

January 19, 2012

12-077

AUTHORIZE DISTRICT PRESIDENT OR DESIGNEE
TO NEGOTIATE THE POTENTIAL VOLUNTARY
ACQUISITION OF REAL PROPERTY NEAR SYLVANIA
CAMPUS

PREPARED BY: Randy McEwen, District Vice President

FINANCIAL
RESPONSIBILITY: Randy McEwen, District Vice President
Wing-Kit Chung, Vice President, Administrative Services

APPROVED BY: Dr. Preston Pulliams, District President

REPORT: The College's continued enrollment growth, driven in part by the lingering economic malaise and which has outstripped projections in the 2008 Bond program planning, brings with it the need for additional space to serve that growth. Additionally, the added enrollment has created logical pressure to maximize campus space utilization for instruction and "high touch" student services, which creates interest in relocating functions that less directly support students. Simultaneous with this enrollment growth, and as reviewed previously with the Board, the College has embarked on proactive strategies to enhance student success and completion.

A portion of these pressures will abate as the economy gradually improves, so it important to take a long view of potential space needs and develop perspectives that are balanced and consistent with strategic views supported previously by the Board. Those views include:

- easily accessible to mass transit
- avoid the perception/reality of "administrative edifices", yet be of sufficient size to enable consolidation of activities and co-location of functions that interface strongly with each other
- where possible, easily link with current PCC facilities
- support other current College goals, such as sustainability

- of a character that facilitates the achievement of other College needs (such as cost-effectiveness)

The College has learned that the Mountain Park Plaza (11830 SW Kerr Parkway, Lake Oswego) may be available for purchase. This property is literally across the street from the Sylvania campus, and has a TriMet #44 bus stop at its front door. Further property details are:

Tax ID No. R331308
Property size: 2.39 acres
Building size: 48,166 sq. ft.
Appraised value: \$4,380,000 (by Integra)

The property is a retail and office environment, has significant vacancies, and use outright for PCC office-like functions is permitted under City of Lake Oswego zoning. The property has 178 parking spaces, for a ration of 4:1, which is at least 40% greater than any other PCC site.

PCC staff and PCC-hired building constructors toured the facility as a part of the appraisal process. The building is fundamentally sound but will require significant renovation to fully suit PCC needs for administrative-focused functions. An environmental Phase I has not been completed, because staff feels that Board approval is required for any further staff work.

Staff feels this is a uniquely attractive opportunity, for the following reasons:

- the parking ratio may provide further flexibility in our transportation demand management efforts
- the site is tied well to area mass transit
- the site's proximity to Sylvania provides unique facility support cost efficiencies
- site zoning, while permissive of administrative functions, can also allow a limited amount of instructional use
- existing retail tenants provide opportunity for modest revenue, and the retail environment may possibly be expandable.

RECOMMENDATION: That the Board delegate to the District President or his designee to negotiate the purchase of the above property on a voluntary-sale basis, and to enter into a binding purchase and sale agreement with the concurrence of College Counsel and the Board Chair. It is anticipated that funds will be provided by the 2008 Bond program.