

April 15, 2010

10-088

DELEGATE AUTHORITY TO DISTRICT PRESIDENT  
TO SUBMIT PURCHASE OFFER FOR SURPLUS  
STATE PROPERTY AT SWAN ISLAND

PREPARED BY: Randy McEwen, District Vice President

APPROVED BY: Dr. Preston Pulliams, District President

REPORT: The College was advised by the Department of Administrative Services (DAS), in December 2009, that the state was disposing of surplus property on Swan Island, that no state agencies had expressed interest, and that other public agencies now had the opportunity to express interest prior to seeking interest from private entities. PCC expressed its proposals, and was advised in February that Oregon State University had also expressed interest and was deemed "first in line", ahead of PCC. In March PCC was advised that DAS had received a ruling from the Oregon Attorney General's office that priority did not need to be given to public agencies, and that the property would be sold via a sealed bid process in April 2010. PCC participated in the required pre-bid public walk-through of the property on 25 March 2010, in order to retain our "place in line" as an interested party.

PCC currently provides welding training on Swan Island in facilities provided by Vigor Industrial. This was a "quick response" effort to meet workforce development and industrial client needs. The demand is great, and the Vigor facilities have limitations. This reality has led to ongoing discussions about ways to provide greater opportunities for more workers and clients. These discussions have included the idea of potential construction of a more-permanent facility of greater capacity on shipyard-area land owned by Vigor. Such land is limited, of high value, and potentially more productively used for industrial production-related activities.

The state-surplus property represents a possible opportunity to create a site where such needs could be met by using non-shipyard-area land. It could represent a site for future establishment of an "industrial trades center" from a long-term strategic perspective.

Specific information on the site includes:

Address: 6400 Cutter Circle, Portland OR 97217

Tax Lot: 1N 1E 17D 01000

Site area: 4.89 acres

Appraised Value: \$2,900,000 (being confirmed with DAS)

Given the lack of opportunity to negotiate in the state's process, and the "one-time" sealed bid process scheduled for 27 April (prior to the May Board meeting), Board authority is requested to submit a sealed bid at an amount deemed acceptable by the Board Chair and College Counsel. Such offer would be submitted only if continuing discussions provide positive information on zoning, client support, and academic programming relevance.

**RECOMMENDATION:** That the Board of Directors delegate its authority to the District President or his designee to submit a sealed bid, if justified by further planning and investigation, for the purchase of the above-described property, subject to the concurrence of the Board Chair and College Counsel.