

**DRAFT**

**Portland Community College  
General Obligation Bond Measure  
Hearing Minutes  
Thursday, October 20, 2022, 3:00 p.m.  
Sylvania Campus  
12000 SW 49<sup>th</sup> Avenue  
Portland, Oregon  
Measure 26-224**

November 8, 2022, Election

**Present:**

TSCC:

Vice Chair James Ofsink, Commissioner Mark Wubbold, Commissioner Margo Norton, Commissioner Matt Donahue, Executive Director Allegra Willhite, and Budget Analyst Tunie Betschart

**Absent:** Chair Harmony Quiroz

Portland Community College:

College President Adrien Bennings, Executive Vice President of Finance & Administration Eric Blumenthal, Associate Vice President of Finance & Administration Dina Farrell, Director of Planning and Capital Construction Rebecca Ocken

*Board Members:* Chair Tiffani Penson, Secretary Kristy Wilson, Serin Bussell, and Mohamed Alyajouri

Vice Chair James Ofsink opened the Public Hearing on the \$450 million General Obligation Bond Tax Measure by explaining TSCC's responsibilities concerning tax measures. He explained that the commissioners would take no action at the hearing but would provide a vehicle for the public to comment and ask questions the general public may be interested in hearing from the college. The minutes of this public hearing is prepared and retained as a permanent record of this hearing.

Vice Chair Ofsink welcomed Dr. Adrien Bennings, Portland Community College's eighth president, to the hearing. He said the commissioners look forward to speaking with her today and working with her in the future.

He followed this with introductions of TSCC Commissioners, staff, and the PCC's board members and staff who were present. Following the introductions, Vice Chair Ofsink opened the hearing for public comment. He asked Executive Director Willhite if anyone had signed up to comment or if staff had received any written

comments. Ms. Willhite had not received any written comments, and no one signed up to give statements. He asked those attending if they would like to make any comments on the tax measure at this time. No one wished to comment.

### **TSCC Questions:**

#### **Commissioner Wubbold asked the following questions:**

Can you please tell us more about the process of developing the list of bond projects? Please share an example of how community feedback shaped decisions on project selection.

President Bennings answered, saying the community members were the stakeholders, so PCC worked to engage them. They developed a Facilities Plan that largely shaped efforts to create and prioritize the project list. In 2017, the college worked on phase one of the facilities plan, assessing the condition of buildings. They collaborated with internal and external stakeholders to do future planning and data gathering. They had robust outreach and engagement programs, with lots accomplished remotely. They provided virtual focus groups, online surveys, and listening sessions with students, faculty members, and neighbors. This informed land management decisions and space management. Considerable feedback aligned with the Strategic Plan. The college heard from people about the need for modernization and to provide space that supported all types of learning.

Ms. Rebecca Ocken said they paid students to participate and provided food when possible. Some of the strategies they identified from the input received were to address transit mobility hubs, have more visible resource centers for students, and adapt campus facilities to prioritize and support flexible spaces that are responsive to student needs. She gave the example of the Rock Creek campus built in 1976, designed around a shopping mall theme. It is unwelcoming and challenging to navigate. This campus has \$17 million in deferred maintenance, a top priority for the college. She said technology security and safety updates are a part of every bond measure. They will also spend dollars planning for the future. The college is conducting a space audit to understand how welcoming the space is. She mentioned construction projects at Sylvania, Cascade and Southeast campuses and planning for vertical space. They will conduct a space audit to inform them how space is currently being used and how it can be used more efficiently, and add a Critical Race Spatial Lens to that audit.

Was there an NWCCU finding related to having a comprehensive facilities plan?

President Bennings said no. The NWCCU typically expresses recommendations. PCC will use this to strengthen quality and outcomes for students and also align with the accreditation standards.

**Commissioner Donahue asked the following questions:**

When developing the current Facilities Plan, you used a Critical Race Spatial Lens to study how college space can advance equity. What were potential bond projects influenced by this study? How will you measure whether the completed projects meet the aims of advancing equity?

President Bennings explained that CRT (Critical Race Theory) and the spatial lens are new for PCC, as it is for most colleges. PCC is looking at how race and space intersect. The college will continue to ensure they are incorporating students' voices, specifically students of color, in CRT. Working with the students of color, they formed a cohort to combine the critical race theory and the Spatial Theory Lens to become the CRSL to use in the facilities plan. The procurement and design practices at the college have shifted away from old ways of doing things. She gave the example of removing the word Master from the Facilities Plan name, as suggested by the group. A simple change makes a big difference. This is a small example of how the college embeds CRT into the planning process. The internal team is also expected to apply the CRT as well. This work will allow them to have open access conducive to all groups being included.

Ms. Ocken explained that the first project utilizing CRSL is underway, the Portland Metropolitan Workforce Training Center on Killingsworth. They knew it had to be replaced. They led the design process with engagement and community outreach to develop the plan for the new campus. They engaged the community, conducted surveys, and developed long-lasting relationships. These decisions delayed the work by about a year, but the value received was worthwhile. By doing this, they could understand the value of the student and the community input and translate this into the design. They now have Mass Timber in the space and a trauma-informed design. The facility is currently under construction. They have entered a long-term land use contract with Home Forward to provide wrap-around services for the students by providing affordable housing.

President Bennings added that many existing metrics do not incorporate CRT or the equity lens. This is new territory. This is an opportunity to do so – that work hasn't been done yet. Once complete, they can go back and do a full-circle assessment, asking those community members how well the college fulfilled the promises and followed their suggestions.

**Commissioner Norton asked these follow-up questions:**

The Metro Training Facility is one of the largest projects in the 2017 Bond projects. The training center project is under construction. So did the community engagement influence the cost since you are creating substantial expectations from the participant groups?

Ms. Ocken said that is true. PCC could have gone with a concrete and steel building which is a colder environment. The college chose to put more money into the project so they could utilize Mass Timber to make a more inviting space.

What impact did that have on the bond proceeds? Does that mean that you had to make changes in other projects by doing this with the Metropolitan Training Facility?

Ms. Ocken said they received some premiums when they sold the bonds and some grants that will help supplement the overall bond budget. Without these sources, it would have been difficult.

**Commissioner Wubbold asked these follow-up questions:**

Does Home Forward provide the housing earmarked for the students? Who decides how housing is used?

Ms. Ocken said the housing is owned and operated by Home Forward. The college will maintain ownership of the land. PCC is reaching out to students to get them on the waiting list for the project. The first opportunity to move in will be in the fall of 2024. The college hopes to have housing opportunities at all PCC campuses through similar functions using long-term land leases.

**Vice Chair Ofsink asked the following questions:**

We'd love to hear a bit more about the planned technology projects. Technology evolves at a fast pace – how is the college ensuring the technology purchased will be the best long-term investment? How will you keep pace with the rapidly changing technology world?

President Bennings said technology is essential to all PCC does, and it links to the Strategic Plan. Technology changes fast. The college has replacement cycles and will pay close attention to these to allocate resources over time. Covid has taught them how to shift. They have updated spaces and technology to meet the need, so much work has already been done. Currently, they are Exploring an Artificial Intelligence Lab at Willow Creek. This type of technology will be necessary for their future-forward vision. The college also has a classroom technology review team looking at the technology they purchase.

Ms. Ocken said they are upgrading infrastructure to support future technology. They want to enhance network security. She added that they are looking at doing the bond in two or three tranches, allowing flexibility to update their plan over time and enabling them to be much more responsive.

**Commissioner Norton asked the following questions:**

Voters have approved several bond measures for PCC over the years, with the most recently approved five years ago. What are some significant projects still in progress from the 2017 GO bond measure? When do you estimate these projects will be complete? What is behind my questions is the capacity for managing these projects.

Ms. Ocken said the 2017 bond was a \$185 million bond.

- The Metropolitan Training Center is scheduled for completion in the fall of 2023.
- The Health Technologies Building at Sylvania is anticipated to be completed by the summer of 2024.
- The Cascade Public Safety Building is anticipated to be completed in the fall of 2023.
- The Rock Creek Barn will be completed by the end of 2023.

Staffing to manage the bond ebbs and flows with bond funding. Staffing is currently at a lower level. It will take some time to staff up if this bond passes.

Do any of the 2017 bond projects need to be completed before the new projects can start?

Ms. Ocken said no, they have enough staffing for the 2017 projects and staffing for the new bond projects.

**Commissioner Donahue asked the following questions:**

If planned projects increase in cost as inflation, interest rate, and supply chain issues persist, how will you update and prioritize your project list to adjust? How will you communicate that to the community?

Mr. Erich Blumenthal responded by saying they have built in the ability to flex the planning schedule since they will be doing bond proceeds in three tranches. They have built significant contingency in the projects and have been conservative. He said there would be interest earnings on the bonds to use judiciously on projects. They will use energy incentives and state funding dollars, such as the \$8 million for Rock Creek already approved. These grants are offered every three or four years, and PCC will apply for their share. Using these strategies, he feels they can assuage any problems with the uncertain economy.

President Bennings said they recognize that even though the focus areas for the bond projects have been planning, prioritization, and engaging stakeholders, inflation and supply demands can negatively impact the projects. Still, the college is positioned to adjust as needed because of conservative planning.

**Commissioner Norton asked this follow-up question:**

Have you updated the 5% escalation assumption since it is currently at 15%-20%?

Mr. Blumenthal said there is some unfunded money right now. Because of the uncertainty, the college has used that technique.

**Commissioner Donahue asked this follow-up question:**

So, the two or three tranches over the next ten years, or do you have a timeline for that?

Mr. Blumenthal said the bonds given the market, will mature in less than sixteen years, likely fourteen and a half. He said they would look at that when they do the issuance but are looking at a ten-year time frame. Currently, they are considering two tranches, but that could change.

**Commissioner Wubbold asked the following questions:**

If voters do not pass the bond measure, the billion-dollar needs still exist. What is your plan for addressing these needs? Are there projects that you will re-prioritize and fund in another way?

Mr. Blumenthal said they would return to the voters at another time. They would also gather what resources are available and do the critical projects, such as the \$130 million in deferred maintenance. Other projects could be moved to a later time.

**Chair Ofsink asked the following questions:**

Over the past few years, the landscape of education and the needs of students have shifted. We are hearing about hybrid learning programs and an increased need for student wrap-around services such as childcare and housing. How are you meeting the varied needs of students through the proposed bond projects? How will you be assessing if these projects are producing the intended results?

Ms. Tiffani Penson said projects focus on the infrastructure, which is for the students. PCC has doubled the in-person classes offered from last year to this year. Forty percent of scheduled classes are in-person, and the rest are remote or hybrid. They will use the bond measure resources to upgrade classrooms and technology to provide more options for hybrid learning. They will also

increase spaces for those with disabilities. PCC hopes to attract more students by updating facilities. They recognize the importance of leveraging assets and finding new opportunities to improve ways to offer student wrap-around services. An example is housing through offering long-term leases and agreements with housing providers, even though the college will not be providing the housing directly.

Thanks for highlighting how the bond reflects the changing needs of the students. Would you address the assessment portion? How will you know in three or five years that you have hit the mark?

President Benning said they would listen to the voice of the students as well as watch the completion rates to see if the projects are successful. The student board representative will communicate and interface with the board and student body. They will also collect evaluations from the students addressing the faculty and spaces to receive input.

Do the evaluation forms have a place to discuss and evaluate the space?

President Benning said she does not know the answer but is happy to follow up and get the answer to the commissioners.

**Commissioner Norton asked the following question:**

The materials provided to TSCC included a draft project list with items that appear to be deferred maintenance, roofs, and other items that are customarily considered ongoing renewal and replacement costs. What is PCC doing about funding these ongoing costs outside of bond financing?

President Benning said PCC has a significant amount of space, over 2.5 million square feet of facilities in five counties. This is why the college has \$130 million in deferred maintenance.

Ms. Dina Farrell said the bond was developed in alignment with the Facilities Plan, the Strategic Plan, the Capital Projects fund, and the Bond Construction fund. Board policy governs how the dollars from these funds are spent. The General Fund supports projects under \$5,000, while the Capital Projects fund is used to fund projects over \$5,000 and under \$50,000. Projects over \$50,000 are typically funded from the Bond Construction fund revenue. The Capital Projects fund is there in case of an emergency or needed repair. Without the bond funds, the college does not have enough reserves to do needed deferred maintenance.

President Benning added that the severe restriction would also mean they would need to shift dollars away from personnel services, which account for 85% of the college spending. They would need to take a serious look at

prioritization of the deferred maintenance priorities versus making offsets elsewhere.

Vice Chair Ofsink said this concluded the prepared questions from TSCC. He said he would like PCC to discuss anything they had not covered during the question portion of this hearing.

President Benning said she thought one question the public may like to hear the answer to was, "Why now? Why ask for a bond measure with enrollment declining?". She answered this by stating, "Our present state is not our future picture." PCC was founded and is strengthened by its physical presence. There is a solid future-forward picture of what the college wants to accomplish for the community.

Vice Chair Ofsink thanked President Benning, staff, and the board for attending the hearing and for their helpfulness in preparing for this hearing. With no other questions or comments, he closed the public hearing.

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