



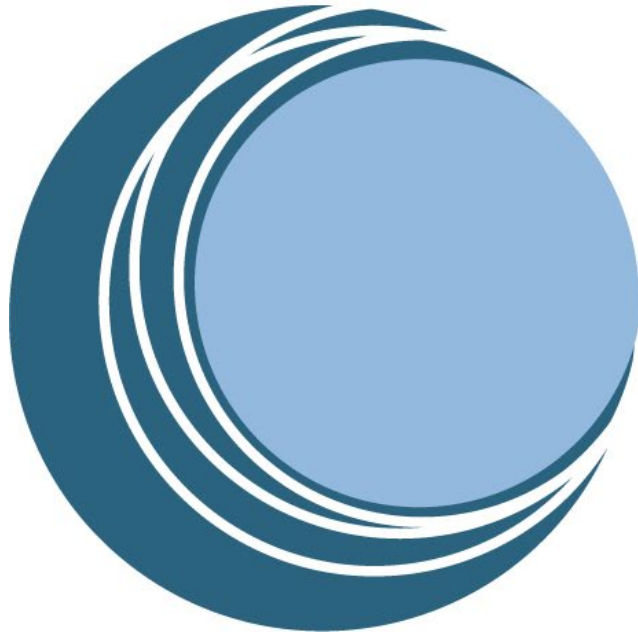
2600 NW College Way  
Bend, OR 97703  
P. 541.383.7700  
cocc.edu

## COCC Board Real Estate Committee Meeting Agenda

*COCC Board of Directors: Joe Krenowicz (chair), Laura Craska Cooper, Jim Porter, Erica Skatvold (alternate for Craska Cooper)*

Tuesday, April 2, 2024  
3:30 – 5:30 p.m. Via Zoom

	<b><u>EXHIBIT</u></b>	<b><u>ACTION</u></b>
1. Call to Order – Joe Krenowicz		
2. WSPI Updates – Pete McCaffrey and Courtney Hofstetter	2.1-15	
3. Approval of Meeting Minutes – Joe Krenowicz		
a. January 2, 2024	3a.1-8	X
b. January 30, 2024	3b.1-6	X
4. Madras Campus Expansion – Zak Boone and Jeremy Green		
5. Miller Property Offer – Michael LaLonde	5.1-6	X
6. Dates – Joe Krenowicz		
a. Madras Campus Expansion Meeting: May 2, 2024, 4:00 – 5:00 p.m. via Zoom		
b. Madras Campus Expansion Meeting: May 29, 2024, 4:00 – 5:00 p.m. via Zoom		
c. Quarterly Real Estate Committee Meeting: July 2, 2024, 3:30 – 5:30 p.m. via Zoom		
7. Adjourn – Joe Krenowicz		



**CENTRAL OREGON**  
community college

# COCC / WSPI

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COCC RE Committee Update – April 2, 2024

# Agenda

## Neighborly Ventures

- 180+ Unit Campus Village Apartments
- 3-Acre RH Land

## Outcrop Subdivision

## Village Core & Commercial Development





# The Veridian – 186-unit Apartment Development

## Construction Updates

- Community Manager has been hired, Lease Specialist hired & begins 4/20, both will live on-site
- Website is live  
<https://www.theveridianbend.com/>
- Clubhouse to turnover 4/5
- First residential building to turnover 4/20
- Final construction ETA 3/1/2025
- COCC Storm Water Agreement: Update
- Kick-off meeting went well
- Rents available on the website

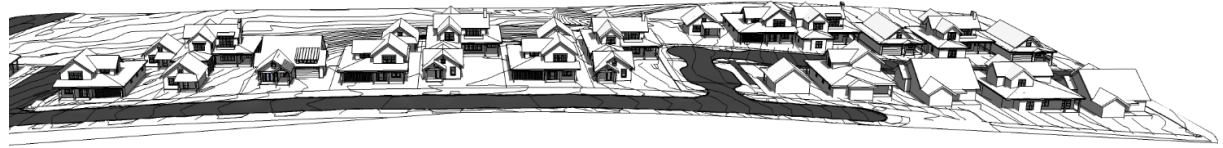




# Phase 2: 3-Acre RH Land

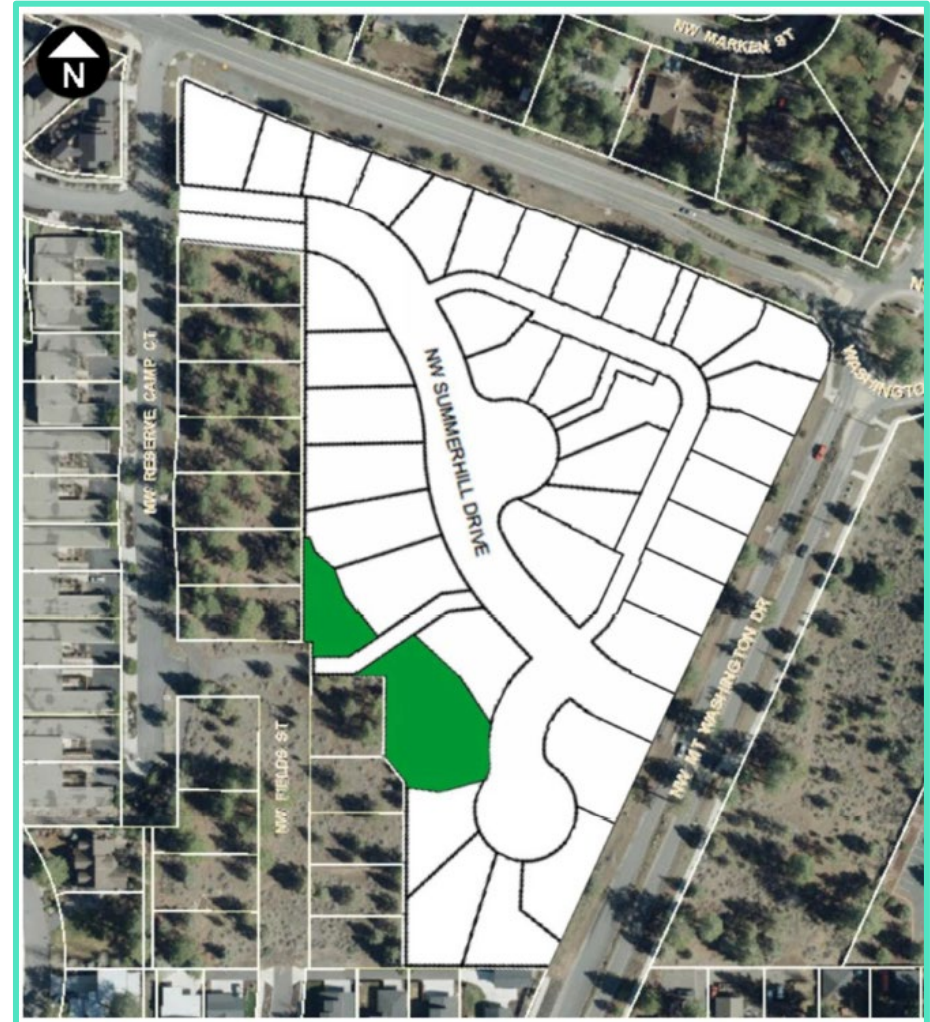
- Received \$30,000.00 option payment
- Project on-hold until seeing lease-up of Phase 1





## Phase II Updates

- Lots 17-51
- Preliminary Plat Approval
- Engineering: Awaiting INFR Permit
- Cost Estimating: In progress
  - Met w/ TNW on-site to refine grading plan
  - Preliminary estimates are \$3M+ for roads & infrastructure
  - Financing: Line of credit secured by WSPI property available
  - Sales Strategy: Meetings this quarter with homebuilders to survey interest

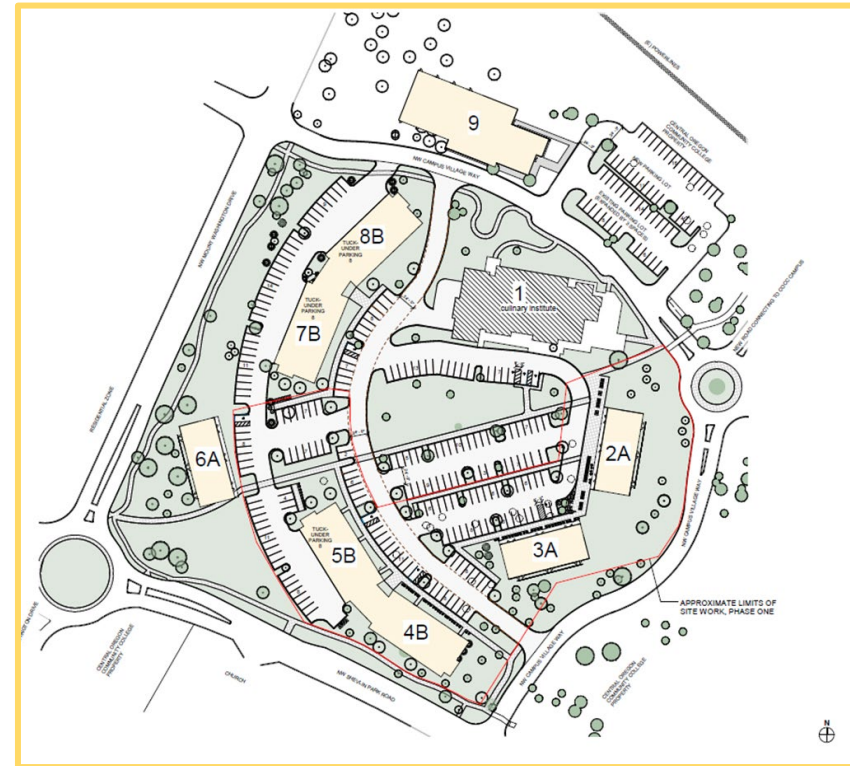


# Village Core & Commercial District

- **Strategy:** Draft off Veridian and Outcrop projects to enhance ground lease rates
  - Harmony between projects

## Village Core Development Opportunities

- F&B developer/operator (site tour scheduled for April 19th)
- Flex-Office Community
- Westside Hotel / Lodging
  - 2 Hoteliers interviewed this quarter
  - STR over commercial
- Medical Office – Owner/Operators





# Reference Slides

# Progress Pictures

2.8





# Progress Pictures

2.9













**SITE INFORMATION**

CITY OF BEND DEVELOPMENT CODE  
CENTRAL PLANNED DISTRICT OVERLAY (C.P. 1000)  
CAMPUS VILLAGE AREA  
SETBACKS: NONE EXCEPT ADJACENT TO A RESIDENTIAL ZONE:  
25' FROM THE BOUNDARY WHERE IT ABUTS A RESIDENTIAL ZONE  
ALL BUILDINGS WITHIN 100 FEET OF THE CAMPUS BOUNDARY  
WHERE THE BOUNDARY LINE ABUTS A RESIDENTIAL ZONING  
DISTRICT ARE SUBJECT TO THE APPLICABLE DESIGN STANDARDS  
OF BDC2 1.900 AND 2.1.1000  
LANDSCAPE REQUIREMENTS: APPLY 25' BEYOND THE PERIMETER  
OF THE FOOTPRINT OF PROPOSED NEW DEVELOPMENTS SITES  
FOR BUILDINGS AND OR PARKING LOTS.  
LANDSCAPE BUFFER REQUIREMENTS: 25' LANDSCAPE  
PRESERVATION BUFFER REQUIRED ADJUTING STREETS ALONG  
THE EXTERNAL BOUNDARY OF THE CAMPUS.  
100' LANDSCAPE PRESERVATION BUFFER IS REQUIRED ADJUTING  
RESIDENTIAL ZONED PROPERTY (EXCLUDING RIGHTS OF WAY)  
ALONG THE EXTERNAL CAMPUS BOUNDARY OF THE CORE  
CAMPUS AREA.

**BUILDING AREAS**

RETAIL	APARTMENT
1. 16,000 SF	
2A. 5,376 SF	
3A. 5,376 SF	
4B. 5,070 SF	14,000 SF - 20 1-BED UNITS
5B. 5,070 SF	14,000 SF - 20 1-BED UNITS
6A. 5,376 SF	
7B. 5,070 SF	14,000 SF - 20 1-BED UNITS
8B. 5,070 SF	14,000 SF - 20 1-BED UNITS
9. 15,696 SF	
<b>GRANDS SF: 81,303 SF</b>	<b>62,000 SF - 80 UNITS</b>

**PARKING**

PARKING REQUIRED	PARKING PROVIDED
PLANNING ESTIMATE: 4 SPACES/1000 SF 274 SPACES	

CITY OF BEND ZONING (TABLE 5.3.300):  
AUTO, STANDARD;  
RETAIL (GENERAL TRADE) AND OFFICE  
AT 1 SPACE PER 300 SF  
MULTI-FAMILY RESIDENTIAL AT:  
STUDIO+1-BED: 1 SPACE/UNIT  
STANDARD AUTO SPACES REQUIRED:  
RETAIL  
81,303 / 196 SPACES REQUIRED  
360  
MULTI-FAMILY RESIDENTIAL  
80 UNITS: 80 SPACES  
TOTAL: 278 SPACES  
ACCESSIBLE AUTO PARKING  
REQUIRED (OSBC TABLE 119K.1)  
313 SPACES PROVIDED  
7 ADA SPACES REQUIRED  
(WITH 2 WHEELCHAIR ONLY OF THE 7)  
BICYCLE PARKING REQUIRED:  
MULTIPLE USE (COMMERCIAL OR  
MIXED USE CENTER) 1 FOR EVERY 10  
REQUIRED AUTO SPACES  
205 / 25.5 = 8 SPACES REQUIRED  
TO

AUTO SPACES PROVIDED:	ACCESSIBLE PARKING PROVIDED:
MAIN LOT: 220	8 PROVIDED
EXISTING NORTH LOT: 25	WITH 2 WHEELCHAIR ONLY (WC)
NEW NORTH LOT # SPANDED: 36	DESIGNATED SPACES
<b>TOTAL: 281</b>	
BICYCLE PARKING PROVIDED:	
NEAR BUILDING 1: 8	
NEAR BUILDING 7: 12	
BETWEEN BUILDINGS 4&5&6: 8	
<b>TOTAL: 28</b>	

- TREE TO BE REMOVED
- EXISTING TREE
- PROPOSED NEW TREE



WSP Village Center  
Bend Oregon

Revisions  
No. Date Description

**CONCEPTUAL PRICING**

<b>SITE PLAN OVERALL</b>	
Project #	18007
<b>A1.00</b>	
Date	3.22.2019





**SOUTH SITE DATA:**

SITE AREA: 3.02 ACRES; 131,494 SQUARE FEET

ZONING: RH (HIGH DENSITY RESIDENTIAL)

DENSITY = 21.7 UNITS / AC. MIN., 43 UNITS/ AC. MAX.  
= 65 UNITS MIN.; 129 UNITS MAX.

PROPOSED LIVING UNITS:

ONE BEDROOM UNITS= (18) UNITS

TWO BEDROOM UNITS= (51) UNITS

TOTAL APARTMENT UNITS = 69 UNITS

PROPOSED DENSITY = 22.85 UNITS / ACRE.

PARKING REQUIRED:

1 BR = (18) X 1.0 STALLS / UNIT = 18 STALLS REQ'D.

2 BR = (51) X 1.5 STALLS / UNIT = 77 STALLS REQ'D.

TOTAL PARKING REQ'D. 95 STALLS MIN.

PROPOSED PARKING: 90 STANDARD STALLS

28 COMPACT STALLS

5 HANDICAP STALLS

TOTAL PARKING : 123 TOTAL STALLS PROVIDED

TOTAL PARKING RATIO= 1.78 STALLS / UNIT

BICYCLE PARKING: (69) SPACES MINIMUM REQUIRED

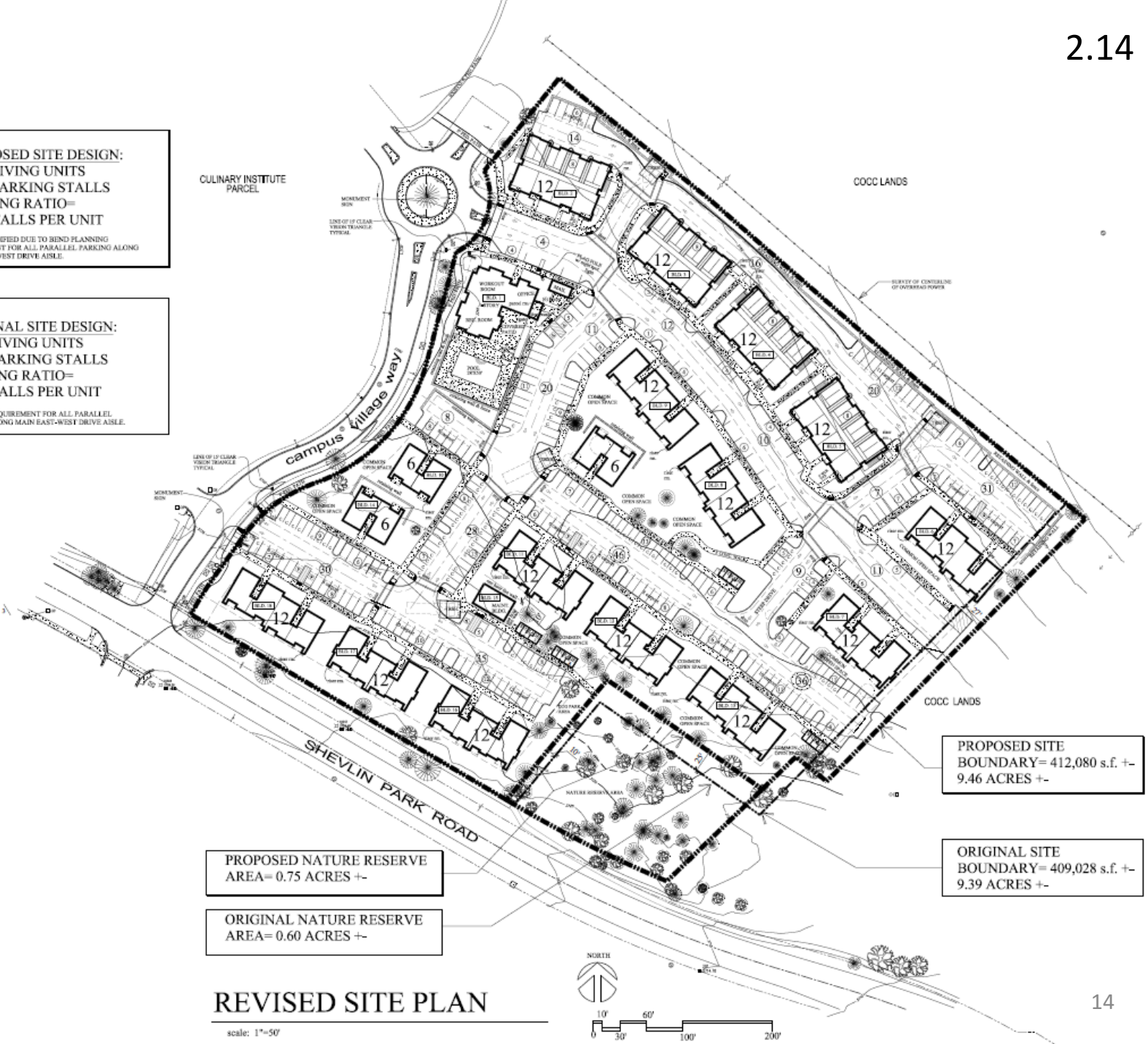
37.75' TO ROOF PEAK  
SIDE YARD SETBACK - 5' (17.75X.5) - 14' MIN. SETBACK

**PROPOSED SITE DESIGN:**  
 (186) LIVING UNITS  
 (348) PARKING STALLS  
 PARKING RATIO=  
 1.87 STALLS PER UNIT

PARCEL MODIFIED DUE TO BEND PLANNING REQUIREMENT FOR ALL PARALLEL PARKING ALONG MAIN EAST-WEST DRIVE AISLE.

**ORIGINAL SITE DESIGN:**  
 (180) LIVING UNITS  
 (346) PARKING STALLS  
 PARKING RATIO=  
 1.90 STALLS PER UNIT

PRIOR TO REQUIREMENT FOR ALL PARALLEL PARKING ALONG MAIN EAST-WEST DRIVE AISLE.



PROPOSED NATURE RESERVE  
 AREA= 0.75 ACRES +/-

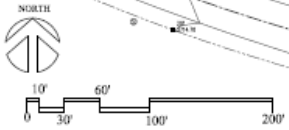
ORIGINAL NATURE RESERVE  
 AREA= 0.60 ACRES +/-

PROPOSED SITE  
 BOUNDARY= 412,080 s.f. +/-  
 9.46 ACRES +/-

ORIGINAL SITE  
 BOUNDARY= 409,028 s.f. +/-  
 9.39 ACRES +/-

**REVISED SITE PLAN**

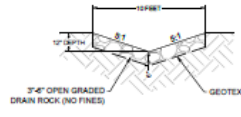
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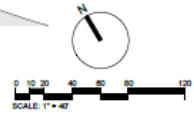
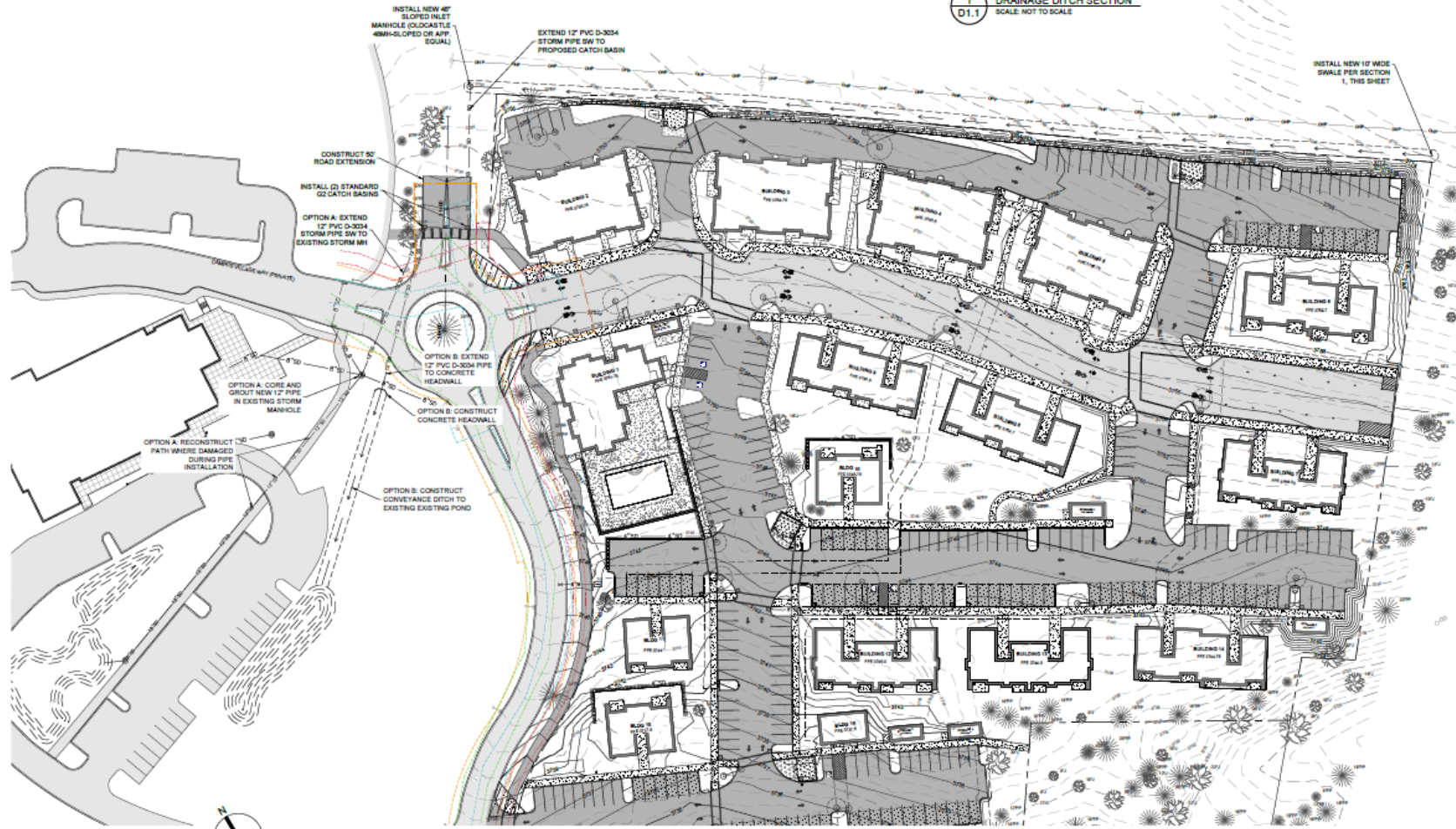
**GRADING LEGEND**

	DRAINAGE BASIN BOUNDARY		PROPOSED HMAc PAVEMENT
	PROPOSED 12" CONCRETE CURB		PROPOSED LIGHT-DUTY PCC PAVEMENT
	EXISTING 1' GROUND SURFACE CONTOUR		PROPOSED HEAVY-DUTY PCC PAVEMENT
	EXISTING 5' GROUND SURFACE CONTOUR		
	PROPOSED 1' GROUND SURFACE CONTOUR		
	PROPOSED 5' GROUND SURFACE CONTOUR		



**1 DRAINAGE DITCH SECTION**  
D1.1  
SCALE: NOT TO SCALE

CITY OF BEND APPROVAL



**CAMPUS VILLAGE APARTMENTS  
SITE IMPROVEMENT PLANS**

GRADING & DRAINAGE PLAN  
CITY OF BEND, OR



DESIGNED BY: SKM  
DRAWN BY: SKM  
CHECKED BY: OAH  
SCALE: AS NOTED  
DATE: 11/15/2022  
JOB # PRSIMP202202348

VERIFY SCALES  
0 1' BAR SCALES ONE INCH ON ORIGINAL DRAWING  
SHEET:  
**D1.1**  
HWA # 210203  
COB # PRSIMP202202348

100% CONSTRUCTION DOCUMENTS





Central Oregon Community College  
Board Real Estate Committee Meeting

**MINUTES**

Tuesday, January 2, 2024

3:30 - 5:30 p.m.

Via Zoom

**COCC BOARD OF DIRECTORS:** Joe Krenowicz (Chair), Laura Craska Cooper, Jim Porter (served as Chair for this meeting)

**INTRODUCTION OF GUESTS:**

**Community Guests:** Peter McCaffrey and Courtney Hofstetter (William Smith Properties, Inc.)

**COCC Staff:** Laurie Chesley (President), Michael LaLonde (Vice President of Finance and Operations), Zak Boone (Chief Advancement Officer/Executive Director of the COCC Foundation), Jeremy Green (Madras Campus Director/Branch Campus Capital Projects Manager), Kyle Matthews (Executive Assistant to the President and VPFO)

**COCC Legal Counsel:** Paul Taylor (Bryant, Lovlien & Jarvis)

**CALL TO ORDER:** Jim Porter called the meeting to order.

**NEIGHBORLY VENTURES AT THE CAMPUS VILLAGE:**

Hofstetter said that a Community Manager had been hired for The Veridian complex and her first day on the job was the day of this meeting. Neighborly is planning to introduce her to the Committee in the near future. (LaLonde asked to include Campus Services Director Josh Clawson in that meeting as well.) Neighborly's leasing team had over 130 individuals on their interest list. The clubhouse was due for completion by the end of that month and the first residents would sign leases in February. The stormwater infrastructure was upgraded in the fourth quarter of 2023. Improvements on Shevlin Park Road were planned for the coming spring, but whether they could overlap with the City of Bend's waterline work were still to be determined.

McCaffrey recommended visiting the roundabout on Shevlin Park to see how attractive the site was looking during construction. He expected it to be an energetic place once landscaping is completed and tenants begin to move in. He added that rent would ramp with the occupancy of the complex and hoped that the second and third quarter of 2024 would see ground lease payments coming in.

LaLonde asked if they knew what the rental rates would be, noting that The Veridian's website did not have any listed. Hofstetter explained that none of the buildings had been finalized yet, but she would ask the new community manager for a cost breakdown.

McCaffrey said that the second phase of the project was a three-acre site, reminding the committee that Neighborly planned to pay \$30,000 in February to extend their due diligence period for another year. Their land use approval was complete and they were working with the City to extend their

permits to 2025 to better align with the anticipated construction. McCaffrey was confident that the high demand for leasing across the street would bode well for this project.

**OUTCROP SUBDIVISION ON THE BEND CAMPUS:**

Phase II of this project was for Lots 17-51. Hofstetter had been in contract with Dowell, WSPI's engineer, who said the City made some minor requests, as well as a request for a mid-block crosswalk across Mt. Washington Drive where Summerhill spills out onto Mt. Washington. Hofstetter asked Dowell to ask the city to withdraw its request as the crosswalk currently leads to an empty lot and there are already painted crosswalks on either end. Once WSPI has the final infrastructure permits, they will begin work on grading for the main roads and infrastructure, after which Taylor Northwest would have some estimates for earthwork.

**VILLAGE CORE AND COMMERCIAL DISTRICT:**

McCaffrey said that since the most recent meeting of the Committee, WSPI has corresponded with a high-end hotel developer about the three-acre site that had been previously discussed with the Children's Museum of Central Oregon. After looking at preliminary bids from contractors to get an idea of pricing, the location was right but the timing was not. They liked the group and hoped that market conditions would be more favorable in the future, but they were not proceeding at this time. WSPI has been meeting with other developers and business owners who might be a good fit for this site. The opening of The Veridian should help generate activity and interest for different commercial users. WSPI has the plans they previously developed, so when they find a good prospect, they can immediately discuss what location within lot 5B would be a good opportunity.

**ADDITIONAL WSPI BUSINESS:**

McCaffrey mentioned to LaLonde that, in light of the new year, WSPI would send COCC their cost trackers for the prior year to review. He expected to have them ready to send by the end of January.

**DISH WIRELESS LEASE:**

LaLonde explained that Dish Wireless had a proposal to build a cellular tower on one of COCC's buildings and pay the college \$7,500 per month. COCC already had two ongoing cellular tower leases, one with CCTMI for \$3,200 per month and the other with Verizon for approximately \$3,000 per month. Both contracts have escalators, as did this newly proposed contract. The first term would be 60 months with four or five-year extensions. COCC was not ready to recommend approval because the company would require an easement through the main part of the campus to reach the fiber-optics they would need to connect to the tower. This requirement was not described very clearly in the lease and LaLonde was unsure why, nor was it fully disclosed. These details would need to be clarified before a recommendation can be made.

Taylor clarified that he personally did not understand the scope of the company's requirement very well, and therefore did not describe the issue very well to LaLonde. LaLonde added that Clawson asked Dish Wireless why their reasoning wasn't included in the contract, and they told him that they did not think it was necessary.



**MADRAS CAMPUS EXPANSION:**

Chesley said that good progress had been made on the project. She reminded the committee that, at their previous meeting, COCC may request an additional \$1 million in real estate funds that had been garnered over recent years for the project. During this meeting, Chesley would submit this request to the committee along with Boone and Green's presentation. Since the first allocations were made, the total budget for the project was \$14 million, with the Board approving \$1 million from COCC for the project. At the time of this meeting, the budget was \$18 million and was not expected to increase any further. COCC was in correspondence with The Roundhouse Foundation and The M.J. Murdock Charitable Trust. Murdock was planning to visit the Madras campus for due diligence and one of their main questions was how much COCC was dedicating to the funding of project. Chesley pointed out that The Ford Foundation limited the amount COCC could request to \$250,000 due to their skepticism of higher education capital projects.

Green shared updated designs for the campus expansion. Design team meetings were ongoing. Green and Boone had been meeting with COCC's Facilities team, as well as the project's architect and general contractor, over the past two months. Topics of discussion included low voltage systems, Campus Services' needs, and specific needs for The Children's Learning Center (TCLC). The latter included security cameras, outdoor playground fencing and the kitchen. The design schematics for these specific areas were being finished. At the end of November, they submitted the design development documents to the construction manager/general contractor (CMGC), Kirby Construction, which allowed them to coordinate with Opsis Architecture. Permit work with the City of Madras was ongoing with the formal portion of the process nearly underway. They completed a traffic study, as required by the city, just before the holiday break. The master plan of the entire property, another city requirement, was also being finalized.

Green also reported that Clawson was coordinating an open bid for Phase One of the campus' solar array. The existing building does not have a solar array, so Clawson, Boone and Grants Manager Sean Tevlin were able to compile available funds to equip the building with a solar array. That was being constructed alongside the second phase, which would add another solar array to the new building once it is completed.

Once Kirby is done with this phase of design development, the campus will go through its fourth and final round of value engineering for optimal diligence. Green said he would have updated numbers and information at the next committee meeting. After that, the project would go out for bid to sub-contractors while also finishing the permitting process with the city. The project remained on track for a formal negotiation of the guaranteed maximum price, possibly in April or May, and a formal ground-breaking either in late spring or early summer.

The total project cost was sitting at \$18 million, including construction, architecture and permits. Green and Boone have continued to remind Opsis and Kirby that \$18 million is the ceiling and they do not desire to go over. Opsis and Kirby have done their best to keep the project within this budget. Boone had noted in the previous meeting that inflation has made it difficult to plan six to eight months ahead, but they understand the college's goal to remain within \$18 million.

Craska Cooper asked what primarily drove the total cost of the project from \$14 million to \$18 million. Green said the primary drivers were an increase in footprint size for the overall building to ensure 100 childcare slots would be made available for TCLC, as well as the requirement for the building to be built from a steel frame, rather than wood. Boone asked Green to discuss the building's contingency as well. Green explained that the total budget for the project included contingency costs of 5-8%, depending on a specific line item.

Green and Boone would meet with COCC Madras' faculty and staff for final rounds of design, primarily to determine IT needs and low voltage systems. While the college would own the land, COCC has asked TCLC to purchase their own equipment, including structures for their outdoor play area. TCLC understands that COCC does not want to provide equipment that the college would not use and that if TCLC had to vacate the facility, they would be able to take their equipment with them.

Craska Cooper was concerned that a 5-8% contingency would be too low. Could this lead to further increases to the total cost of the project? Green concurred and added that LaLonde expressed similar concerns when he joined COCC in 2023. They have continuously asked Kirby whether these numbers were standard for builds of this nature, and they have continued to say that 5-8% is enough. Kirby has shown comparators to assure COCC of their numbers. Kirby and Opsis were also designing together and they felt this increased the credibility of their estimates.

Chesley asked Craska Cooper what number she would be comfortable with. Craska Cooper said she is used to seeing 10% contingency on projects like this, and sometimes at high as 15% in the early stages. She asked what stage they were at in the construction drawings. Green said the documents had been sent to Kirby and they would have updates for costs at a later date. Craska Cooper asked if the project had received engineered drawings yet. Green said it had not. Craska Cooper said that the closer they got to finalizing their designs, the more they would narrow the contingency. In her experience, contingencies are higher before a project's engineering is drawn. She concurred that having a CMGC was helpful, but was still concerned to hear that construction was still six months away and did not think the ceiling could remain at \$18 million with an 8% contingency.

Boone said that LaLonde had a similar concern and they brought it to Kirby and Opsis, who assured then that this would not be a complicated project for them. They had comps that COCC had to provide for some of the funders for this type of building. They were confident in their numbers because of what they had done in past comps. They were hoping the Good Manufacturing Practices (GMP) certification process and the engineer drawings would serve as another "off ramp" for the project.

Craska Cooper asked how it was decided that the structure needed a steel frame, rather than wood. Green said that was determined during the architecture process when a specialist designed the science labs for the new building. Craska Cooper asked if it related to the intended use of the building, which Green and Boone confirmed.

For fundraising, Boone shared that the giving campaign remained in its "quiet phase," but he and Charitable Giving Officer Wendy Patton continued to meet with donors and shared their materials to increase giving in the first quarter. They wanted to remain transparent about what they were asking for while there was not a guaranteed maximum price at the time. The donors appreciated their



honesty and one even pledged \$150,000. Murdock had an extensive due diligence process and their first question was why COCC wasn't paying for the entire project. They had also never donated to the COCC Foundation before, so they did not have a history to reference. They asked for extensive information on COCC's annual budget and various funds. They wanted to know how much COCC planned to contribute to the building fund and whether the college was committed to completing the project, even if Murdock decided not to give a grant. The Ford Foundation asked why COCC was not eligible for a larger capital grant because Ford's board has a cap for capital grants for colleges (which is standard for many foundations).

In light of the increased total cost of the project, Boone suggested that COCC's real estate fund may be able to absorb more of the total cost, but that was for the Board to decide. Craska Cooper asked whether the real estate fund had received the money from the recent sale of property on Awbrey Butte. LaLonde estimated the balance of the real estate fund was over \$6 million. COCC had also received \$250,000 that day from the City of Bend for the waterline easement.

Green added that when they submitted design development documents to Kirby in November, they said it was 100% design development. Chesley suggested Boone and Green go back to Kirby and Opsis to confirm that these plans are engineered. She also encouraged Craska Cooper to bring her questions to them. Craska Cooper said that if they could confirm the drawings were engineered, she would be more confident in a 5-8% contingency. Green shared the plans they had sent to Kirby and Opsis, which said "100% designed," confirming they were *not* yet engineered.

Chesley asked when they expected to have engineered drawings ready. Green said that they have continuously asked for a bottom-line cost, and Kirby and Opsis have continued to ask for COCC to wait until they could give accurate figures. Green expected an updated price point from Kirby in the coming weeks.

Craska Cooper added that Kirby and Opsis could also explain what they expect spring construction to look like based on their own experience. That could indicate whether they expect costs to increase further and whether Kirby should preorder any materials. While storage may prove tedious, it could also save money if costs continue to increase. Green concurred and pointed out that he and Boone had asked Kirby all of these questions before the holiday break. He intended to follow up with them later that month.

Boone recognized the challenge of the increased costs. As a fundraiser who is asking foundations for \$1 million while COCC matches it, he felt that COCC should have the largest stake in this form of direct cash funding for capital and not be one of a prospect that we treat like foundations (not that we do that). The decision to not ask for a bond or use other methods of funding was intentional. He acknowledged the impact of the land donation, but felt that funders have a broader view. Funders on grant review committees will often look at contributions from other funders and question why one donation is too high or too low. He suspected that so many large grants have caused COCC to become a "second tier" funder and caused concern from Murdock. Craska Cooper concurred, but clarified that she had other ideas for where real estate funds should be spent and did not want to risk asking for another \$1 million in six months. Boone concurred.

Craska Cooper also asked what the additional costs were to increase the childcare slots for TCLC to 100. It was her understanding that 100 slots were always part of the plan. Green explained that COCC's intention was for 100 slots, but they considered 70-80 slots in order to bring the price down. When they submitted for a grant from NeighborImpact, they based their funding model on 100 slots. TCLC had to agree to 100 slots as well, which required two additional classrooms for TCLC's childcare licensing. This increased the overall building size by 4,500 square feet. Boone clarified that the grant from NeighborImpact was for \$525,000, which COCC matched. Chelsey recalled a conversation where it was understood that the particular grant was intended to achieve the desired quality of TCLC.

Chesley noted that trades had been made during this process. COCC has made commitments that have raised the overall cost of the project and removed commitments in order to save money. Those decisions have primarily been made internally, but the committee was welcomed to be more involved with those decisions if they preferred. For example, the High Desert Education Service District requested three classrooms and COCC decided not to move forward due to the cost. Some of the college's departments wanted classrooms at twice the size in order to serve twice as many students, but that would be too expensive. Craska Cooper clarified that she was interested in what caused the cost to increase and summarized that it was construction and the size of the classrooms, which Green confirmed.

Craska Cooper asked when COCC wanted to present this to the Board of Directors. Boone suggested that the Real Estate Committee should decide. He could wait until they had a GMP or heard back from some funders. He did not think this was an urgent matter. Craska Cooper clarified that she wanted to know when the COCC Foundation needs the Board's approval to avoid negative impact toward their fundraising efforts. Boone did not think their efforts would be negatively affected at this point, but acknowledged that there was some concern and felt the Foundation was successful in easing such concerns. He also said that the sooner they had the Board's approval, the sooner they would have an additional match which they could leverage in the upcoming site visit with Murdock. January or February would be ideal in light of discussions they were also having with Roundhouse.

Boone also announced to the committee that Miller Lumber's donation of their property in Madras to COCC was finalized on December 29, 2023. He wanted to ask the Committee for their advice on a related matter. Charlie Miller previously approached a real estate broker in Madras in early 2023 with the intention of selling the property themselves. They offered the land to the Jefferson Community Food Pantry at a discounted price, but the Food Pantry declined. Miller then met with Boone and offered the property to COCC in lieu of a campaign gift. The real estate agent who worked with Miller was interested in representing COCC. Boone met with real estate agent Joe MacDonald about a month prior to discuss the process with him. Jefferson County was also interested in helping the Food Pantry broker a deal or to help gather the funds necessary to give COCC a favorable offer for the land. Boone asked the Committee whether he should discuss things further with MacDonald. He said that MacDonald knows the property and the Miller family well, and he has offered to waive his commission fees. Boone wanted to know if the Committee was comfortable with proceeding with MacDonald and the Food Pantry or if they should consider other offers.

Craska Cooper recommended discussing it with COCC's Director of Risk Management Sharla Andresen. She referenced the college's recent sale of property on Awbrey Butte and their decision to seek

requests for proposal (RFP). Andresen wrote the RFP because knowledge of the property and the surrounding area was valuable. Craska Cooper also recommended Boone ask MacDonald if there is any room for negotiation on the brokerage fee as COCC is a not-for-profit institution. Boone concurred on all points and believed MacDonald would be very amenable to that. Porter concurred it was important to work with a local real estate agent who amenable and knew the Miller family well.

Craska Cooper pointed out that the Board is obligated as fiduciaries for COCC to do what is best for the college's finances. Krenowicz encouraged with putting out an RFP if the Committee decides to go that route with the Miller property. He acknowledged that there are other options besides the Food Pantry and that while there was a need for such services Jefferson County, there was also a need for commercial space. He recommended not focusing on what they *want* to be there, but what would get the most money for the college. That could still be the Food Pantry, but it would more likely be a commercial property owner, especially for its location on Seventh Street next to the post office.

Boone said he would contact Andresen for considerations on an RFP for real estate and would also ask her about the Board's fiduciary obligations. LaLonde asked what impact it could have on Miller's deduction. Boone asked Taylor if Miller's deduction was based on the appraisal value he received on the property, which Taylor confirmed.

Porter asked if COCC still needed the \$1 million commitment from the Board. Chesley said it was still on the table, but sensed that Craska Cooper and Krenowicz had more questions to ask, mainly around how much higher the cost of the project might be. Porter asked if there was any hard commitment to not using the real estate fund. LaLonde said there was not. Chesley added that the upcoming Board work session on COCC's reserve policy will include a timeline from LaLonde on when certain amounts of money would be needed if COCC proceeds in a certain way. This could give the Board a sense of potential commitments for the coming years, such as deferred maintenance and additional capital funding from the State. LaLonde added that the timing of the Madras campus expansion is unclear, so it may require COCC to use bridge financing. The college would also need to raise \$4 million to match a grant from the State for modernization of the Redmond campus. It had been estimated that \$13 million in deferred maintenance will be required to fix major equipment over the next three years. In 2027, COCC could ask the Higher Education Coordinating Commission for another \$8 million for deferred maintenance or construction for another new building. Craska Cooper felt it was necessary to approve this request but expressed concern that the total cost of the project would continue to increase. Porter concurred, but trusted Boone and his team would do everything possible to secure enough funding to prevent the college from having to commit any further funds. Green reiterated that he had told Kirby and Opsi that if the total cost was increased any further, they would need to go back into the design and see where they could cut expenses. He said that both firms are working hard to keep this from happening. Chesley was confident that COCC was making the right decisions to fund the project, even though it has taken longer than expected.

Krenowicz concurred with everyone's comments and added that it would be important to note what expenses, if any, had to be removed from the project in order to keep the total cost from increasing any further. This would add credibility to COCC's due diligence.



Both Krenowicz and Craska Cooper said they would like additional information before moving to recommend to the Board to approve an additional \$1 million commitment from the college. Chesley asked if they would like to hold an additional Committee meeting, which they both confirmed. It was decided that the Committee would meet again on January 30.

Circling back to Craska Cooper's contingency question, Taylor said he checked the last few real estate projects he worked on, and all of their contingencies were 4-8%. Craska Cooper reiterated that 4-8% is standard when all of the engineering is drawn, but it should be higher while it is still being drawn. Taylor concurred, but said some of the projects he was referencing had GMP contracts, which contract managers often pushed in recent years, but it was his opinion that it was no longer possible in today's real estate market. Green concurred, stating it was Kirby's opinion that it is to COCC's advantage to wait until the subcontractor bids have come back so they would have more reliable numbers.

**REDMOND PROPERTY ARRANGEMENT:**

LaLonde reminded the Committee that Zachary Bass, Manager of the Redmond Airport, attended the previous meeting to discuss eight acres of land on the airport's property, which they would like to give to Deschutes County, in exchange for the County donating land near the COCC Redmond campus to the college. LaLonde has sense spoken with Bass and the mayor of Redmond. During this meeting, LaLonde said COCC had no plans to use the land being offered, but the City of Redmond felt it would be better for COCC to use the land than the businesses currently occupying it. They did not expect COCC to build anything, but they did request a letter of interest from Chesley. The mayor would bring this letter to the County commissioners to begin discussions to make this transaction happen. The city would need to negotiate with the county, as well as the Federal Aviation Administration in order to get a restriction they have on the city's property switched over to the property currently owned by the county.

Chesley asked for the Committee's approval to write the letter of interest. She was concerned that the letter could become public, so she would consult with Taylor on the language to make sure everything was legally sound. Craska Cooper concurred that the language should not show any commitment to acquiring any property at this time. Krenowicz wanted to make sure that there would be not costs to COCC if the arrangement went forward. He expressed concern there may be some unforeseen environmental issues with the land. Chesley offered to add language to the letter requesting an analysis of the property to ensure its quality.

**MEETING MINUTES FOR SEPTEMBER 6, 2023:**

**ACTION:** Krenowicz motioned to approve the minutes for the meeting. Craska Cooper seconded the motion. The motion was approved unanimously.

**DATES:** The Committee agreed to meet via Zoom on January 30 at 4:00 p.m. to discuss the Madras campus expansion further. The next quarterly meeting was scheduled for Tuesday, April 2 at 3:30 p.m. via Zoom.

**ADJOURN:** Porter declared the meeting adjourned at 5:26 p.m.



Central Oregon Community College  
Board Real Estate Committee Meeting

**MINUTES**

Tuesday, January 30, 2024

4:00 - 5:00 p.m.

Via Zoom

**COCC BOARD OF DIRECTORS:** Joe Krenowicz (Chair), Laura Craska Cooper (served as chair for this meeting), Jim Porter

**Guest:** Mark Stoller (Opsis Architecture)

**COCC Staff:** Michael LaLonde (Vice President of Finance and Operations), Zak Boone (Chief Advancement Officer/Executive Director of the COCC Foundation), Jeremy Green (Madras Campus Director/Branch Campus Capital Projects Manager), Kyle Matthews (Executive Assistant to the President and VPFO)

**COCC Legal Counsel:** Paul Taylor (Bryant, Lovlien & Jarvis)

**CALL TO ORDER:** Laura Craska Cooper called the meeting to order.

**MADRAS CAMPUS EXPANSION:**

Green introduced Stoller to the committee. Stoller said they were nearly finished with the design tasks for the project and shared remaining items on their schedule, including upcoming workshops, engineering and city permits. They received a traffic study with a favorable preliminary review. The traffic study indicated that the project would not have a significant impact on the nearby intersections and would not require significant upgrades. Stoller was waiting to hear back from the City of Madras to set up a preliminary review, which would most likely take place in the coming weeks. His goal was for there to be no surprises for anyone when a formal traffic study is submitted. Craska Cooper said that the Committee had received the traffic study from COCC President Laurie Chesley upon Craska Cooper's request. She was concerned about the rise in total cost for the project and concurred that the study looked favorable.

Craska Cooper asked if there were any concerns about sewage or water as they can be expensive. Stoller confirmed they were included in the project's total cost estimate, explaining that there was adequate water coming from the street and they were working to get new waterlines to the building as it seemed to be a better fit long-term than upsizing the line from the existing building. For sanitation, a pump station will need to be installed as the campus' first floor is lower than the line in the street, and it has also been included in the new cost estimate. Craska Cooper asked whether the city's infrastructure was sufficient enough for the expansion's sewage and water, rather than off-site access. Stoller confirmed this and clarified that one significant increase in costs was permitting and system development charges, particularly the size of the campus' water meter. A possible solution

would be to have two separate meters; one for domestic and one for irrigation landscape. Craska Cooper asked whether the campus had any wells onsite to offset irrigation. Stoller said it did not.

Craska Cooper asked what the project's systems development charges (SDC) were estimated to be. Green shared the most recent version of the project cost summary. The combined estimates for SDC and permitting were \$435,000. (Stoller estimated that permitting was \$130,000 alone.)

Craska Cooper reiterated that the total estimated cost has increased from \$20 million to \$21 million, which Stoller confirmed, clarifying that part of this increase could be attributed to the owner soft costs. This was another design task that was not yet completed.

Green added that most of the nursing and science equipment for the new building had been purchased. COCC was in final review for needed equipment and had recently received additional funds to cover some of those costs. COCC's IT department was working on a rough estimate of the IT costs for the equipment that would need to be purchased for the building (not IT infrastructure costs). At the same time, Green and his colleagues have been identifying new funds from grants that were not yet available in previous fundraising models. Another significant expense that was recently internally discussed was the exterior playground for The Children's Learning Center (TCLC). The estimated cost was previously between \$450,000 and \$500,000. In a recent meeting with Green, TCLC was informed that they would be required to provide their own equipment while COCC provides the space.

Craska Cooper asked what the project's current contingency was. Green showed that the new total contingency was \$1.34 million. Stoller added that this contingency was part of the total estimated cost, and there was also an owner's contingency for construction. Once the project's construction manager/general contractor, Kirby Nagelhout Construction, has finished seeking bids from trade partners, the design contingency of 7.5% and the escalation will be removed as they are assumed to be included in the bid numbers they will receive. Kirby will then carry 3% of the contingency forward while COCC carries 5%.

Stoller said that one item that was reviewed by Boone and Green was the base building number difference between schematic design and design development. The most significant causes for the overall increase could most likely be attributed to the subcontractor bids received by Kirby and scope clarification/value engineering. The latter refers to an effort to save money on the foundation system for the building and the dirt on the property. When the soil report came back, it was determined that it would cost far less than anticipated, so the cost reduction in design development did not come to fruition. The building's size and materials had not changed, but they had a more realistic idea of how much it would cost.

Green said that, as a cost reduction model, the new building had been designed for what it will need upon opening, rather than what COCC would like to have in the next five to ten years. However, Green and his colleagues believed that the new building would serve the college's needs and purposes long into the future with additional sections and cohorts of students. The space was designed to be functional for more students and would be built for additional sections and cohorts.



Craska Cooper asked if Green and Stoller expected any further setbacks before the completion of the design process. Stoller was optimistic that there would be no further delays and commended Kirby's efforts to find partners within the project's budget. Everyone's extra due diligence with the knowledge of the necessary size for the building's systems helped a lot with the SDCs. The question had been asked about when COCC should establish a Guaranteed Maximum Price (GMP) with Kirby. Should it be done now or should they wait for subcontractor bids? Stoller suspected the timing the GMP could increase costs further.

Craska Cooper asked if they only had estimates on what they expected for bids, which Stoller confirmed. She asked when they expected to receive bids. Stoller said they were hoping to receive all eligible bids by the end of March, but more likely the end of April. He estimated that permitting and land use planning would take eight to ten weeks to complete.

Craska Cooper asked about the status of the land use process. Stoller said that COCC has a permit from the City of Madras and Jefferson County reviews it as well. The college also had a site plan and lot line adjustment to submit to the city, as well as a master plan development review, which would be conducted over the next ten years. Their plan was to submit all of their documents simultaneously. Stoller anticipated the master plan development review taking the longest to complete, but did not think it would delay the general building permit. They planned to file the land use permits with the general building documents in mid- or late-March, which would be the same time they would seek bids for subcontractors.

Krenowicz asked how the project could be prevented from increasing its estimated costs any higher, particularly after Kirby receives all of the subcontractor bids. Craska Cooper was also concerned that there would not be an answer to this question until Kirby received the bids. Stoller believed that the numbers he and Green shared with the Committee were as comprehensive as possible. Green added that the design process began two years ago with a smaller building in mind. They also planned to use a wooden frame, but the intended use of the science laboratories required a steel frame.

Stoller pointed out that a common factor that Opsi had seen with other clients, including Tillamook Bay Community College, was their desire to separate building costs from site costs as the latter can vary more than the former. Recently, Opsi had seen new construction costs to be \$500 per square foot and the current numbers for the new Madras building were only slightly higher. Opsi and Kirby had also seen more competitive bidding in the greater Portland area, which caused the average rates to decrease. Meanwhile, Central Oregon remains a high demand market.

Craska Cooper suggested that the issue was not market rates, but that the Board approved of an estimated total cost that was significantly less than it was at the time of this meeting, and she was concerned about COCC's ability to meet this commitment. Krenowicz acknowledged that it would be difficult to convince the other Board members to support the increased total cost. Porter concurred and mentioned other financial demands that the Board would need to address, such as deferred maintenance on the Bend campus. Krenowicz added that getting the greater Central Oregon community to continue to support this project would be difficult as well. Porter pointed out that part of the intention behind this new building was to create more opportunities for nursing students as there is a national shortage in the profession.

Porter asked if COCC had been gifted the property free of charge. Craska Cooper confirmed this, but clarified that the value of the land is relatively minimal compared to the construction costs. The nursing laboratories were also not part of the original design of the new building. It was initially intended solely as an early childhood education facility. Boone said that the project would not have moved forward without the health careers programs.

LaLonde asked if there would be a recommendation from the Committee to request approval from the Board to commit an additional \$1 million to the project. Krenowicz thought it should be postponed until they were confident that the total cost would not increase any further. Craska Cooper agreed, but felt it would help the Foundation's fundraising efforts if there was more commitment from the college. At the same time, another \$1 million is a lot to ask for the Board to approve, especially if it may not be the last time the Committee makes such a request. She suggested giving a summary of the need for the additional funds, as well as reasoning why the Committee believes that there will be no further increase in total cost outside of subcontractor bids.

Boone concurred with Craska Cooper's points and acknowledged that this circumstance was not ideal from a fundraising perspective. Since the Foundation's funding is relationship driven, the Foundation would need to inform its donors of the increased cost, but Boone was not concerned about it. As a community member, he envisioned the next 20 years of 88 health career students graduating every year, along with the childcare impact and economic boost to the community, which was made possible by \$3 million from the college and the remainder from outside sources.

Craska Cooper concurred, but was concerned that additional funds from any outside sources would not otherwise be applied elsewhere. Boone concurred that this is sometimes the case, but pointed out that certain sources of funding would not have been received unless the campus expansion had specific features like childcare or health career facilities. Craska Cooper concurred and referenced everyone's surprise that Wickiup Hall was 22 years ahead of schedule in paying off its debt. She suggested reminding the Board that there would be a significant advantage to approving an additional \$1 million now while seeking additional outside funding, but also explain to them why additional college funds may be necessary in the future.

Porter added that optics should be considered as the Board begins every meeting by thanking the original stewards of the land that COCC's buildings stand upon. He saw this as an opportunity to give back to the community and to Jefferson County.

Krenowicz asked if the proposed resolution for the Board had a dollar amount. Boone explained that the proposed resolution did not have a dollar amount at that time because it needed to be approved by the Committee first. Krenowicz understood that the intention for the resolution would be for the Board to approve an additional \$1 million toward the Madras campus expansion with the understanding that additional funds may be necessary. Craska Cooper recommended giving the Board a summary of why the costs had increased and why the Committee was confident that the only potential source of further increases would be the subcontractor bidding.

Boone acknowledged the challenge the Committee faced in asking the full Board for their support. In the event of any hesitation from the Board, Boone offered to reach out to the Foundation's funders to explain the situation in an effort to boost their support. Craska Cooper appreciated Boone's observation of the state of childcare and health career education and the interest of governments and businesses to help fund these institutions.

Krenowicz wondered, if the Board would not approve of the additional \$1 million, would this project need to be delayed or placed on hiatus? He did not share that view and felt the project needs to be completed. He appreciated Boone's long-term perspective and said it would be important for both the Board and the public to consider.

Green asked what the impact might be on the project if the Board opted to delay the project or place it on hiatus. Stoller said they would need to ask the Madras city manager's office how long they could hold onto the permits before they expire. Escalation is still a possibility at 3-4% according to Kirby. Every quarter that COCC opts to delay could potentially increase the total cost of the project. Craska Cooper pointed out that COCC would be competing for construction contracts and materials with the rapidly growing residential markets of Bend and Redmond.

Krenowicz asked what the financial impacts could be to the COCC Foundation if the Board opted to delay the project or place it on hiatus. Boone said that, while they would need to adjust some proposals that they had scheduled, he did not think it would affect any incoming grants or private donations. Green added that federal and state funding for the project would come into question if this happened. Boone concurred and added that they would notify their government contacts if the status of the project has changed, noting that it would not be an anomaly as projects like this often experience delays or cancellations. And while the Foundation would hold onto any donations from investors or private donors, they would honor any requests for refunds if the project was delayed or cancelled. Transparency is important to the Foundation's supporters.

Craska Cooper asked about how many commitments the Foundation had received for this project. Boone said they currently had ten and pointed out that they had not yet launched the full public campaign. He had made four individual requests and the project had received \$250,000 in commitments from major donors. (This did not include the land donation from Miller Lumber.)

Porter appreciated the discussion and suggested it would be best to wait to see how much the sub-contractor bids would end up being. Boone suggested that the only other options that had not been discussed was rolling into a future bond. While he was not recommending that option, he has seen it used by other organizations in similar situations. LaLonde added that a future bond would require an additional year of work.

LaLonde asked if the Committee needed to make a resolution. Krenowicz suggested that COCC staff could draft a resolution for the additional \$1 million for the project and send it to the Committee members to review. Craska Cooper suggested that Krenowicz, Porter and herself could decide in this meeting to recommend to the Board to approve the additional \$1 million. Taylor concurred, noting that the Committee did not require a resolution to make a decision. Craska Cooper asked for COCC's



staff to draft a resolution and send it to the Committee members to review and approve as soon as possible.

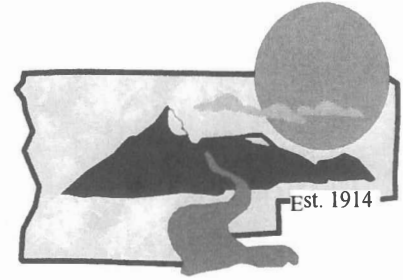
Green asked if the Committee should plan to meet monthly to continue discussing matters related to the Madras campus expansion. (There was already a quarterly meeting scheduled.) Craska Cooper did not think that would be necessary unless something changes for the project before Kirby receives the bidding results. She suggested the quarterly meeting on April 2 would be sufficient. Stoller suspected that Kirby would have bids and GMP in late April or early May. Craska Cooper suggested scheduling a meeting for May unless something else happened sooner, and that monthly meetings would be helpful as the project moves further along. Krenowicz concurred.

**DATES:** The next quarterly meeting was scheduled for Tuesday, April 2 at 3:30 p.m. via Zoom. An additional meeting focusing on the Madras campus expansion would be scheduled for May, depending on everyone's availability.

**ADJOURN:** Craska Cooper declared the meeting adjourned.

# JEFFERSON COUNTY BOARD OF COMMISSIONERS

66 S.E. "D" St., Suite A • Madras, Oregon 97741 • Ph: (541) 475-2449 • FAX: (541) 475-4454



February 10, 2024

Central Oregon Community College  
C/O: Joe McDonald, Agent  
Dreams Realty Group LLC  
63 SE 5th Street  
Madras, OR 97741

Re: Letter of Intent to Purchase Property Located at 35 SE 6th Street, Madras, OR

Jefferson County ("Buyer") desires to purchase from Central Oregon Community College ("Seller") the real property located at 35 SE 6th Street, Madras, OR 97741 for the amount of \$250,000.00 cash.

Jefferson County intends to lease the property to the Madras Community Food Pantry for use as a community food bank and associated functions. Jefferson County and Central Oregon Community College have a long history of partnership in efforts to improve the lives of people in the communities we serve. Attached are letters of support from the Bean Foundation, the Madras Community Food Pantry and the City of Madras indicated the community support for this project.

Buyer and Seller shall in good faith, prepare and execute a mutually acceptable Purchase and Sale Agreement within ten days after seller has accepted this Letter of Intent. Jefferson County requests a due diligence period of 60 days to assess the condition of the Property and its suitability for the proposed use.

Closing shall take place at Western Title Company in Madras, Oregon on or before April 30, 2024 with escrow costs to be split equally between both parties. This transaction is subject to Jefferson County's review and approval of a preliminary title report showing the condition of title to the Property. Each party will be responsible for its respective attorney fees and expenses. This letter is not a contract and is not legally binding.

The Jefferson County Board of Commissioners has authorized this offer in its regular meeting of February 7, 2024 and authorized its County Administrative Officer, Jeff Rasmussen, or its Board Chair, Wayne Fording, to sign all documents related to this purchase.

Buyer:



\_\_\_\_\_  
Jeff Rasmussen, County Administrative Officer

Date:

2/12/2024

Seller:

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_







## BEAN FOUNDATION INC.

January 16, 2024

Central Oregon Community College  
c/o Dr. Laurie Chesley  
2600 NW College Way  
Bend, OR 97703

Dear Dr. Chesley;

We are writing today to convey our support of the partnership and collaboration between COCC, Jefferson County and the Madras Community Food Pantry, with the sell/purchase/lease of the Miller Lumber building in Madras to benefit all listed partners.

As you know, community collaboration is at the root of the Bean Foundation's philanthropic mission. Our goal is leveraging funds, resources, and partnerships, that will stimulate and assist in the creation of opportunities, to enhance the quality of life for the people of Jefferson County. Partnerships are key in meeting that goal. Mr. Bean said, "Working together you will get much more accomplished than if you do it alone, it is a synergistic effect." As such, the Bean Foundation's Board of Director's are in favor of the proposed sale of the Miller Lumber building to Jefferson County, to be leased long-term by the Madras Community Food Pantry, for their program site. Scott Delamater, Bean Foundation President said, "I see the sale of the COCC building to Jefferson County for the pantry as a win, win, win for the community."

Furthermore, we value both COCC and the Madras Community Food Pantry, and the good work you do in our community. Both have been grantees of the Bean Foundation in the past year. COCC is a trusted community partner and we believe the expansion of the college campus is an outstanding example of how collaboration and community partnerships benefit the community as a whole. The educational programs COCC will now be able to provide, will have a positive impact on the Jefferson County community for the foreseeable future. Likewise, the Madras Community Food Pantry is providing an urgent need to the Jefferson County community, as the only program offering regular food resources to those experiencing food insecurity. The pantry has outgrown their space. Relocation of the pantry will have a significant benefit to those the pantry serves by: improving and increasing access to food resources, allowing for additional/expanded hours and days of operation, and expanding program offerings. As the needs continually grow, the pantry is strategically, faithfully, and creatively meeting those needs, and a new facility is part of their strategic vision. Seeing our outstanding community partners benefit from the single gift, of Charlie Miller, is inspiring, and further highlights the positive impact on community – when our perspective encompasses both necessity and opportunity.

In closing, the Bean Foundation is in support of the collaboration between COCC, Jefferson County and the Madras Community Food Pantry. Mr. Bean believed that seeing others succeed was a sign of personal success. Collaboration encompasses that spirit of service and we are invigorated, by partnerships that are for the collective good of the community.

Sincerely,

Daleena Green  
Executive Director, Bean Foundation, Inc.

January 17, 2024

Zak Boone  
Executive Director COCC Foundation  
Chief Advancement Officer

Re: Madras Community Food Pantry  
Purchase of Miller Lumber Property in Madras

To: COCC Board,

I am writing on behalf of the Madras Community Food Pantry regarding the purchase of Miller Lumber in Madras. The Jefferson County Board of Commissioners has indicated they are willing to purchase this property on behalf of MCFP and lease it to us. They are meeting on January 24<sup>th</sup> to discuss an offer. Charley Miller originally offered us the property for \$250,000 and I suspect the offer to COCC may not exceed that amount.

While COCC may get a higher price if the property is left on the market for 1-2yrs, our community will suffer if the pantry can't secure a new building soon. COCC might feel compelled to obtain the best price possible but must also feel compelled to support the communities in which they operate.

Our mission statement is: "To help people out of poverty by alleviating hunger and food insecurity in Jefferson County and the surrounding area who are at risk." This certainly supports your vision: "To achieve student success and community enrichment and promote equitable achievement for the diverse students and communities we serve."

In 2023 we had 5,048 visits to our pantry, an average of 420/mo. We served 11,646 adults and children. In the first four months of 2023 we experienced a 42% increase in pantry use. 31% of our clients were Hispanic, 16% were Native, 39% were white, and 14% were undisclosed. Each week we pick up 8-10,000 lbs of food at Neighbor Impact (Our Oregon Food Bank partner) in Redmond.

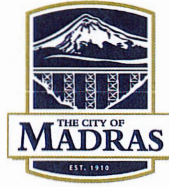
We have been unable to locate a suitable building to relocate, other than Miller Lumber. Our current lease at the United Methodist Church terminates at the end of June, and although they may agree to extend it if we have property secured, it is imperative that

we secure a building quickly. Not only is our lease ending, but we lack adequate space to store shelf stable food, we have insufficient space for the number of freezers and refrigerators needed to sustain our cold food storage, we lack a dedicated space for washing and repacking, and scheduling/space limitation prevent us from expanding our programs or developing new ones.

I urge you to accept the County's offer so that we can continue our important programs without interruption.

Kathleen May  
Executive Director MCFP





125 SW "E" Street  
Madras, OR 97741  
541-475-2344  
[www.ci.madras.or.us](http://www.ci.madras.or.us)

January 23, 2024

Joe Krenowicz  
Board Chair  
Central Oregon Community College  
2600 N.W. College Way  
Bend, Oregon 97703

Subject: Letter of Support for Jefferson County acquisition of the former Miller Lumber property in Madras for United Methodist Food Pantry operations.

Chair Krenowicz,

The City of Madras would like to take the opportunity to express our support of Jefferson County acquiring the former Miller Lumber property located at 36 SE 6<sup>th</sup> Street in Madras from COCC. It's our understanding that Jefferson County intends to lease the land for 15-20 years to a local non-profit (United Methodist Church Food Pantry) so that they may operate their Food Pantry at this location. Please understand that on December 26, 2023 the Jefferson County Food Bank delivered its last groceries to community. Food security is a real need in the community and with the Food Bank closing. Now the United Methodist Church Food Pantry needing to find a new location by June of 2024. Jefferson County's ability to acquire and lease the property to the Food Pantry will provide needed stability to our local food service providers and help us meet our local food security needs. Keeping the terms of the transaction aside, please understand that this transaction presents an opportunity for COCC to help the Madras community meet our local needs.

Sincerely,



Mike Lepin, Mayor  
541-475-2344  
[mlepin@cityofmadras.us](mailto:mlepin@cityofmadras.us)