

STATE BOARD MEETING AGENDA

Board members

Phyllis Gutiérrez Kenney, Chair // Crystal Donner, Vice Chair // Jay Reich // Carol Landa McVicker
Ben Bagherpour // Fred Whang // Chelsea Mason Placek // Martin Valadez // Mack Hogans

Paul Francis, Executive Director // Julie Walter, Executive Assistant

Statutory Authority: Laws of 1991, Chapter 28B.50 Revised Code of Washington

Location:

Join zoom meeting [here](#).

Meeting ID: 879 1255 7842

Passcode: 806742

One tap mobile: +12532158782,,87912557842#

August 23

Special Meeting

- | | | |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| 1:00 p.m. | Welcome and Introductions
<i>Phyllis Gutiérrez Kenney, Chair</i> | |
| 1:03 p.m. | Establish a Quorum and Adopt Meeting Agenda
<i>Phyllis Gutiérrez Kenney, Chair</i> | Action |
| 1:05 p.m. | Adoption of Consent Agenda <ul style="list-style-type: none"> a. Centralia College, property acquisition
Resolution 22-08-39 b. Olympic College, increase of local expenditure authority
Resolution 22-08-40 c. Skagit Valley College, local expenditure authority
Resolution 22-08-41 d. Wenatchee Valley College, property acquisition
Resolution 22-08-42 e. June 30, 2022, State Board Meeting Minutes | Tab 1
(Action) |
| 1:07 p.m. | Executive Director Report
<i>Paul Francis</i> | |
| 1:25 p.m. | 2023-25 Biennial Operating Budget Proposal
<i>Cherie Berthon, Operating Budget Director</i>
Resolution 22-08-43 | Tab 2
(Action) |
| 2:30 p.m. | North Seattle College Ground Lease for Affordable Housing
<i>Darrell Jennings, Capital Budget Director</i>
<i>Choi Halladay, Deputy Executive Director, Business Operations</i>
Resolution 22-08-44 | Tab 3
(Action) |
| 3:40 p.m. | Public Comment | |
| 3:45 p.m. | Board Discussion | Discuss |
| 4:00 p.m. | Adjourn | |

EXECUTIVE SESSION: Under RCW 42.30.110, an Executive Session may be held. Action from the Executive Session may be taken, if necessary, as a result of items discussed in the Executive Session. **PLEASE NOTE:** Times above are estimates only. The Board reserves the right to alter the order of the agenda. Reasonable accommodations will be made for persons with disabilities if requests are made at least seven days in advance. Efforts will be made to accommodate late requests. Please contact the Executive Director's Office at 360-704-4309.

CONSENT ITEM (RESOLUTION 22-08-39)

August 23, 2022

Tab 1a

Centralia College property acquisition, 407 South King Street in Centralia, Washington

Brief Description

Centralia College seeks to purchase the property located at 407 South King Street in Centralia, Washington for approximately \$532,000.

How does this item link to the State Board's Strategic Plan?

This project supports enrollments and completions by providing expanded campus facilities.

Background information and analysis

Centralia College has identified surrounding neighborhood properties in their 2017 master plan. Strategic property acquisition is an ongoing activity as parcels become available. The property at 407 South King Street consists of a single-family residence on a 0.22-acre lot. A map showing the properties relative to the existing campus and a list of recent acquisitions are in Attachment A.

Centralia College is currently in the design phase of their state-funded major project 40000109 for the Teacher Education and Family Development Center. This parcel is listed in the approved predesign as part of the construction site. A map of the approved building site is in Attachment B.

The total cost to purchase this property is estimated to be \$532,000. The approved predesign budget includes \$1,105,142 in state funds for acquisition costs in the design phase appropriation.

The Centralia College Board of Trustees approved this property acquisition on January 13, 2022.

Potential questions

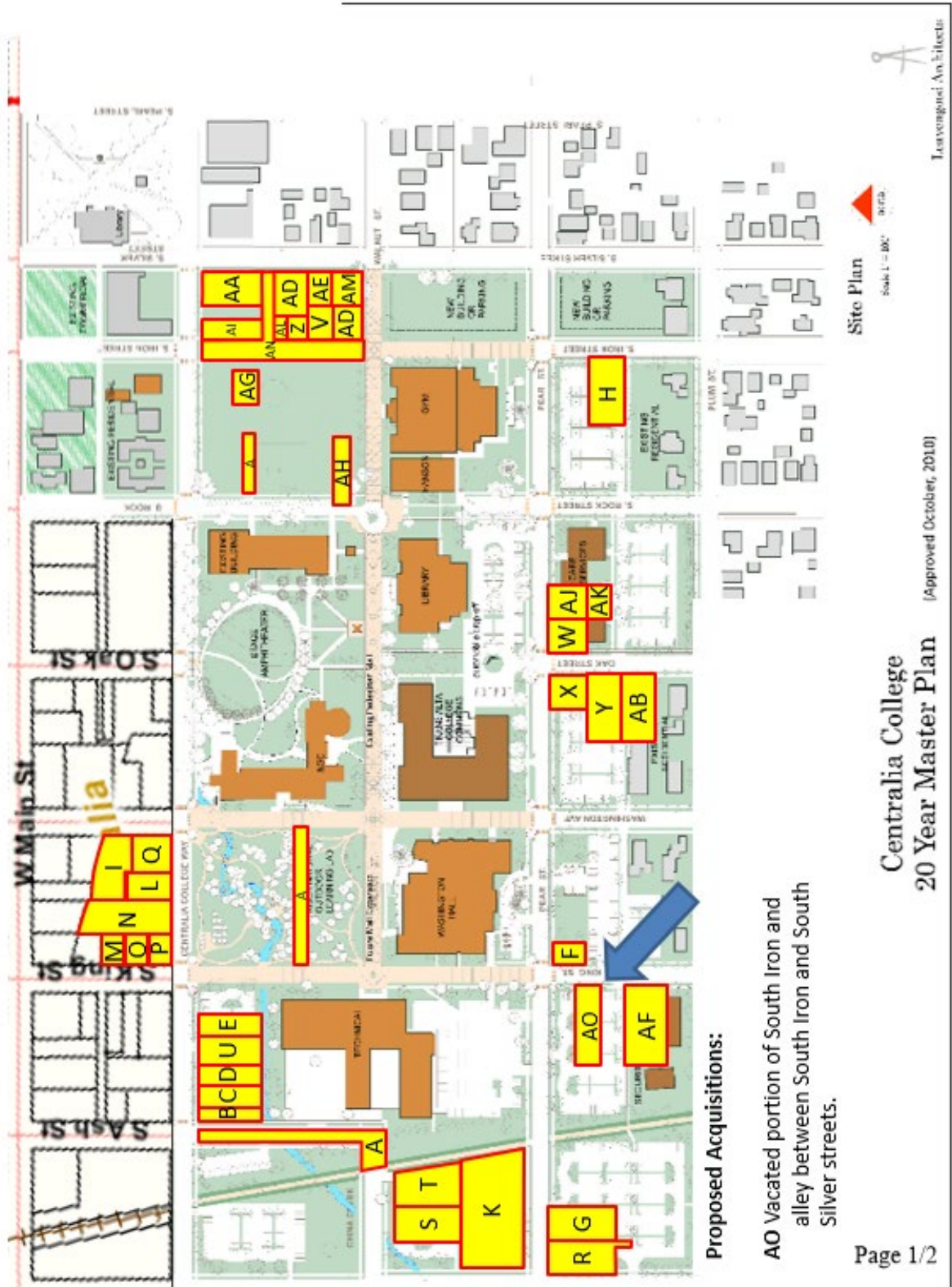
Is this project consistent with the State Board's goal of supporting enrollment?

Recommendation/preferred result

Staff recommends approval of Resolution 22-08-39 giving Centralia College authority to purchase the property located at 407 South King Street in Centralia, Washington for approximately \$532,000 as part of the Teacher Education and Family Development Center major project 40000109.

Policy Manual Change Yes No

Prepared by: Darrell Jennings, capital budget director
djennings@sbctc.edu



Recent Acquisitions:

- A** Vacate sections of Ash and Walnut streets, and two mid block alleys surrounded by college owned properties.
Resolution 14-09-52
- B** 816 Centralia College Blvd, Centralia
Parcel Number 000844000000
Resolution 13-10-50
- C** 814 Centralia College Blvd, Centralia
Parcel Number 000843000000
Resolution 13-02-02
- D** 812 Centralia College Blvd, Centralia
Parcel Number 000842000000
Resolution 12-10-43
- E** 808 Centralia College Blvd, Centralia
Parcel Number 000840000000
Resolution 13-02-02
- F** 402 S King St, Centralia
Parcel Number 000628000000
Resolution 12-10-43
- G** 916 W Pear St, Centralia
Parcel Number 000688003000
Resolution 14-10-62
- H** 405 S Iron Street, Centralia
Parcel Number 000688003000
Resolution 14-12-74
- I** 115 S Washington Ave, Centralia
Parcel Number 000134003000
Resolution 15-09-35
- J** Off map, ~216 S Gold St, Centralia
Parcel Number 003527000000
was exchanged for K
Resolution 15-10-52
- K** ~385 S Cedar St, Centralia
Parcel Numbers 000799000000 & 000798002000
Resolution 15-10-52
- L** 709 Centralia College Blvd, Centralia
Parcel Number 000133001000
Resolution 15-10-52
- M** 110 S King St, Centralia
Parcel Number 000128000000
Resolution 15-10-52
- N** 717 Centralia College Blvd, Centralia
Parcel Number 000131000000
Resolution 16-03-17
- O** 112 S King St, Centralia
Parcel Number 000129000000
Resolution 15-10-52
- P** 114 S King St, Centralia
Parcel Number 000130000000
Resolution 16-05-10
- Q** 123 S Washington St, Centralia
Parcel Number 000134002000
Resolution 16-05-10
- R** 920 West Pear St, Centralia
Parcel Number 000688002000
Resolution 16-11-15
- S** 918 West Walnut St, Centralia
Parcel Number 000797000000
Resolution 16-11-15
- T** 0 West Walnut St, Centralia
Parcel Number 000798003003
Resolution 16-11-15
- U** 810 Centralia College Blvd, Centralia
Parcel Number 000841000000
Resolution 17-01-03
- V** 216 S Iron Street, Centralia
Parcel Number 000206000000
Resolution 17-05-24
- W** 402 S Oak Street, Centralia
Parcel Number 000459000000
Resolution 17-05-24
- X** 401 South Oak Street, Centralia
Parcel Number 000496000000
Resolution 17-06-38
- Y** 405 South Oak Street, Centralia
Parcel Number 000497000000
Resolution 17-06-38
- Z** 214 South Iron Street, Centralia
Parcel Number 000202002000
Resolution 17-09-50
- AA** 207 South Silver Street, Centralia
Parcel Number 000199000000
Resolution 18-02-05
- AB** 409 South Oak Street, Centralia
Parcel Number 000498000000
Resolution 18-05-14
- AC** 211 South Silver St, Centralia
Parcel Number 000202000000
Resolution 18-06-26
- AD** 311 West Walnut St, Centralia
Parcel Number 000208001000
Resolution 18-06-27
- AE** 215 South Silver St, Centralia
Parcel Number 000205000000
Resolution 18-12-50
- AF** 411 South King St, Centralia
Parcel Number 000674000000
Resolution 18-12-50
- AG** 209 South Iron St, Centralia
Parcel Number 000395000000
Resolution 19-02-03
- AH** 226 South Rock St, Centralia
Parcel Number 000402000000
Resolution 19-02-03
- AI** 308 Centralia College Blvd, Centralia
Parcel Number 000200001000
Resolution 19-03-13
- AJ** 512 W Pear, Centralia
Parcel Number 000458002000
Resolution 19-06-35
- AK** 0 W Pear, Centralia
Parcel Number 000799001000
Resolution 19-06-35
- AL** 212 S Iron St, Centralia
Parcel Number 000202001000
Resolution 20-05-21
- AM** 217 S Silver St, Centralia
Parcel Number 000203001000
Resolution 20-06-26
- AN** Vacated portion of South Iron and alley between South Iron and South Silver streets.
- AO** 407 S King St, Centralia
Parcel Number 000673000000
Resolution 22-08-XX



**STATE OF WASHINGTON
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES
RESOLUTION 22-08-39**

A resolution relating to Centralia College's request to purchase the property located at 407 South King Street in Centralia, Washington for approximately \$532,000.

WHEREAS, the college has identified surrounding neighborhood properties in the campus 2017 master plan; and

WHEREAS, this property is included in the approved predesign for the state-funded Teacher Education and Family Development Center project 40000109; and

WHEREAS, allocated state funds for the design phase include up to \$1,105,142 for property acquisition costs; and

WHEREAS, total estimated cost to purchase this property is \$532,000; and

WHEREAS, Centralia College's Board of Trustees, approved this property acquisition on January 13, 2022; and

THEREFORE BE IT RESOLVED, that the State Board for Community and Technical Colleges authorizes Centralia College to purchase the property located at 407 South King Street in Centralia, Washington as part of the Teacher Education and Family Development Center major project 40000109; and

BE IT FURTHER RESOLVED, that the State Board for Community and Technical Colleges authorizes the Executive Director to make adjustments to this action, including any necessary changes to the State Board's Policy Manual, as necessary, for actions taken by the Governor, Legislature, data corrections, externally imposed restrictions or guidelines, uniform accounting and reporting requirements, and unanticipated changes in state or federal law.

APPROVED AND ADOPTED on 08/23/2022

Attest

Paul Francis, secretary

Phyllis Gutiérrez Kenney, chair

CONSENT ITEM (RESOLUTION 22-08-40)

August 23, 2022

Tab 1b

Olympic College — increase of local capital expenditure authority for Bremerton Shop building renovation

Brief Description

Olympic College seeks approval to spend up to an additional \$2,341,426 in local funds to complete renovations of the Bremerton welding shop building.

How does this item link to the State Board's Strategic Plan?

This project will support student success and retention by providing modern campus facilities.

Background information and analysis

Olympic College currently has state funds of \$8,605,000 for project 30000986 to renovate the Bremerton shop building. The college also received local capital expenditure authority of \$1,860,000 for this project in State Board Resolution 19-08-40 as well as \$1,147,574 in State Board Resolution 22-05-22.

After receiving contractor bids, the total project cost is estimated to be \$13,954,000. This results in the need for an additional \$2,341,426 in local funds to complete the project as designed.

Olympic College's Board of Trustees approved this request on August 16, 2022.

Potential questions

Is this project consistent with the State Board's goal of being responsive to the changing needs in the community and using resources efficiently?

Recommendation/preferred result

Staff recommends approval of Resolution 22-08-40 giving Olympic College the authority to spend up to an additional \$2,341,426 in local funds to complete renovation of the Bremerton shop building project 30000986.

Policy Manual Change Yes No

Prepared by: Darrell Jennings, capital budget director
djennings@sbctc.edu

STATE OF WASHINGTON
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES
RESOLUTION 22-08-40

A resolution relating to Olympic College's request to spend up to an additional \$2,341,426 in local funds to complete renovation of the Bremerton shop building.

WHEREAS, Olympic College currently has \$8,605,000 in state funding and \$3,007,574 in local funding approved in State Board Resolutions 19-08-40 and 20-05-22 for project 30000986 to renovate the Bremerton shop building; and

WHEREAS, after receiving contractor bids, the total estimated project cost is \$13,954,000; and

WHEREAS, an additional \$2,341,426 in local funds is needed to complete the project as designed; and

WHEREAS, Olympic College's Board of Trustees, approved this request on August 16, 2022; and

THEREFORE BE IT RESOLVED, that the State Board for Community and Technical Colleges authorizes Olympic College to spend up to an additional \$2,341,426 in local funds to complete renovation of the Bremerton shop building project 30000986; and

BE IT FURTHER RESOLVED, that the State Board for Community and Technical Colleges authorizes the Executive Director to make adjustments to this action, including any necessary changes to the State Board's Policy Manual, as necessary, for actions taken by the Governor, Legislature, data corrections, externally imposed restrictions or guidelines, uniform accounting and reporting requirements, and unanticipated changes in state or federal law.

APPROVED AND ADOPTED on 8/23/2022

Attest

Paul Francis, secretary

Phyllis Gutiérrez Kenney, chair

CONSENT ITEM (RESOLUTION 22-08-41)

August 23, 2022

Tab 1c

Skagit Valley College local capital expenditure authority for the Library / Culinary Arts Building project

Brief Description

Skagit Valley College seeks approval to spend up to \$3,999,000 in local funds to complete construction of the Library/Culinary Arts building project 40000110.

How does this item link to the State Board's Strategic Plan?

This project supports enrollments and completions by providing modern campus facilities.

Background information and analysis

Skagit Valley College currently has state funds of \$2,257,000 during Design phase of their major project 40000110 for the Library/Culinary Arts building. The 2021-23 capital budget request identified a total project cost of \$25,014,000.

During the predesign process, additional scope of work identified as "New Vision" has been added to the project. This scope, not formerly included in the Project Request Report will be funded with local capital not to exceed \$3,999,000.

The predesign has been approved by the Office of Financial Management. Total estimated project cost is now \$34,950,000. The 2023-25 capital budget request will include additional state construction funds for lost buying power, escalation and City of Mount Vernon landscape requirements as well as the \$3,999,000 in local funds to equal the total estimated project cost.

The Skagit Valley College president, under delegated authority of the Skagit Valley Board of Trustees approved this local capital expenditure request on August 3, 2022.

Potential questions

Is this project consistent with the State Board's goal of supporting enrollment?

Recommendation/preferred result

Staff recommends approval of Resolution 22-08-41 giving Skagit Valley College authority to spend up to \$3,999,000 in local funds to complete design and construction of the Library/Culinary Arts building project 40000110.

Policy Manual Change Yes No

Prepared by: Darrell Jennings, capital budget director
djennings@sbctc.edu

STATE OF WASHINGTON
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES
RESOLUTION 22-08-41

A resolution relating to Skagit Valley College's request to spend up to \$3,999,000 in local funds to complete construction of the Library/Culinary Arts building project 40000110.

WHEREAS, the college currently has state funds of \$2,257,000 in design phase funds for their major project 40000110; and

WHEREAS, the predesign process identified "New Vision" project scope not included in the original Project Request Report with an estimated cost of \$3,999,000; and

WHEREAS, the 2023-25 construction phase request will include state funds for lost buying power, escalation, and City of Mount Vernon landscape requirement costs as well as the \$3,999,000 in local funds for the increased project scope to equal the total estimated project cost; and

WHEREAS, Skagit Valley College's president, under delegated authority of the Skagit Valley Board of Trustees, approved this local capital expenditure request on August 3, 2022; and

THEREFORE BE IT RESOLVED, that the State Board for Community and Technical Colleges authorizes Skagit Valley College to spend up to \$3,999,000 in local funds to design to construct the Library/Culinary Arts building project 40000110; and

BE IT FURTHER RESOLVED, that the State Board for Community and Technical Colleges authorizes the Executive Director to make adjustments to this action, including any necessary changes to the State Board's Policy Manual, as necessary, for actions taken by the Governor, Legislature, data corrections, externally imposed restrictions or guidelines, uniform accounting and reporting requirements, and unanticipated changes in state or federal law.

APPROVED AND ADOPTED on 08/23/2022

Attest

Paul Francis, secretary

Phyllis Gutiérrez Kenney, chair

CONSENT ITEM (RESOLUTION 22-08-42)

August 23, 2022

Tab 1d

Wenatchee Valley College property acquisition of 119 Apple Avenue West and 101 Ash Street North in Omak, Washington

Brief Description

Wenatchee Valley College seeks approval to spend up to \$250,000 in local funds to purchase the properties located at 119 Apple Avenue West and 101 Ash Street North in Omak, Washington.

How does this item link to the State Board's Strategic Plan?

This project supports enrollments and completions by providing expanded campus facilities.

Background information and analysis

Wenatchee Valley College currently has approval to spend local funds not to exceed \$2,500,000 in State Board Resolution 21-06-32 to design and construct the first phase of a health science center on the Omak campus.

The college identified these two properties within the current master plan. Parcel 1610021600 located at 119 Apple Avenue West, consists of 0.095 acres with a single-family residence and parcel 1830100800 located at 101 Ash Street North, consists of 0.162 acres. If approved, these sites will provide additional space for construction and parking for the building.

The total cost to purchase both properties is estimated to be \$250,000. The college has identified local funds to complete the acquisition. Any operation, maintenance, repairs or renovations in the future will be paid from local college funds. The college will obtain appropriate expenditure authority for future capital work.

The current total estimated costs to complete the Omak health science center is \$5,492,000.

The Wenatchee Valley College Board of Trustees approved this local capital expenditure request to purchase both properties on August 17, 2022

Potential questions

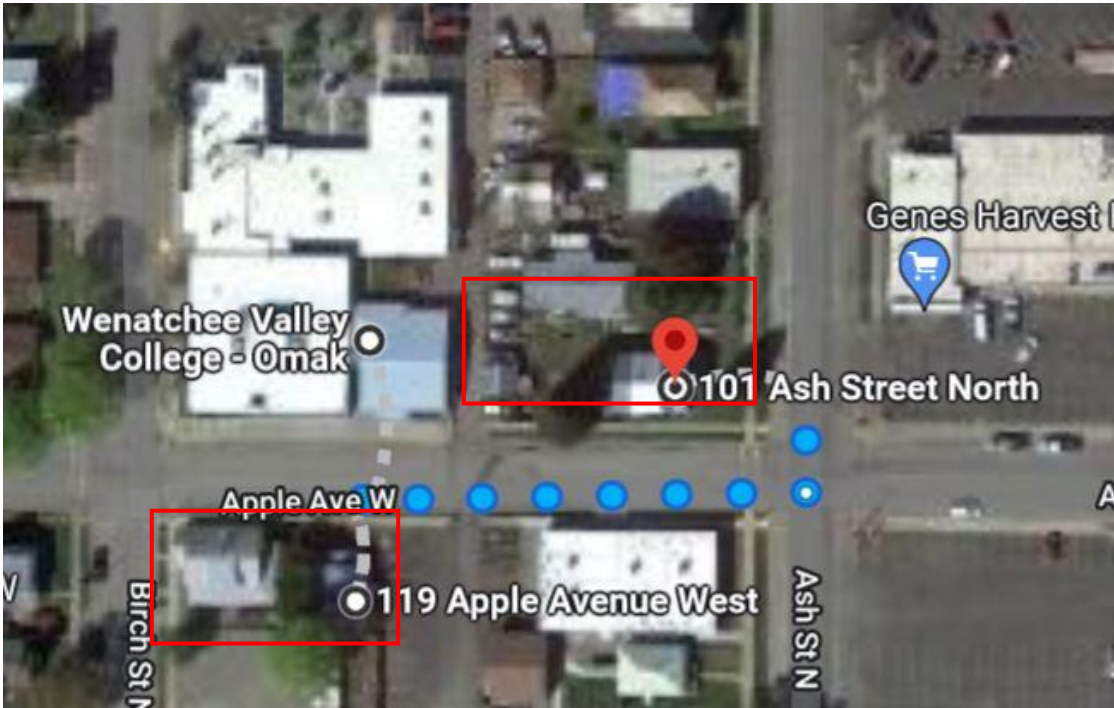
Is this project consistent with the State Board's goal of supporting enrollment?

Recommendation/preferred result

Staff recommends approval of Resolution 22-08-42 giving Wenatchee Valley College authority to spend up to \$250,000 in local funds toward the acquisition of 119 Apple Avenue West and 101 Ash Street North, in Omak, Washington.

Policy Manual Change Yes No

Prepared by: Darrell Jennings, capital budget director
djennings@sbctc.edu



**STATE OF WASHINGTON
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES
RESOLUTION 22-08-42**

A resolution relating to Wenatchee Valley College's request to spend up to \$250,000 in local funds to purchase the properties located at 119 Apple Avenue West and 101 Ash Street North, in Omak, Washington.

WHEREAS, the college currently has approval to spend up to \$2,500,000 in local funds in State Board Resolution 21-06-32 to design and construct the first phase of a health science center on the Omak campus; and

WHEREAS, the identified properties are within the college's master plan; and

WHEREAS, the identified properties will provide additional room for building construction and parking; and

WHEREAS, total estimated cost to purchase both properties is \$250,000; and

WHEREAS, total estimated cost to complete construction of the Omak health science center is \$5,492,000; and

WHEREAS, Wenatchee Valley College's Board of Trustees, approved this local capital expenditure request on August 17, 2022; and

THEREFORE BE IT RESOLVED, that the State Board for Community and Technical Colleges authorizes Wenatchee Valley College to spend up to \$250,000 in local funds to purchase the properties located at 119 Apple Avenue West and 101 Ash Street North in Omak, Washington; and

BE IT FURTHER RESOLVED, that the State Board for Community and Technical Colleges authorizes the Executive Director to make adjustments to this action, including any necessary changes to the State Board's Policy Manual, as necessary, for actions taken by the Governor, Legislature, data corrections, externally imposed restrictions or guidelines, uniform accounting and reporting requirements, and unanticipated changes in state or federal law.

APPROVED AND ADOPTED on 08/23/2022

Attest

Paul Francis, secretary

Phyllis Gutiérrez Kenney, chair



STATE BOARD MEETING MINUTES

Thursday, June 30, 2022

Board members

Jay Reich, chair // Phyllis Gutierrez Kenney, vice chair // Carol Land McVicker // Fred Whang

Ben Bagherpour // Crystal Donner // Chelsea Mason // Martin Valadez // Mack Hogans

Jan Yoshiwara, Executive Director // Beth Gordon, Executive Assistant

Statutory Authority: Laws of 1991, Chapter 28B.50 Revised Code of Washington

Welcome and Land and Labor Acknowledgement

Chair Jay Reich called the meeting to order at 9 a.m., welcomed those present.

Ha Nguyen, Director of Diversity, Equity and Inclusion gave the land and labor acknowledgement.

Adoption of agenda

Chair Jay Reich requested a motion to adopt the agenda.

Motion: Moved by Mack Hogans, seconded by Carol Landa McVicker, and unanimously approved by the Board the agenda for the June 30, 2022, State Board meeting.

Approval of Consent Agenda

- a. Olympic College, local expenditure, Instruction Center Artwork
Resolution 22-06-27
- b. Olympic College, local expenditure, sewer improvements
Resolution 22-06-28
- c. Pierce College Puyallup, parking lot expansion
Resolution 22-06-29
- d. Pierce College Puyallup, STEM building project
Resolution 22-06-30
- e. Tacoma Community College, add local financing
Resolution 22-06-31
- f. 2022-23 Corrections Education Interagency Contract
Resolution 22-06-32
- g. Jan Yoshiwara Contract Extension
Resolution 22-06-33
- h. Ratification of Paul Francis Executive Director Contract
Resolution 22-06-34
- i. May 6, 2022, State Board Meeting Minutes
- j. May 26, 2022, State Board Special Meeting Minutes
- k. June 7, 2022, State Board Special Meeting Minutes

Motion: Moved by Mack Hogans seconded by Chelsea Mason and unanimously approved by the Board the adoption of the June 30, 2022, consent agenda.

Appointment of 2022-23 Chair and Vice Chair

Chelsea Mason noted that in accordance with current State Board bylaws, the election of officers is to be in June of each year. In the absence of the Chair, his or her duties will be assumed by the Vice Chair who acts as the Chair Pro Tempore. The Vice Chair serves as the successor to the Chair.

As representative of the Nominating Committee Chelsea Mason make a motion to appoint Phyllis Gutiérrez Kenney for the position of State Board Chair and Crystal Donner for the position of State Board Vice Chair for 2022-23. Carol Landa McVicker seconded the motion.

Motion: Following a motion and a second the Board members unanimously approved the appointment of Phyllis Gutiérrez Kenney as State Board Chair and Crystal Donner as State Board Vice Chair for 2022-2023.

Consideration Workforce and Student Support Awards and Allocations (Resolutions 22-06-35 and 22-06-36)

Carl D. Perkins awards to 33 community and technical colleges to improve outcomes for students by supporting and strengthening workforce education programs. The federal Perkins program provides funding for career and technical education programs with an emphasis on accountability, innovation, secondary to post-secondary pathways, and coordination with business and industry.

Early Achievers Grant awards to 27 community and technical colleges providing financial assistance to employed childcare providers enrolled in Early Childhood Education programs. In 2018, as part of the Department of Children, Youth and Families' strategic plan to improve outcomes for young children, new licensing rules were adopted requiring childcare providers to attain postsecondary early childhood education credentials. Funding from the Department of Children, Youth and Families supports the Early Achievers Grant, a student financial aid program that supports professionals teaching and caring for young children as they pursue postsecondary credentials.

Federal FY23 funding will be awarded to all 34 community and technical colleges for the Basic Food Employment and Training program. Basic Food recipients are provided access to a variety of educational options and support services to gain the skills necessary for higher wages, better jobs, and further advancement. Colleges received 100 percent of funds in previous years, but they currently only receive a 50/50 budget that allows them to invoice for a 50 percent reimbursement of allowable expenses. This means that colleges must fully cover 100 percent of costs for Basic Food students and program expenses from non-federal sources prior to receiving a reimbursement. Allowable expenses include tuition, books, fees, and support services necessary for participation in an education and training program. We anticipate the program funding levels per the state approved spending plan expected to be released in September.

FY23 WorkFirst awards for 33 community and technical colleges to provide education and training, work-based learning, student supports, and wrap-around case management to students receiving Temporary Assistance for Needy Families. We anticipate the estimated funding level, based on FY23, will be returned to the pre-pandemic funding levels per the state approved spending plan expected to be released in late June.

Motion: Moved by Mack Hogans seconded by Chelsea Mason and unanimously approved by the Board the adoption of Resolution 22-06-35 approving the Workforce Training Awards.

Motion: Moved by Fred Whang seconded by Carol Landa McVicker and unanimously approved by the Board the adoption of Resolution 22-06-36 approving the Student Support Awards.

Basic Education for Adults Awards and Allocations (Resolution 22-06-37)

Through the Washington State Board for Community and Technical Colleges and our stakeholders' collective work in supporting the state's shared populations of adults through a worker-centered, guided pathways model, the basic skills system has a real chance to contribute to an economic recovery that leads to a more equitable workforce. To do this, our college system's guided pathways need to be designed with the needs of our current and future Basic Education for Adults students in mind. This includes offering programming and funding that allow students to co-enroll in college and high school completion, as well as the availability of integrated English language instruction and retention services for English language acquisition students.

Motion: Moved by Phyllis Gutiérrez Kenney seconded by Mack Hogans and unanimously approved by the Board the adoption of Resolution 22-06-37 approving the Basic Education for Adults Awards.

WACTC Report

Chris Bailey, WACTC President-Elect, presented on upcoming WACTC retreat in July.

ACT Report

Greg Dietzel, ACT President, presented the continued need to address the upcoming leadership transitions in the college system.

Labor Report

HyeEun Park, AFT Washington, presented on Seattle Central College possible program closure concerns and potential model legislation for part time faculty in other states.

WACTC Report

Christine Johnson, WACTC President, presented on upcoming transitions in college system leadership, upcoming legislative budget needs, and the impact covid has had on enrollment.

Public Comment

- Jacquie Cain, Vice President of Contingent Faculty, AFT Washington

Board Discussion

- Resolution 22-06-38 honoring Jan Yoshiwara. **Motion:** Moved by Mack Hogans seconded by Phyllis Gutiérrez Kenney and unanimously approved by the Board the adoption of Resolution 22-06-38 honoring Jan Yoshiwara.

Adjournment/next meeting

There being no further business, the State Board adjourned its June 30, 2022, meeting at 12 p.m.



Jan Yoshiwara, Secretary



Jay Reich, Chair

SPECIAL MEETING ITEM (RESOLUTION 22-08-43)

August 23, 2022

Tab 2

2023-25 Biennial Operating Budget Proposal

Brief Description

Over the last several months the college system has been collaborating on a series of budget requests to strengthen student success in a post-pandemic world. In this meeting, the State Board will be asked to approve an outline of the maintenance and policy-level budget requests and to grant authority to the executive director to submit the final budget to the Governor and Legislature in mid-September.

How does this item link to the State Board's Priorities?

Legislative operating and capital appropriations to the State Board for Community and Technical Colleges are the foundation for the system's operation. State resources provide the means to make progress on our goals. Each of the new budget requests is linked to one or more of the goals and strategies identified in the State Board's 2020-2030 Strategic Plan.

Background information and analysis

The community and technical college system presidents and State Board members have agreed on the importance of four key budget priorities: 1.) increased compensation, 2.) adequate funding for high-cost/high-demand programs, 3.) support for Equity, Diversity, and Inclusion (EDI) initiatives, and 4.) modernizing the system's capacity for hybrid learning.

In the last few years, the system has been successful with a "less is more" budget approach. Having a handful of well-crafted priorities and talking points is preferred over a budget request with several policy elements. The 2023-25 budget request will continue that approach to produce clear, concise Legislative messaging.

Budget requests have two tiers, maintenance level and policy level. Maintenance-level requests reflect funding needed in order to continue current service levels or carry out policies already enacted by the Legislature. Policy-level requests are focused on new funds that would allow colleges to improve the quality or quantity of educational services provided to their students and communities. Appendix 1 includes a table with a high-level description of the requests at maintenance and policy level.

Maintenance Level Items

The requests at maintenance level can be categorized into three groups:

1. Standard maintenance level items included in most biennial budgets, such as I-732 COLA¹ increase, maintenance and operations for newly completed capital projects, and the College Affordability Plan tuition backfill adjustment.

¹ This initiative to the people of Washington "Cost-of-Living Adjustments for Teachers Initiative," was on the November 7, 2000 election ballot and was approved. This initiative allowed K-12 teachers, other school district employees, college faculty and technical college classified employees to receive annual, cost-of-living salary adjustments based on Seattle CPI.

2. Adjustments needed to receive the correct funding level next biennium for bills that passed the Legislature in recent years. Four bills fall into this category, two diversity and equity-oriented bills, the Clean Buildings Act, and an apprenticeship bill. Similarly, funds are requested to continue the Climate Solutions Initiative established last session. More detail for each can be seen in Appendix 1.
3. Inflationary increases for two relatively small programs that have not received funding increases in many years; the Math, Engineering, Science and Achievements (MESA) program and the Centers of Excellence. These programs have had fixed funding levels for several years and struggle to continually provide the same service levels without periodic increases.

The I-732 COLA is by far the largest item – over \$100 million for the 2023-25 biennium. The percentage increase expected for FY 24 is 7.8 percent. This is the largest increase since 2000 when the initiative was codified into statute. In FY 25, the increase is expected to be approximately 3.5 percent.

The second largest request stems from the 2019 Clean Buildings Act. This legislation led to the development of new building standards that our colleges must adhere to. While the cost is substantial, the intent is to reduce energy consumption and improve energy efficiency in existing buildings to maximize the reduction of greenhouse gas emissions. Other maintenance level items will be reviewed and discussed during the August 23, 2022, meeting.

Policy Level Items

The following requests for new policy investments stem from needs identified by college presidents and then adopted as key budget priorities by the State Board.

1. **Compensation Increases** – Colleges are struggling to recruit and retain faculty and staff in several areas, primarily due to low wages. To keep pace with industry and K-12, we are requesting that the Governor and Legislature increase salaries by 6.5 percent in FY 24 and 6.5 percent in FY 25. It is critical that these increases be supported with 100 percent state funding.
2. **Sustainable funding for high demand / high cost workforce programs** – Many workforce programs require specialized equipment, costly consumables, and small class sizes. In some cases, these programs are the only pipeline into a specialized workforce. These funds would allow colleges to sustain these high cost programs and directly support employers in their district who are struggling to find workers.
3. **Expand EDI efforts focused on faculty, staff and students** – Senate bills 5194 and 5227 from 2021 provided Legislative guidance for the ongoing EDI efforts in our system. Colleges recently finalized their EDI strategic plans and submitted them to the State Board. Additional resources for staff are needed to implement those plans and effect meaningful change.
4. **Ensure access and learning in a high flex environment** – Colleges must be secure in the near term and make investments to adequately prepare students for technological changes in the workplace. Funds would help upgrade aging equipment and infrastructure, ensure adequate staffing and training, and integrate cybersecurity throughout college technology platforms. Improvements to infrastructure, technology access, staff training, and support will help students successfully navigate academic, student support, and engagement in remote learning.

Potential questions

1. What conversations have our system leaders been having with policymakers this interim? How might those effect our budget requests?
2. Do these budget requests effectively advance our strategic plan?

Recommendation/preferred result

Adoption of State Board Resolution 22-08-43.

Policy Manual Change Yes No

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2023-25 Biennial Operating Budget Request Washington State Board for Community & Technical Colleges

State Dollars in Millions

Budget Requests	FY 2024	FY 2025	Biennial Total	Summary	Strategy # (Appendix 2)
Carry Forward Total	1,037	1,042	2,079	Beginning point for 2023-25 funding.	
Maintenance Level				"Maintenance level" includes cost increases for policies and programs already authorized by the Legislature.	
I-732 COLA	43.2	63.9	107.1	COLA linked to Seattle CPI for faculty and tech college classified. The rate is 7.8% in FY 24 and 3.5% in FY 25.	1, 5
Maintenance & Operations (M&O)	1.0	3.5	4.4	For capital projects completed in 2023-25	5
Restore State Funds for M&O	11.4	11.4	22.8	Requesting reverse of 2003 funds swap of Capital Building funds in place of GF-State funds for M&O.	5
CAP Tuition Backfill Inflation Adj.	0.5	0.4	0.9	College Affordability Plan (2015) tuition backfill adjusted by Seattle CPI.	1, 5
Adjust Funding for SB 5227 DEI	2.4	1.8	4.2	Request to restore funding for student DEI training and future campus climate assessments.	1, 2, 3, 4
Adjust Funding for SB 5194 Equity	4.7	4.5	9.3	Restore funding for EDI strategic planning and correct funding for PT faculty conversions.	1, 2, 3, 4
Adjust Funding for SB 5764 Apprentices	0.6	0.7	1.4	Restore funding for apprenticeship financial aid and maximizing credits.	1, 2, 3, 4
Continue Climate Solutions Initiative	2.0	2.0	4.0	Continue effort to incorporate climate solutions and green workforce development across the curricula at all colleges and to develop a statewide climate action plan to reduce carbon emissions and establish sustainability as a guiding principle.	1, 4, 5
Green Building Modifications*	10.0	10.0	20.0	The Clean Buildings bill (HB 1257, 2019) aims to lower costs and pollution from fossil fuel consumption in the state's existing buildings. Funding is requested to comply with the new building standards under this act.	1, 4, 5
Inflationary Increase for MESA	0.5	0.5	0.9	The MESA program has not received a funding increase since it first began in our system since FY 2017.	1, 2, 3
Inflationary Increase - Centers of Excellence	0.6	0.6	1.3	The Center of Excellence have not received a funding increase since 2016.	2, 4
*Numbers not yet final.					
Total Maintenance Level Requests	76.9	99.3	176.1		

2023-25 Biennial Operating Budget Request Washington State Board for Community & Technical Colleges

State Dollars in Millions

Budget Requests	FY 2024	FY 2025	Biennial Total	Summary	Strategy # (Appendix 2)
New Policy Items					
Competitive Compensation	51.3	106.0	157.3	Increase salaries by 6.5% in FY 24 and 6.5% in FY 25, supported with 100% state funding. Funds are needed to help to equalize salaries within and among employee groups, including adjunct or part-time faculty. Colleges are struggling to recruit and retain faculty and staff in several areas. These challenges cannot be addressed unless our college system can keep pace with industry and K-12.	1, 2, 5
Support High-Cost Workforce Programs	38.6	38.6	77.2	Colleges need sustainable funding for high demand / high cost workforce programs requiring specialized equipment, costly consumables, and small class sizes. In many cases, these programs are the only pipeline into a specialized workforce. These funds would allow colleges to directly support employers in their district who are struggling to find workers.	1, 2, 5
Advance EDI Initiatives	12.7	12.7	25.5	Support and expand EDI efforts focused on faculty, staff and students. ESSB 5194 and 5227 provided additional Legislative input on the ongoing EDI efforts at colleges. Colleges recently finalized their EDI strategic plans and additional resources will be needed to implement those plans to effect meaningful change.	1, 2, 3, 4
Success in Hybrid-Flexible Environment	53.2	39.8	93.0	Colleges provide students with flexible online and hybrid coursework options without infringing on student success and completion. Funds would help online students successfully navigate academic, student support, and engagement experiences. Students would have additional access to technology and remote advising, navigation, and support services. Faculty will have training opportunities to adapt curriculum to new technologies. Colleges will improve their technology infrastructure to improve bandwidth and a focus on cybersecurity to ensure safe and reliable technology access by students, faculty, and staff.	1, 2, 3, 5
Total Policy Level Requests	155.9	197.1	353.0		
Grand Total	1,269	1,339	2,608		
Percent Increase	22%	28%	25%		

Our Goals

SBCTC's strategic plan calls upon our community and technical college system to achieve three goals, founded on our vision for educational equity.

- 1. Achieve educational equity for students who are historically underrepresented in higher education.**
 - Eliminate inequities in college access, retention and completion for students historically underserved in higher education: Hispanic, American Indian/Alaska Native, Pacific Islander, Black/African American and Asian.
 - Eliminate inequities in wages and university transfers. Our colleges offer a wide range of credentials. Generally, the longer the credential, the higher the wages upon graduation. We want to see students of color equally represented in degree programs that either result in sought-after skills and higher wages or successful transfer into a university.
- 2. Improve completion rates** for all enrolled students across all types of programs and credentials – workforce degrees, transfer degrees, certificates and apprenticeships.
- 3. Increase access and retention among populations who can benefit the most** from college access. This includes young adults, working adults, low-income people, people of color, immigrants and single parents.

We aim to improve completion rates across-the-board for all students, and to improve completion rates faster for students of color.

SBCTC Strategies

Strategy 1: Implement actions, policies and investments that produce equitable outcomes.

Strategy 2: Implement research-based strategies that are proven to improve completion rates for all students. These strategies include Guided Pathways and Career Launch programs.

Strategy 3: Enroll more diverse students of all ages and backgrounds in our colleges, increasing their access to higher levels of education, higher salaries and greater financial security.

Strategy 4: Strengthen advocacy and community partnerships.

Strategy 5: Improve the college system's long-term financial sustainability and infrastructure.

**STATE OF WASHINGTON
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES
RESOLUTION 22-08-43**

A resolution relating to the development of the 2023-25 operating budget proposal:

WHEREAS, RCW 28B.50.090 authorizes the State Board to prepare a single budget for the support of the Washington state system of community and technical colleges; and

WHEREAS, the State Board has determined that the community and technical colleges are uniquely positioned to provide talented graduates to fill new jobs in Washington's dynamic economy; and

WHEREAS, the State Board has determined that meeting the state's post-secondary attainment goals and workforce needs will require additional resources dedicated to closing equity gaps and helping the students recover from the pandemic as described in Tab 2 of the August 23, 2023, Special Meeting material.

THEREFORE, BE IT RESOLVED that the State Board for Community and Technical Colleges approves and directs the State Board staff to prepare the community and technical college system biennial operating budget request as set forth in **Tab 2 – 2023-25 Biennial Operating Budget Proposal**.

BE IT FURTHER RESOLVED that the State Board for Community and Technical Colleges authorizes the Executive Director to make adjustments to this action consistent with this resolution and to submit the final 2023-25 operating budget request to the Governor and Legislature by the mid-September deadline.

APPROVED AND ADOPTED on August 23, 2022.

Attest

Paul Francis, secretary

Phyllis Gutiérrez Kenney, chair

SPECIAL MEETING ITEM (RESOLUTION 22-08-44)

August 23, 2022

Tab 3

North Seattle College ground lease for affordable housing

Brief Description

North Seattle College is seeking approval to negotiate a lease of property rights to Bellwether Housing and Chief Seattle Club for construction, maintenance, and operation of affordable housing on the North Seattle College campus. North Seattle College has worked with the Bellwether Housing and Chief Seattle Club to develop a proposal to satisfy requirements of the State Board before executing a ground lease. The college will present an update of the project to the State Board, describe what has changed, and request authorization to begin drafting a ground lease for State Board review.

How does this item link to the State Board's Strategic Plan?

This project will increase access and retention among populations who can benefit the most from college access. It will support the enrollment of more diverse students of all ages and backgrounds and strengthen advocacy and community partnerships.

Background information and analysis

North Seattle College has determined that it does not require all of its grounds for academic facilities and is in discussions with Bellwether Housing, an affordable housing development entity, and Chief Seattle Club to construct affordable housing on the North Seattle campus. The college is interested in leasing an under-utilized portion of campus to Bellwether Housing and Chief Seattle Club to construct, maintain, and operate affordable housing. The proposed lease area is currently open space on the undeveloped southwest corner of the campus illustrated in Attachment A.

The proposal will construct 192 to 196 housing units focused on serving those in need, with an emphasis to the local Native American community. Approximately half of the proposed development will be specifically designed and operated to provide housing and services to urban Native American families, although housing will not be restricted by race or ethnic identity in any way. The housing will be available to anyone whose income qualifies them as "low income" (defined as less than eighty percent of the area median income), including North Seattle College students and employees.

In the initial stage of the development process this space was envisioned to include a longhouse. As the Board was informed, both the College and Bellwether Housing/Chief Seattle Club decided that rather than sharing space it would be best to develop a facility dedicated to serving the College's needs. The elimination of the longhouse also lessens the acreage required to lease, and gives the college dedicated rather than shared space.

This dedicated space will enable the creation of an Intellectual House for North Seattle College. The Intellectual House will be a multi-service/multi-cultural learning and gathering space for American Indian and Alaska Native students, faculty, and staff, as well as others from various cultures and communities. The Intellectual House will be centered on developing relationships between Tribal communities and the Seattle Colleges community and as a resource for student recruitment and retention. Since the Intellectual House will be owned by the college, the college can ensure its use for this intended purpose long-term.

The State Board established conditions in resolution 21-03-10 for the college to adhere to when negotiating any lease terms and are addressed here:

- **It will not be a public work** – The College has consulted with an AAG and while they cannot provide a final legal opinion until the ground lease language is finalized, based on the agreement in principle reached between the College and the developer they have indicated that with certain measures the proposed ground lease agreement is unlikely to constitute a public work but would need further review.
- **It will not be a gift of public resources** – The College commissioned an independent appraisal to establish a value for the subject property. In exchange for use of the property, the developer will construct a 5,750 gross square foot building the college will own in condominium with exclusive use rights and the developer will make a capitalized lease payment to North Seattle College. The combined value to construct space for the college and the capitalized lease payment means that the college is compensated for the ground lease and therefore the exchange is not a gift of public resources.
- **It is not financing on behalf of the state** – The Washington State Treasurer’s Office consulted with their certificate counsel and indicated that the proposed ground lease agreement does *not* constitute financing on the part of the State. This is based on the premise that “the land is simply leased to “tenant/developer on a long-term ground lease for the purpose of allowing the tenant/developer to design, develop, finance, and construct, at the tenant/developer’s sole cost and expense, an affordable housing project that would be owned and operated by the tenant/developer as part of its leasehold interest in the land; and, the tenant/developer makes a one-time rent payment and/or provides other consideration to the College and/or SBCTC as consideration for the lease of the land.”
- **Prevailing wages will be paid to labor to construct the facility** – The ground lease will stipulate that “the equivalent of prevailing wages” be paid to labor to construct the facility.
- **The lease term will be for no more than 99 years** – to meet certain financing requirements, the current modeling for project financing necessitate an 87-year lease term (85 years + 2 years for construction). All rights to the property and its improvements reverting to the college at the expiration of the lease.
- **The lease will be for approximately three acres** – Without the longhouse, the expected lease acreage will be approximately 98,505 square feet, or 2.26 acres; less than conditioned in the resolution.
- **Impacts to student parking will be mitigated** – The developer has agreed to construct approximately 67 parking spaces for housing tenants. Additionally, the college predicts to have more parking than needed for students into the future and is located near the Northgate light rail station.

- **The development will be consistent with the college facility master plan** – City of Seattle staff have indicated the affordable housing can be constructed without amending the Major Institution Master Plan approved by the city because the new facility is designed to the use and development standards of the underlying low-rise zone.
- **The developer will be responsible for the construction, operation, and maintenance of the facility for the term of the lease** – The ground lease terms will stipulate the developer is responsible for the construction, operation, and maintenance of the building improvements owned by the developer. The college, however, is expected to be responsible for the tenant improvements to the space it will own in condominium. Tenant improvements are currently estimated at \$2 million. More reliable costs will be determined closer to finance closing.
- **The College's Board of Trustees will approve the terms of the lease** – On July 21, 2022, the Seattle Colleges Board of Trustees approved a review of the project's financing plan and has been apprised of the terms of the proposed ground lease.

Additionally, a Limited Liability Limited Partnership (LLLP) will be created by Bellwether Housing and Chief Seattle Club. The LLLP will have sole responsibility for project financing. The project financing will consist of taxable and tax-exempt bonds to finance construction. Construction cannot begin until the entire financing package for the project is finalized and secure.

Members of the State Board have asked several other questions about the project during previous briefings, beyond what is stated in resolution 21-03-10. Here is a synopsis of the previously asked questions and responses from the college:

- **What is the structure and name of the developer and operating entity?** Bellwether Housing and Chief Seattle Club are in the process of setting up the legal entity, a Limited Liability Limited Partnership, which will be party and signer to the ground lease. The LLLP will be the developer and operator of the housing project.
- **What input will the college have during the operation of the facility?** In discussion with Bellwether Housing and Chief Seattle Club, they have given every indication that they will listen to input from the College. That said, the College's direct control over the operation of the affordable housing portion of the complex will be defined by the terms of the ground lease which will give the College the right to inspect the facility and require remediation if the agreed upon standards are not met. The College will have complete control over the operation of the Intellectual House.
- **Will there be wage and benefit standards for operation of the facility once constructed?** Wages and benefits for employees working in the Intellectual House will be the same as those of the College. Part of the LLLP's mission is to serve the Native American community, partly by providing employment opportunities so their community members can thrive. Wages and benefit standards for the operation of the complex will be set by the LLLP and will be in accord with their mission.
- **What does the floor plan look like? Does it show how the college space will be secured while providing access to affordable housing on upper floors?** The floor plan and building layout is preliminary but is depicted in Attachment B. The college space will have its own dedicated entrance on the North side of the complex, separate from the affordable housing portion of the complex.

- **How much will it cost to build out, operate and maintain the College's floor? And how will it be paid for?** Based on the current understanding of project financing, the College estimates it will receive a cash payment of approximately \$3.3 million. Tenant improvements are estimated at \$2 million, leaving \$1.3 million for the college to operate and maintain the Intellectual House. The Intellectual House will be part of the College inventory and routine services will be provided by college staff and the expense of those services will be incorporated into operating budget expenses.

Consistent with State Board policy 6.50, the college requests permission from the State Board to negotiate a ground lease as described above, and to gather any additional documentation as determined by the board, that may be requested to move ahead with this project.

Potential questions

- Will Department of Enterprise Services Real Estate Services specialists participate or review negotiations on behalf of the State and college?
- Will the AAG review the final lease documents to assure that all aspects of the project, including the tenant improvements of the Intellectual House, are not public work and are in the best interest of the state?
- Was the Office of the Treasurer's counsel aware that:
 - The improvements would transfer to the College at the end of the lease, and
 - That the College would own, operate, and maintain a building constructed by the developer within the lease area and is that consistent with their financing analysis?
- Does the State Board have any other questions or conditions for the College in negotiating the ground lease with Bellwether Housing and Chief Seattle Club?

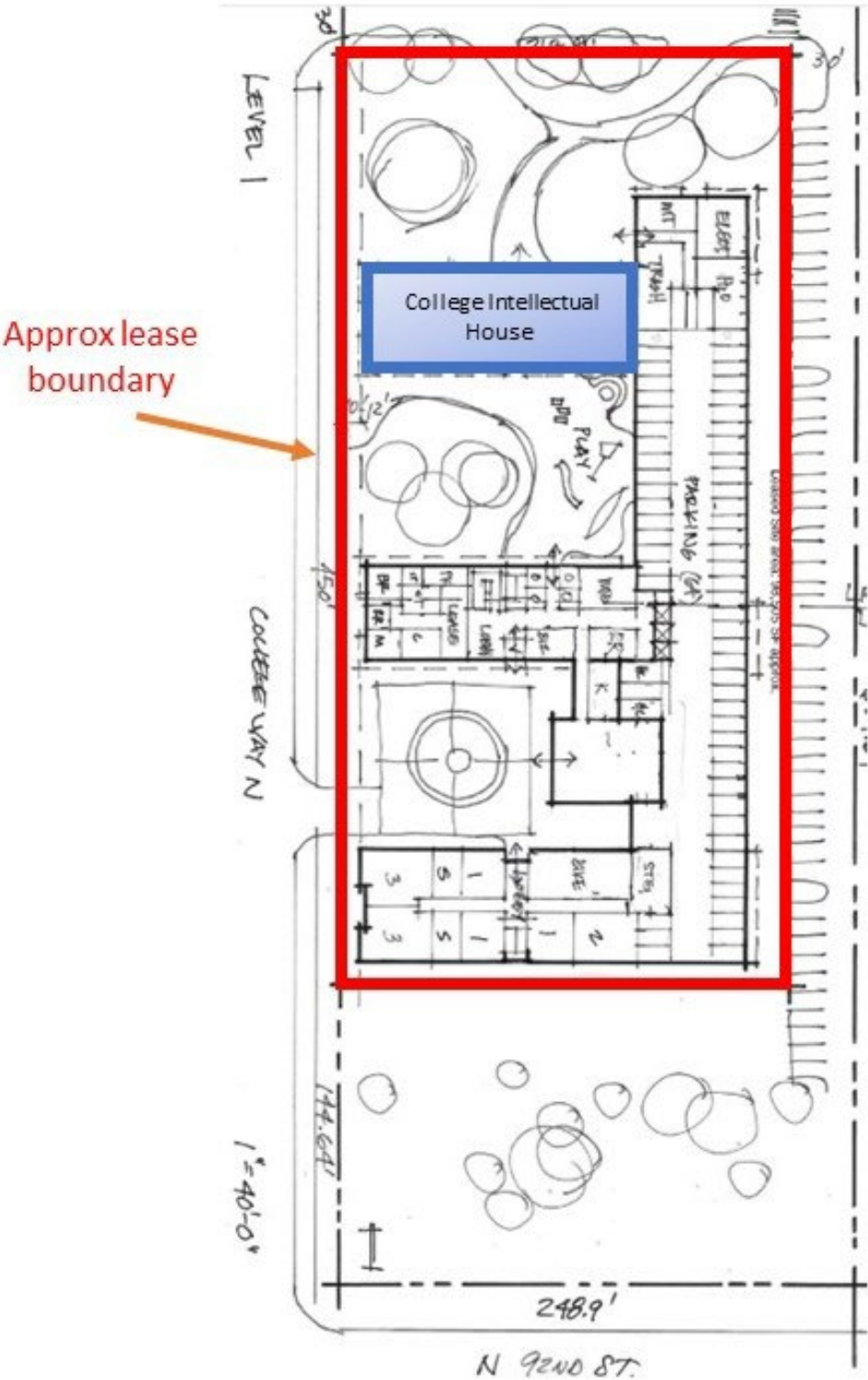
Recommendation/preferred result

Staff recommends approval of Resolution 21-08-44 giving North Seattle College the authority and conditions to enter negotiations for a ground lease on the North Seattle College campus with Bellwether Housing and Chief Seattle Club to construct affordable housing. The college must bring the final negotiated ground lease to the State Board for review and final approval before it may be executed.

Policy Manual Change Yes No

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STATE OF WASHINGTON STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES RESOLUTION 22-08-44

A resolution relating to North Seattle College's request to lease property rights to the Bellwether Housing and Chief Seattle Club to construct, maintain, and operate affordable housing on the North Seattle College campus.

WHEREAS, North Seattle College has determined that it does not require all of its grounds for academic facilities; and

WHEREAS, North Seattle College is interested in supporting the Seattle Native American community for the advancement of cultural learning and higher education success and providing space for affordable housing; and

WHEREAS, North Seattle College is seeking approval to ground lease property to a Limited Liability Limited Partnership created by Bellwether Housing and Chief Seattle Club to construct, maintain, and operate affordable housing on the North Seattle College campus; and

WHEREAS, Bellwether Housing and Chief Seattle Club will also construct an approximately 5,700 gross square feet building within the lease area that the college will use to provide education, leadership, and cultural experiences for Native American, Alaska Native, and First Nations and other students and the broader campus community; and

WHEREAS, the facility to be built on the leased property will support the enrollment of more diverse students of all ages and backgrounds and strengthen advocacy and community partnerships; and

WHEREAS, the critical elements established by State Board resolution 21-03-10 for negotiating the lease are revised and the State Board's approval of the lease is contingent on the following requirements that:

- The lease area will not exceed 2.3 acres
- The lease term will not exceed eighty-seven years
- The development will not require a revision to the college facility master plan recorded with the City of Seattle
- The college will be compensated so that it will not be a gift of public resources
- It will not be financing on behalf of the state
- The developer will pay prevailing wages to construct the facility
- Except for the tenant improvements undertaken by North Seattle College in the Intellectual House, the developers project will not be public work
- The developer will be responsible for the construction, operation, and maintenance of the facility for the term of the lease
- Impacts to student parking will be mitigated by the developer
- The final lease terms and conditions will be reviewed by an Assistant Attorney General
- The College Board of Trustees will approve the terms of the lease; and

THEREFORE BE IT RESOLVED, that the State Board for Community and Technical Colleges authorizes North Seattle College to enter into formal negotiations for a ground lease with Bellwether Housing and Chief Seattle Club for the development of affordable housing and space in condominium for the college on the North Seattle College campus, and

BE IT FURTHER RESOLVED, once negotiated, the lease will be presented to the State Board for approval under authority in, and consistent with the conditions of this resolution.

APPROVED AND ADOPTED on 8/23/2022

Attest

Paul Francis, secretary

Phyllis Gutiérrez Kenney, chair