

July 16, 2009

10-012

DELEGATE AUTHORITY TO DISTRICT PRESIDENT
TO EXECUTE GRANT AGREEMENT AMENDMENT,
PROMISSORY NOTE AND DEED OF TRUST WITH
WASHINGTON COUNTY

PREPARED BY: Randall J. McEwen, District Vice President

APPROVED BY: Dr. Preston Pulliams, District President

REPORT: In 1996 Washington County awarded PCC a community development block grant in the amount of \$200,485 to renovate 5,000 square feet at the Capitol Center to support workforce training programs for Washington County. The Grant Agreement included a requirement that the College continue to use the Capitol Center for the Workforce Training Center program until 31 December 2017, or reimburse the County based upon a percentage of value of the improvement. To secure the County's interest in the property, PCC executed a promissory note. This note became due and payable to the County when the Capitol Center was sold, which was one of a number of possible "accelerating events" specified in the promissory note.

The County and PCC have differed in their perspectives on the value of the college's obligation under the promissory note. County and College counsel have developed a mutually agreeable resolution: The parties agree to amend the 1996 Grant Agreement to transfer the grant obligation from the Capitol Center to the new Willow Creek Center, since the Willow Creek site is intended to provide the same sorts of services as the Capitol Center, but with more extensive facilities and greater access. PCC will execute an amendment to the Grant Agreement, a new promissory note, and a Deed of Trust, secured by either the Willow Creek lease or other real property owned by PCC, in favor of the County in the amount of \$200,485 (the original grant amount). These obligations will terminate on 31 December 2017, the termination date of the original 1996 grant.

This agreement was approved by the Washington County Community Development Block Grant Policy Advisory Board at its 14 May 2009 Regular Meeting.

RECOMMENDATION: That the Board authorize the District President or his designee to execute an agreement amending the 1996 agreement to implement this change, a new promissory note, and a binding Deed of Trust in favor of Washington County to satisfy the College's obligations under the 1996 Community Block Development Grant.