



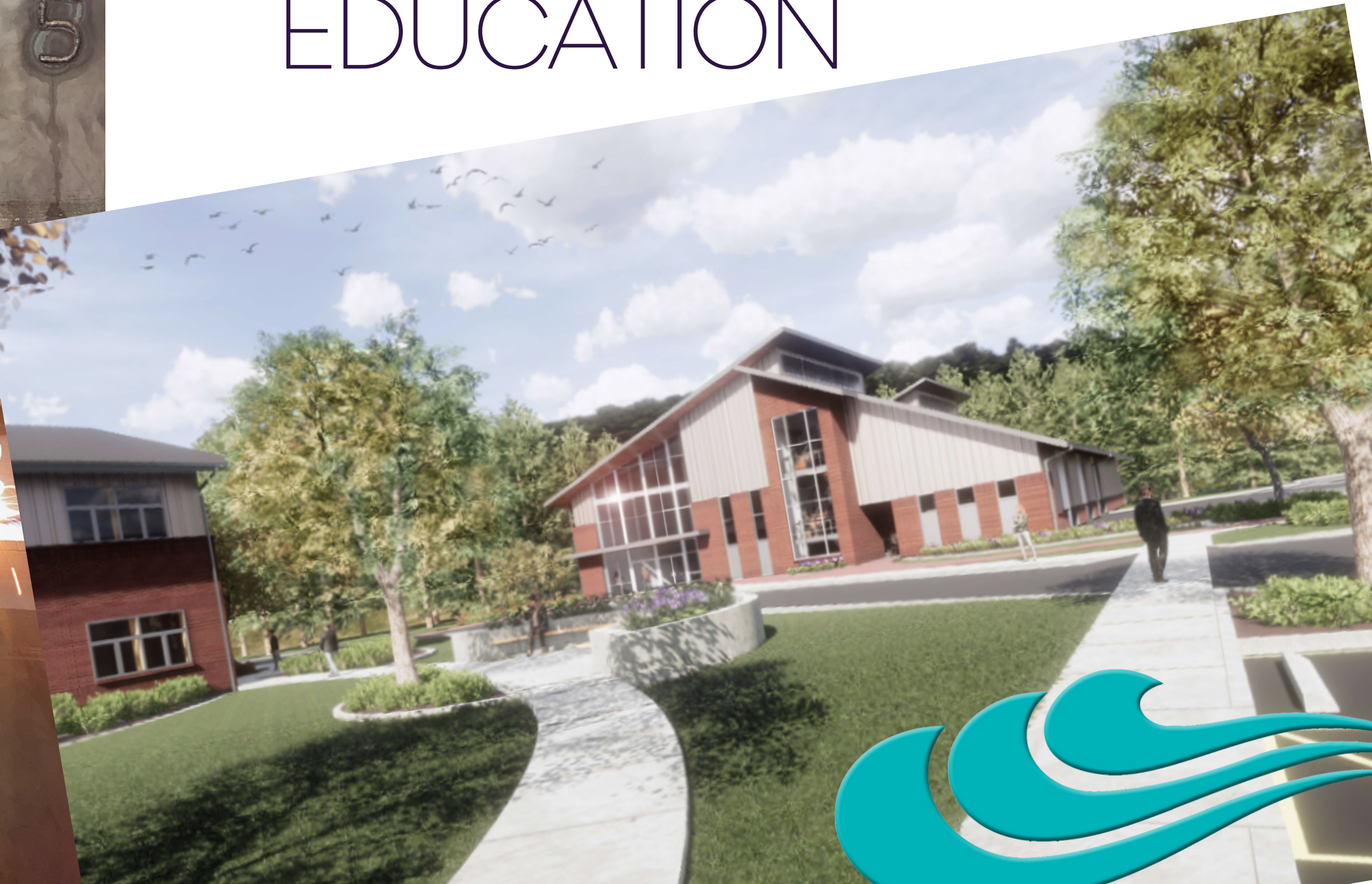
# Staff Recommendation

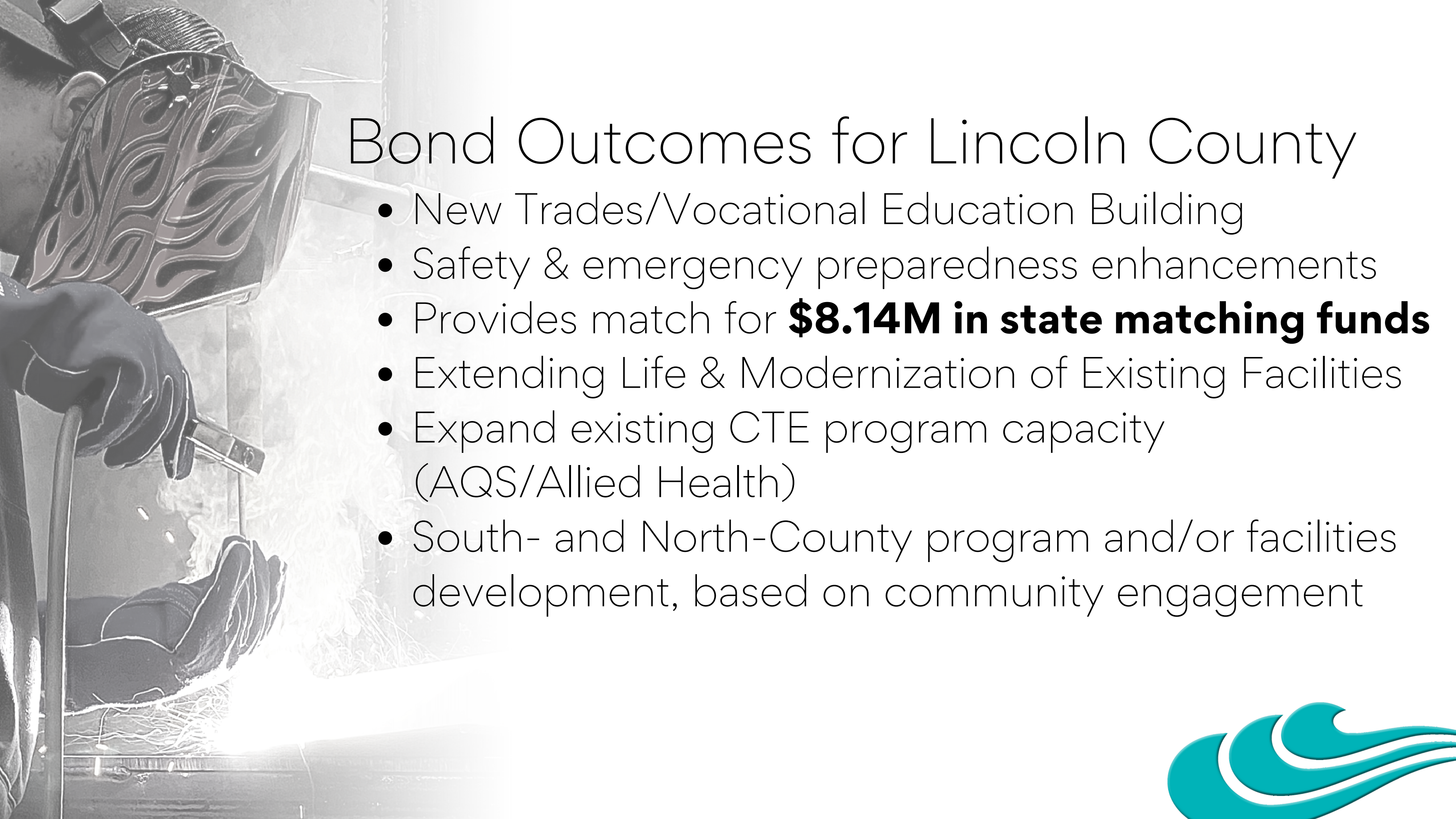
Place a \$32M Bond on the General Election Ballot in Lincoln County for the May 16, 2023 election.

- What
- Why... and Why Now?
- What's in the Bond? (Bond Title)
- Fiscal Design
- PAC Progress & Rules
- Recent Developments



# THE OREGON COAST CENTER FOR TRADES EDUCATION





# Bond Outcomes for Lincoln County

- New Trades/Vocational Education Building
- Safety & emergency preparedness enhancements
- Provides match for **\$8.14M in state matching funds**
- Extending Life & Modernization of Existing Facilities
- Expand existing CTE program capacity (AQS/Allied Health)
- South- and North-County program and/or facilities development, based on community engagement



# Why, and Why Now?

- Long identified limited local access to trades education; imminent needs becoming more apparent all the time
- Increasing demand for short-term certificates in key areas
- Brings OCCC closer to parity with other Oregon CCs in terms of CTE and trades education facilities/space
- Matching funds are **available now**; possibly not in future
- No other major bonds this election (from LCSD)
- Current bonds nearing sunset (June 30, 2025)
- Current buildings designed in a different tech era
- Safety concerns are dramatically changed since buildings first planned



# The '175 words', from the Ballot Title

The College has been awarded \$8,140,000 in state funds only available if the bonds are approved. Projects expected to be financed with bond and state funds include:

- Construct a new Trades Education Center expanding career options in skilled trades for Lincoln County residents.
- Expand, adapt, and modernize existing career technical training facilities and acquire land supporting programs including Education, Allied Health, Applied Aquatic Sciences, and Welding.
- Update classrooms, technology, facilities, and equipment providing students with modern higher education and job training spaces, including flexible hybrid learning options to meet student needs into the future.
- Enhance facilities and acquire equipment contributing to community emergency response infrastructure.
- Improvements to existing facilities increasing lifespan and efficiency.
- Site improvements, furnishings and equipment, and bond issuance costs.

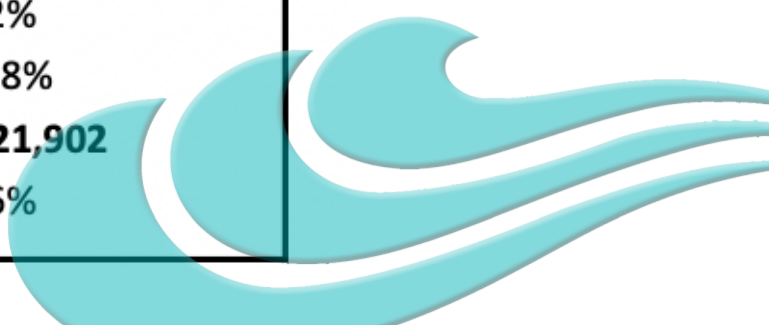
Bonds would mature in not to exceed 21 years from issuance and may be issued in series. The estimated incremental increase in the tax rate from this year's tax rate is \$0.05 per \$1,000 of assessed value. Actual tax rate may differ due to final interest rates and changes in assessed values.



# OREGON COAST COMMUNITY COLLEGE

## General Obligation Bonds – Summary of Structuring Scenarios **(Assumes May 2023 Election)**

Structure	Sale in June 2023						Sale in March 2025		
	\$0.10 Increase in Levy Rate 15 Year Amortization		\$0.05 Increase in Levy Rate 20 Year Amortization		All Deferred Interest Bonds 25 Year Amortization		All Current Interest Bonds 20 Year Amortization		
<b>Par Amount</b>									
Current Interest Bonds	\$ 16,020,000	\$ 5,355,000	\$ -	\$ 32,000,000					
Deferred Interest Bonds	15,977,011	26,641,815	31,996,691	-					
<b>Total Par Amount</b>	<b>\$ 31,997,011</b>	<b>\$ 31,996,815</b>	<b>\$ 31,996,691</b>	<b>\$ 32,000,000</b>					
% Current Interest Bonds	50%	17%	0%	100%					
% Deferred Interest Bonds	50%	83%	100%	0%					
Dated Date	6/15/2023	6/15/2023	6/15/2023	3/15/2025					
Final Maturity	6/15/2038	6/15/2043	6/15/2048	6/15/2044					
Amortization Period	15 Years	20 Years	25 Years	19.25 Years					
<b>Projected Average Levy Rates*</b>									
	Prior Debt	New Bonds	Combined	New Bonds	Combined	New Bonds	Combined	New Bonds	Combined
2023.....	\$ 0.21 <sup>(1)</sup>	\$ -	\$ 0.21	\$ -	\$ 0.21	\$ -	\$ 0.21	\$ -	\$ 0.21
2024.....	0.24 <sup>(2)</sup>	0.08	0.31	0.03	0.26	-	0.24	-	0.24
2025.....	0.24 <sup>(2)</sup>	0.08	0.31	0.03	0.26	-	0.24	-	0.24
2026 to 2038.....	-	0.31	0.31	0.26	0.26	0.23	0.23	0.23	0.23
2039.....	-	-	-	0.26	0.26	0.23	0.23	0.23	0.23
2040 to 2043.....	-	-	-	0.26	0.26	0.23	0.23	0.23	0.23
2044.....	-	-	-	-	-	0.23	0.23	0.23	0.23
2045 to 2048.....	-	-	-	-	-	0.23	0.23	-	-
<b>Interest Estimates</b>									
Cushion over Current Interest Rates	+1.5%		+1.5%		+1.5%		+2%		
True Interest Cost (TIC)**	4.98%		5.51%		5.82%		5.68%		
Total Interest	<b>\$17,131,151</b>		<b>\$27,394,709</b>		<b>\$39,174,038</b>		<b>\$24,321,902</b>		
Total Interest as % of Par	54%		86%		122%		76%		



**34¢/000: Rate approved by voters in 2004** 

July 1, 2005-June 30, 2025

**26¢/000: Rate in proposed bond** 

July 1, 2023 - June 30, 2043



**Line reflects actual levy rate per year since 2005.**

Current bond expires June 30, 2025. Estimated 21¢/000 in 2023; 23¢/000 in 2024 & 2025.

New bonds would start July 1, 2023.

New levy rate effective July 1, 2023 would be 26¢/000 of assessed valuation.

...Thus, incremental cost of new bonds would be 5¢/000 in '23, 3¢/000 in '24 & '25.

After 2004 bonds expire on June 30, 2025, levy would remain at or below 26¢ through 2043.

\*estimated

\*estimated





# \$32 Million: What does it give Lincoln County?



 Projects made possible in part by \$8.14M in matching funds from the State.



## **Limitations on Public Employees**

“No public employee shall solicit any money, influence, service or other thing of value or otherwise promote or oppose any political committee or promote or oppose the nomination or election of a candidate, the gathering of signatures on an initiative, referendum or recall petition, the adoption of a measure or the recall of a public office holder while on the job during working hours. However, this section does not restrict the right of a public employee to express personal political views.”

**ORS 260.432**





# Political Action Committee: Led by volunteers David Bigelow & Dr. Patrick O'Connor

- *Still seeking next 6-8 members*



## Why we need a PAC:

- College employees cannot advocate after filing...
- Campaign requires funding to adequately communicate
- Est. campaign cost ~\$10-15K





# Recent Developments

- GLAS facilities study is underway.
- All four buildings have been examined.
- Consideration of small strategic
- land-acquisition opportunities
- Growing interest in Community
- Emergency Response



