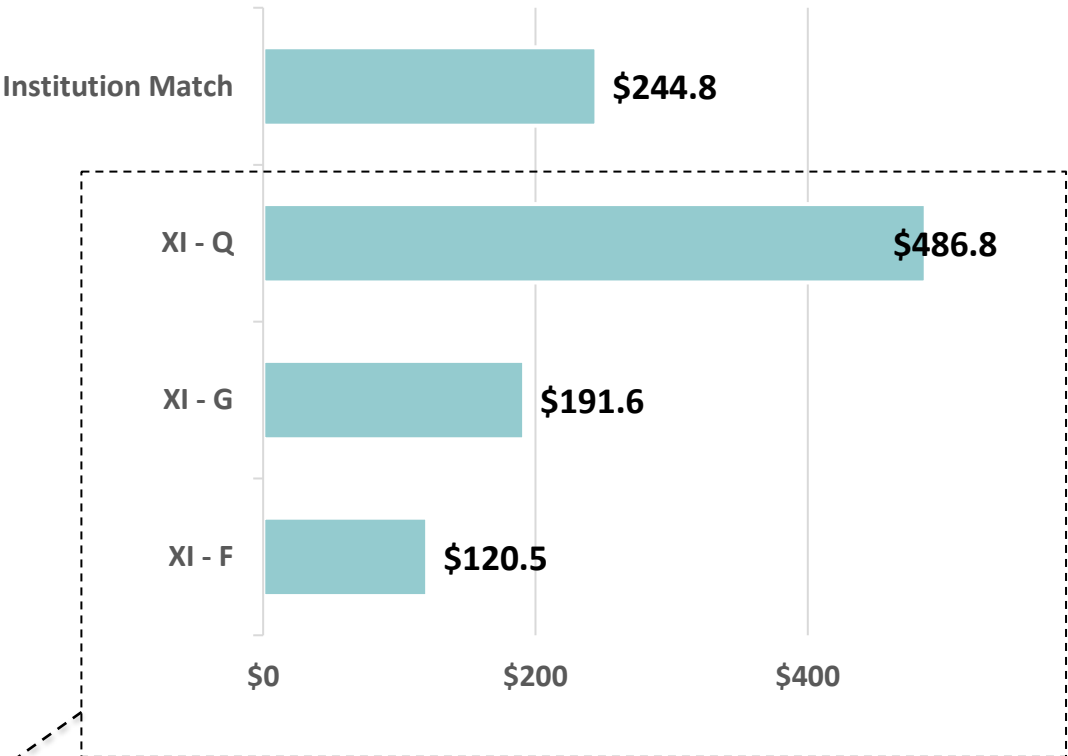


# Summary of Projects Submitted

## 16 Submitted Projects



## \$1,043.7 Million Total



## Eliminated Deferred Maintenance

Universities  
\$264M

Colleges  
\$16M

Total 2025-27 Request is \$798.9 million in XI-Q, XI-G, and XI-F bonds.

# Prioritized Community College Projects

## 2025-27 Biennium, in \$ millions

Priority and College		Project	XI-G Bonds	Institution Funds	Total Project Cost
1	Clackamas	Center for Excellence in Farming, Horticulture and Wildland Fire	\$8.0	\$24.0	\$32.0
2	Mount Hood	Classroom and Lab Renovations	\$8.0	\$32.5	\$40.5
		<b>TOTALS</b>	<b>\$16.0</b>	<b>\$56.5</b>	<b>\$72.5</b>

2025-27 ARB Request: \$16.0 million in XI-G bonds.

### Project Notes

One project renovates classrooms and laboratories reducing deferred maintenance.

One project aligns with workforce needs improving programs in farming, horticulture, and wildland fire.

They include \$56M in matching funds and the potential for eliminating \$16M in deferred maintenance.

# Notes on Public University Projects Submitted

## Focus on improvement and replacement

- Six projects include a demolition and new construction. Three projects include both renovations and expansions. One project includes land reparation and new construction.

## Focus on student success, resiliency, creative thinking, and arts

- Four projects relate to student success, resiliency, creative thinking, and arts. Two projects focus on health and dental. Two projects are renovations/or expansion of library centers. One project addresses child behavioral health needs. One project is a heat plant demolition and creation of a physics laser lab. One project is a data center replacement.

## \$188.4 million in institutional matching

- Most institutional matching comes from donor funds.

## \$264.2 million in eliminated deferred maintenance

# Prioritized Public University Projects

2025-27 Biennium, in \$ millions

Priority and University		Project	XI-Q Bonds	XI-G Bonds	Institution Funds	Total Project
N/A	PSU	Center for the Performing Arts	-	85.0	85.0	170.0
1	ALL	Capital Improvement and Renewal	120.0	-	-	120.0
2	UO	Child Behavioral Health	35.5	17.8	17.8	71.0
3	SOU	Creative Industries/Student Success	38.1	2.45	2.45	43.0
4	WOU	Data Center	12.4	0.7	0.7	13.8
5	EOU	Loso Hall Student Access & Resiliency	53.6	1.7	1.7	57.1
6	OSU	Heat Plant Repurpose	47.8	25.3	28.0	101.0

**Note:** The PSU Center for the Performing Arts was not prioritized according to the rubric due to its uncommon complexities.

# Prioritized Public University Projects (Continued)

2025-27 Biennium, in \$ millions

Priority and University		Project	XI-Q Bonds	XI-G Bonds	Institution Funds	Total Project
7	OSUC	OSU Cascades Student Health	10.0	32.0	42.0	84.0
8	WOU	Performing Arts Renewal	22.6	0.7	0.7	24.1
9	OIT	Learning Resources Center Renovation and Expansion	35.3	2.0	2.0	39.3
10	PSU	Millar Library Deferred Maintenance	73.1	6.0	6.0	85.0
11	OIT	Semon Hall Renovation/Expansion	38.3	2.1	2.1	42.5
		<b>TOTALS</b>	<b>\$486.8</b>	<b>\$175.6</b>	<b>\$188.3</b>	<b>\$850.8</b>

2025-27 ARB Request: \$662.4 million in XI-Q and XI-G bonds.

# University Self Funded (XI-F Bond) Projects

## 2025-27 Biennium, in \$ millions

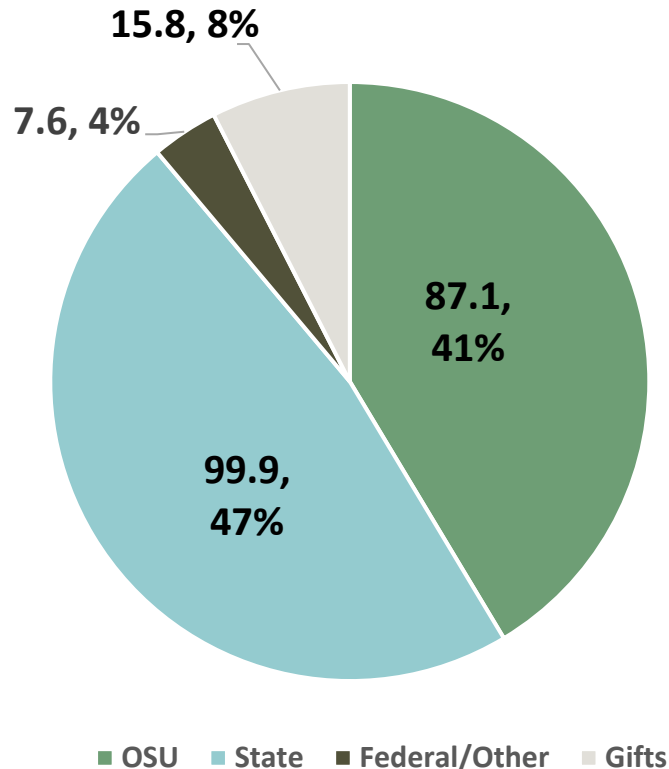
	Project	XI-F Bonds	Total Project
PSU	Performing Arts Parking Structure	\$35.5	\$35.5
PSU	New Housing	\$85.0	\$85.0
	<b>TOTALS</b>	<b>\$120.5</b>	<b>\$120.5</b>

2025-27 ARB Request: \$120.5 million in XI-F bonds.

*Article XI-F bond requests are not prioritized according to the rubric. However, HECC staff performs a revenue sufficiency analysis as part of the review process.*

# OSU – Cascades: Additional Context

## \$210.4 M Spent to Date



2025-27 Request totals \$84M: \$39M OSU, \$42M state, and \$3M other

For a student health and rec center supported by student fees; includes \$22M for land remediation

OSU 2030 strategic plan calls for Cascades enrollment growing to 2,200; implies annual growth of 7% compared to historical growth of 4%

2025-27 request provides footprint needed for 2030 strategic plan; housing and research needs persist

Next request expected during 2031-33 biennium; total land remediation cost of \$100M

**Note:** Annual enrollment growth of 7% is calculated by using headcount of 1,313 for fall 2023 compared to 2,200 in fall 2030. Historical growth is admitted students from HECC R&D from 2002-03 through 2020-21.





# Appendix



# 2025-27 Community College Capital Rubric

## Project Criteria (1-50 points)

- 7 pts – Serves an instructional purpose
- 7 pts – Meets an important, demonstrated need
- 7 pts – Meets facilities need that can't be addressed
- 7 pts – Serves to complete a comprehensive facility
- 7 pts – Meets important, articulated objective of the college
- 7 pts – Reflects evidence of local needs assessment
- 8 pts – Meets an equity need as defined by the *HECC Equity Lens*

## Strategic Review Criteria (1-26 points)

- 6 pts – Addresses safety and security on campus?
- 5 pts – Meets occupation, community or economic need?
- 5 pts – Includes collaboration?
- 5 pts – Intention to meet sustainability standards?
- 5 pts – Does the project support student services/spaces?

## Due Diligence Criteria (1-24 points)

- 10 pts – Statement of need and statement of solution
- 5 pts – Facility features including gross square footage
- 3 pts – Costs including planning and programming
- 6 pts – Schedule, planning and financial considerations

# 2025-27 Public University Capital Rubric

## Strategic Priorities (1-52 points)

- 24 pts – Space renewal, workforce or completion priorities
- 12 pts – Addressing deferred maintenance issues
- 8 pts – Support research & economic development
- 8 pts – Collaboration with interested parties

## Operational Savings and Sustainability (1-8 points)

- Does the project reduce operational costs, support continued efficiency or increase the sustainability of the facility?

## Life safety, Security or Loss of Use (1-10 points)

- Does the project meet life, safety and code compliance needs of mission critical items or improve the security of the facility?

## Institutional Priority (1-5 points)

- What's the priority within the existing master plan?

## Student Success for Underserved Populations (1-10 points)

- How will the project impact the success of students from underserved populations?

## Leveraging Institutional Resources (1-15 points)

- Is the project funded by a campus match or pledged resources?