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COMMUNITY COLLEGE DISTRICT NO. 508
FEBRUARY 21, 2013**



Presentation to the Ad hoc Construction Committee of the CCC Board of Trustees

Wednesday, January 30, 2013

FOR DISCUSSION ONLY



Today's Agenda

- 1 Introductions
- 2 Olive-Harvey TDL Center Construction Update
- 3 Design/Bid/Build Timeline for MXC – Jacobs/Cannon/CCC
- 4 Capital Programs Alternate Bond Issuance Plan - CCC
- 5 MXC/OHC Educational Specifications Update
- 6 Recommended Building Layout for MXC – Jacobs/Cannon

*Closed Door Session

Next Ad Hoc Construction Committee Mtg: March 6, 2013 @ 12:00 pm

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Progress Update on the Olive-Harvey TDL Building

Completed Major Activities

- Oct 30, 2012**
 - City Colleges met with City of Chicago's Department of Housing & Economic Development, Zoning Division to clarify the zoning and PD designation for TDL Center
 - Zoning reviewed; clarified that zoning from main building applies to entire site
 - Errors reflected in the published maps will be corrected and will not hinder the issuance of permits and licenses during the construction phase
- Nov 2, 2012**
 - FGM awarded a professional services contract not to exceed \$25,000 by City Colleges to initiate the planning process
- Nov 9, 2012**
 - FGM and City Colleges' Colleges to Careers, Olive-Harvey faculty, staff and students, as well as Administrative Services held the first Inter-Active Planning Session at O-H
 - Reviewed academic curriculum, student services, and learning environments to support the TDL Center
 - FGM now ready to engage in strategic planning for enrollment projections and programmatic space allocation that transition into the Schematic Design phase
- Nov 14, 2012**
 - City Colleges joined the CDB Contractor Review Committee to short-list candidates for Construction Manager on the TDL project
 - Eight responses were received and reviewed
 - Four highly-qualified short-listed candidates selected for oral presentations

Progress Update on the Olive-Harvey TDL Building

Completed Major Activities (cont.)

- Nov 20, 2012** • Oral presentations with the four short-listed Construction Manager candidates to the Evaluation Committee in Springfield
- Nov 30, 2012** • TDL Program Pathways revised
 - Departmental Meetings with FGM
 - Central Store concept curriculum reviewed
 - Programs finalized
 - Administration/Faculty/Staff/Students
 - Program Enrollment projections
- Dec 10, 2012** • Interactive planning at OHC
- Dec 11, 2012** • CM recommendation of Gilbane was approved by the Capital Development Board
- Dec 15, 2012** • Architect of Record, FGM, contract awarded
- Jan 7, 2013** • Meeting with FGM, CDB to review
 - Design and construction schedule (to be developed in detail by Gilbane Construction Managers)
 - Program prioritization and required inputs for space planning
 - Coordination of demolition and new construction design efforts

Progress Update on the Olive-Harvey TDL Building

Completed Major Milestones

Jan 14, 2013 (ongoing)	• Program Review Meetings with City Colleges Steering Committee & O-H Faculty
Jan 15, 2013	• Site Meeting with Milhouse Engineers (demolition design), FGM and CCC
Jan 24, 2013	• Meeting with Work Force Strategic Partners on Supply Chain/Logistics Curriculum and Central Stores Operations*
Jan 29, 2013 (ongoing)	• Weekly Design Review Meetings with FGM, CDB and CCC
Jan 30, 2013	• External partners (with FGM & CCC) validation of the Central Stores Concept at OHC.
Feb 5, 2013	• Finalize external partners validation of Auto Tech/Diesel Programs.

**Strategic Partners participating: AAR Corp, Coyote Logistics, Echo Logistics, FedEx, PepsiCo, UPS*

Progress Update on the Olive-Harvey TDL Building

Upcoming Major Milestones

- Feb 1, 2013** • Award of Construction Manager contract by CDB to Gilbane construction
- Feb 18, 2013** • FGM issues Program Analysis/Schematic Design to CDB and CCC for review
- Mar 5, 2013** • Final approval from CDB/CCC initiates Design Development of the TDL Building to include Automotive & Diesel Technology, Supply Chain Logistics and Central Stores Warehousing, CDL and Taxi Driver Certificate programming

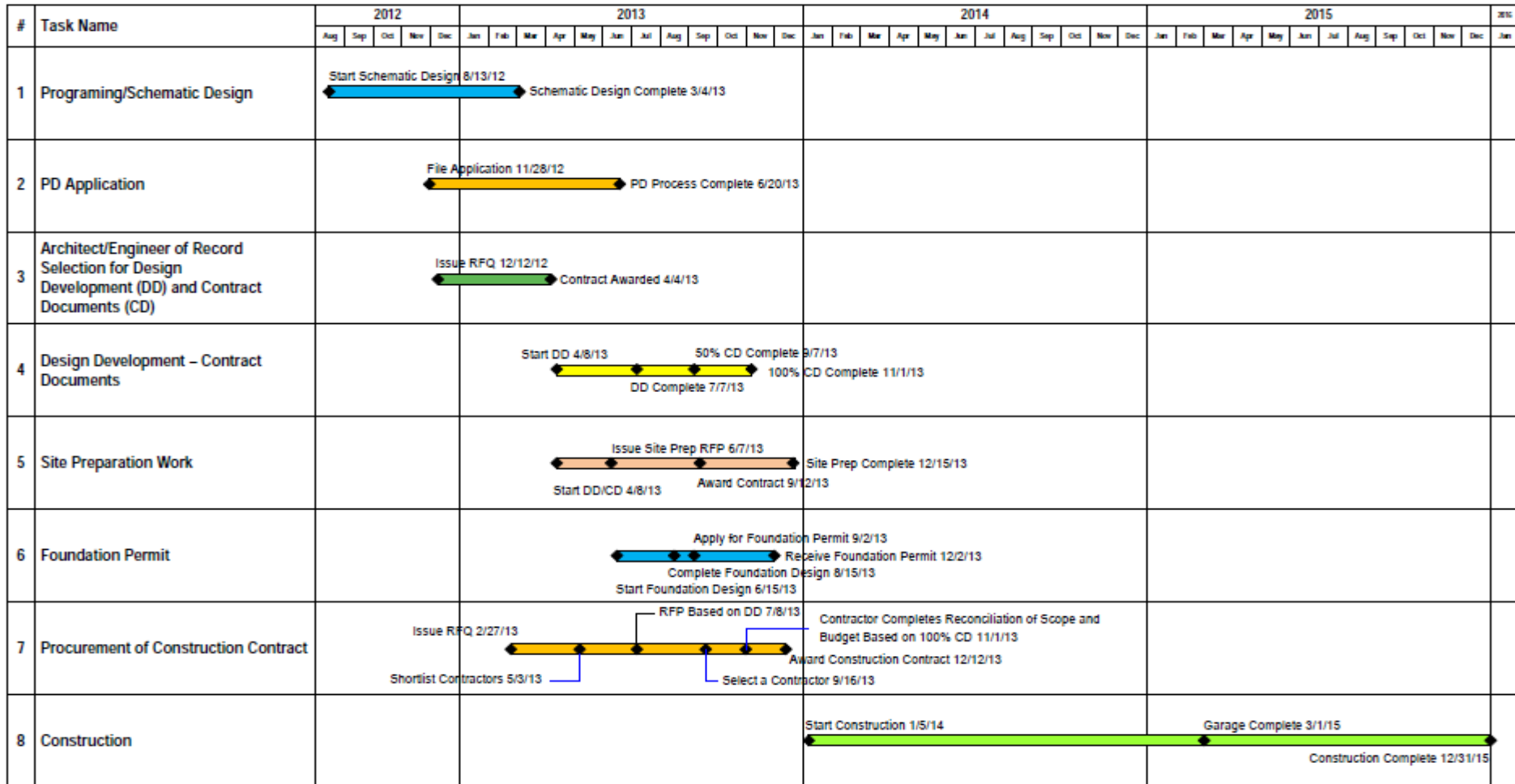
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Our Design/Bid/Build timeline was revised to allow additional time for the Site Prep RFP and to increase time for the AE to work with the GC.



DESIGN BID BUILD PROJECT SCHEDULE

The PD Application has been submitted on-time with all milestone activities complete.

Date	PD/Vacation Plan Activities
January 14, 2013	Call with City DHED to update/align on PD Application.
January 30, 2013	Deadline for Jones Lang LaSalle to deliver property contracts/authorization to utilize land for the PD/ROW Application.
February 6, 2013	ROW (Right of Way) Vacation Pre-Submission Meeting with CDOT.
February 15, 2013*	ROW (Right of Way) Vacation Application to be submitted.
February 20, 2013	Required exhibits and documents are in development and on track for submission to the DHED as required.
March 1, 2013	Deadline for Jacobs/CCC Admin. Services to provide pertinent information to Mayer Brown for the PD Application.
April, 2013	PD Application presented to the Plan Commission.
May, 2013	PD Application submitted to Zoning Committee for approval.
June, 2013	PD Application submitted to full City Council for approval. Approval expected as long as ROW Vacation consent letter are on file. ROW Vacation expected to be complete by late 2013.

Greyed out items have been completed. *Estimated Date.

CCC received strong responses to the RFQ for the Architect of Record (AE) providing strong candidates for consideration.

Architect of Record Respondents

Total Number
of Firms
Responding

Names of AE
Respondent
Firms

16

BLDD Architects
Wight & Company
Legat/Epstein (Joint Venture)
Holabird & Root/ Globetrotters
Perkins & Will
bKL/HAA CC Partners
DLR Group
HOK

Harley Ellis Devereaux
Moody Nolan, Inc.
Goettsch Partners Inc.
EC Purdy & Associates
Loebl Schlossman & Hackl
exp (formerly Teng & Associates Inc.)
SCB – Solomon Cordwell Buenz
Lohan Anderson

CCC is on track with its RFQ Schedule for AE Services

Date	RFQ Schedule for A/E Services
December 12, 2012	CCC Issued RFQ
December 18, 2012	CCC conducted Pre-Submittal Conference
December 20, 2013	Deadline for Request for Information (RFI) by noon.
January 3, 2013	Issue Addendum to the RFQ.
January 16, 2013	RFQ Responses Due.
February 8, 2013	CCC Short Lists Qualified Firms
March 4, 2013	CCC issues 100% Schematic Design docs to selected Respondent Firm.
April 5, 2013	Contract is awarded to the selected A/E Firm

Completed item are greyed out.

Upcoming Dates are in Bold

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Major elements of timeline

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- **Selection of Financing Personnel**
 - Financial advisor (Feb)
 - Underwriters (June)
 - Legal counsel
- **Internal/External briefings**
- **Board meetings/resolutions**
 1. Inducement resolution
 2. Voter initiated referendum
 3. Bond resolution
- **Determine bond structure and par based on cash flow forecast timing and rate of spend**
- **Rating agency presentations**
- **Execution of transaction**

Fundamentals of the plan

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- **Achieve successful sale of Alternate Bonds as early as September 2013**
 - Overall funding of capital plan, including MX
 - Alternate bonds have a “doubled barreled” pledge of property taxes (not anticipated to ever be levied, but legally available to bondholders should other revenues prove insufficient) and a specific revenue stream – which will likely be a combination of PPRT and a portion of tuition revenue or state aid
 - We will make the decision on the security for the bonds in consultation with our FA, to achieve the best rating possible while not overly constraining our financial resources

Fundamentals of the plan

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- **Optimize market conditions and accommodate internal and external factors**
 - **Our strong balance sheet allows us the opportunity to optimize market conditions, choosing the best timing, while navigating the external and internal environment**
 - Local bond supply: we will be supply-conscious, as other city agencies' refinancing and new issue bond sales compete with ours if we don't stagger
 - Market opportunities and disruptions: we will monitor market activity as the US fiscal cliff and possible downgrade will affect interest rates; government shutdown would delay CCC issuance
 - Internal factors: we will refine and monitor internal cash flow to determine appropriate bond timing and react to market forces

Selection of Bond Team

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- **Financial advisor**

- We have met with procurement and can pursue a selection process using a much narrower scope of services than original RFP
- We will solicit updated credentials and pricing from our original group of (6) respondents for a standard bond transaction
- We will have a “letter of intent” to do this based on our RFP
- The evaluation team will present a recommendation at the February Board Meeting

- **Legal counsel**

- Chosen by Law
- Three major roles on any bond deal
 - ✦ Bond counsel
 - ✦ Issuer counsel
 - ✦ Underwriter

Selection of Bond Team

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- **Underwriter team**

- Each bond deal has one lead bank and 5 - 7 co manager banks
- Important attributes for an underwriter include the ability to buy bonds if necessary (meaning a healthy capital position); strong understanding of CCC and how to market a new credit to investors and rating agencies; good coverage and interesting bond structuring ideas; and relevant experience in similar transactions
- The team composition will meet or exceed all MWBE requirements
- After an FA is secured, we recommend preparing an underwriter RFP to qualify a pool of underwriters as well as select a specific team for the current transaction

Internal Briefings

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- **Board meetings**

- **February Board:**

- ✦ **Inducement resolution:** allows capital spending to be reimbursed from bond proceeds.
- ✦ **Financial Advisor Recommendation**

- **May Board:**

- ✦ **Voter initiated referendum:** taxpayers have a chance to petition against debt issuance. The alternate bond structure allows a passive process, rather than seeking active voter approval as would be required for general obligation bonds. 30 day requirement.

- **August Board:**

- ✦ **Bond resolution:** contains bond specifics, i.e. final structure, not to exceed tax levy amounts, and ****may**** include finance team by firm name (as does the city) or delegate authority to CFO (as CPS does).

External Briefings

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- **City**
 - Bond financing plans are a part of our monthly CFO roundtables
- **Civic Federation**
 - Present financing plan
 - Present budget plan and operational impact of capital program
- **Other stakeholder groups?**

Bond structuring

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- Done in consultation with FA and banking team
- While an estimate of total par value is necessary from the beginning, it can – and often does – vary.

Note: We can adjust the par value of our bonds up to one month before pricing as long as our bond resolution is written with flexibility – i.e., a reasonable “not to exceed” amount

- Types of structures
 - Goal: balance conservative structure with market demand
- Examples of bond structures
 - Length of debt: 20 yrs v 30 yrs. Annual debt service is less with longer bonds
 - Front loaded v back loaded principal payments. e.g. on a generic \$250M bond deal, annual debt service would range from \$11M to \$18M depending on the structure
 - Variable v fixed rate debt
 - Delayed interest payments until bldg is complete (“capitalized interest”). Annual debt service could be \$0 for 3 years under this structure

Rating agency presentations

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- Rating agencies assign ratings based on internal criteria. We will present a strong case and can influence the outcome, but cannot predict or control the rating agencies' opinions.
- Rating based on four factors:
 - **Debt position** (considers both the entity's specific debt, and the debt of other overlapping governments). Direct debt will be a favorable statistic for CCC; overall debt will be considered moderate to moderately high
 - **Economy**. The economy often sets the category, while other factors determine where in the category an entity falls
 - **Financial position**. Will be CCC's primary credit strength.
 - **Management team and agency strategy**. An analysis of the principals as well as policies and institutionalized processes. Strong investment policies, debt policies, and reserve policies will strengthen CCC's credit factor.

Rating agency process

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- Preparation of documents such as official statement are submitted to agencies
- After several weeks of analysis, Issuer meets with agencies
 - A site visit is necessary for a new credit with a project of this size
 - Participants in the meeting should be Finance and Executive team member
- Agency submits questions/follow up
- Internal committee composed of senior analysts will vote for rating
- Credit assessment process will allow us to keep the rating private (perhaps choosing just two agencies – those with the higher rating)
- A 1-3 page press release is issued. We will have one hour to review
- With results in hand typically at least two weeks before a bond sale, we approach investors and pursue our marketing plan
- A 4-5 page full report is issued

Next steps

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- FA and underwriter selection
- Refine cash forecast and end of year projections to determine more precise bonding need
- Legal team
- When to hold briefings, and in what form?
- Investor conference in April – run by City, CCC participates
- Decision points:
 - FA
 - Underwriter team
 - Type of structure (variable rate, fixed rate; use short term debt or not)

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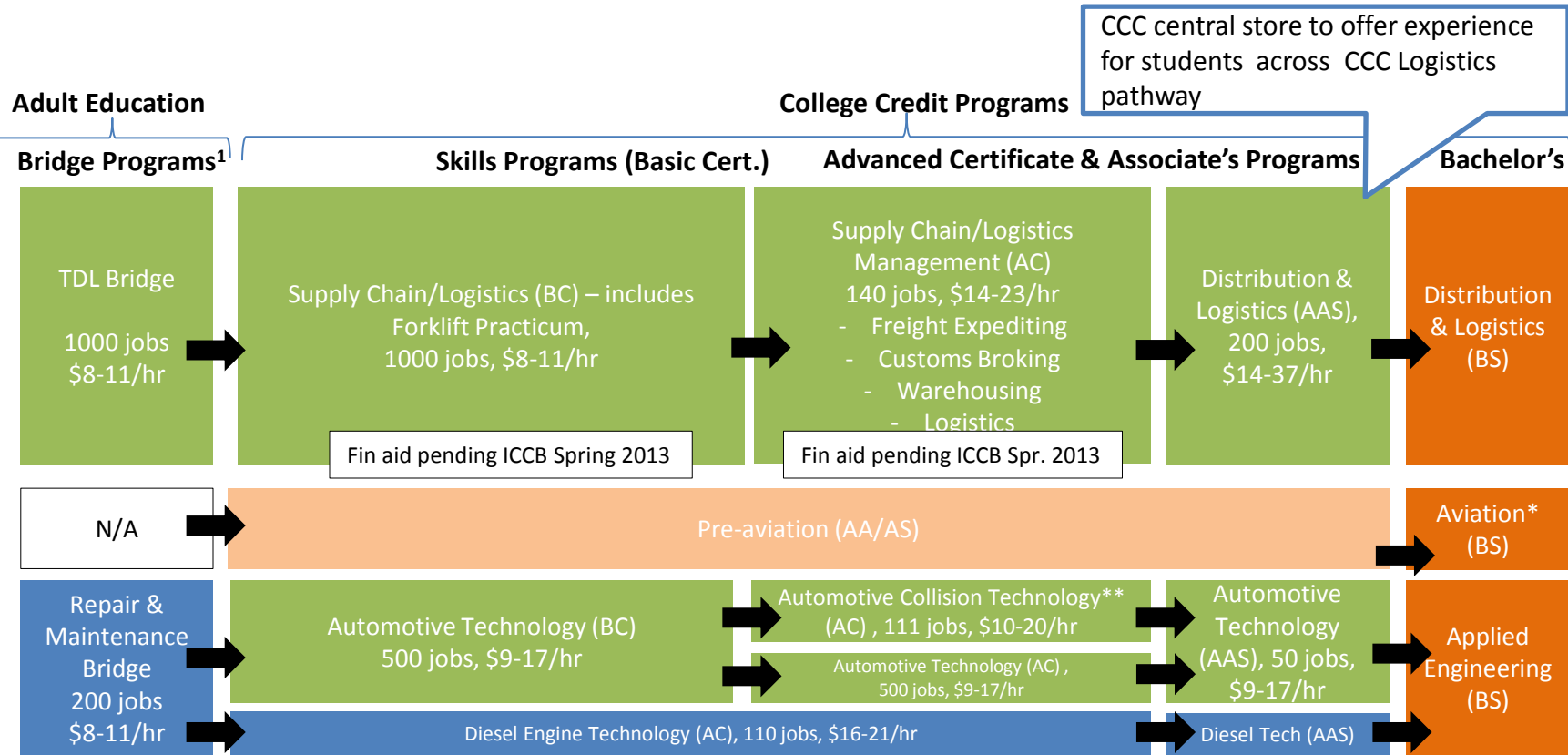
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CCC TDL Cluster to focus on hands-on training warehousing, logistics, auto and diesel repair and transfer opportunities in aviation

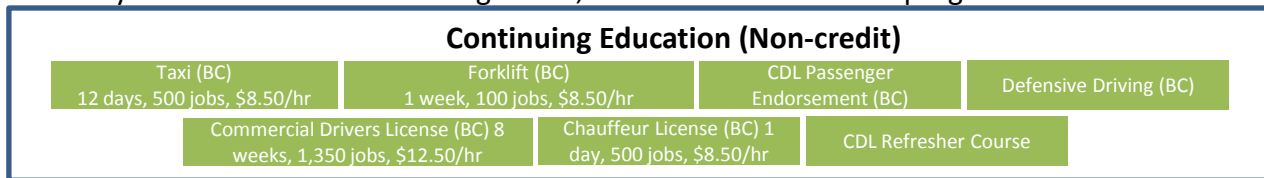
Existing CCC programs under revision New programs CCC pre-transfer program Transfer program targets



*Current articulation agreement with Lewis University in Air Traffic Control Management, Aviation Administration programs

**Offered at KKC only

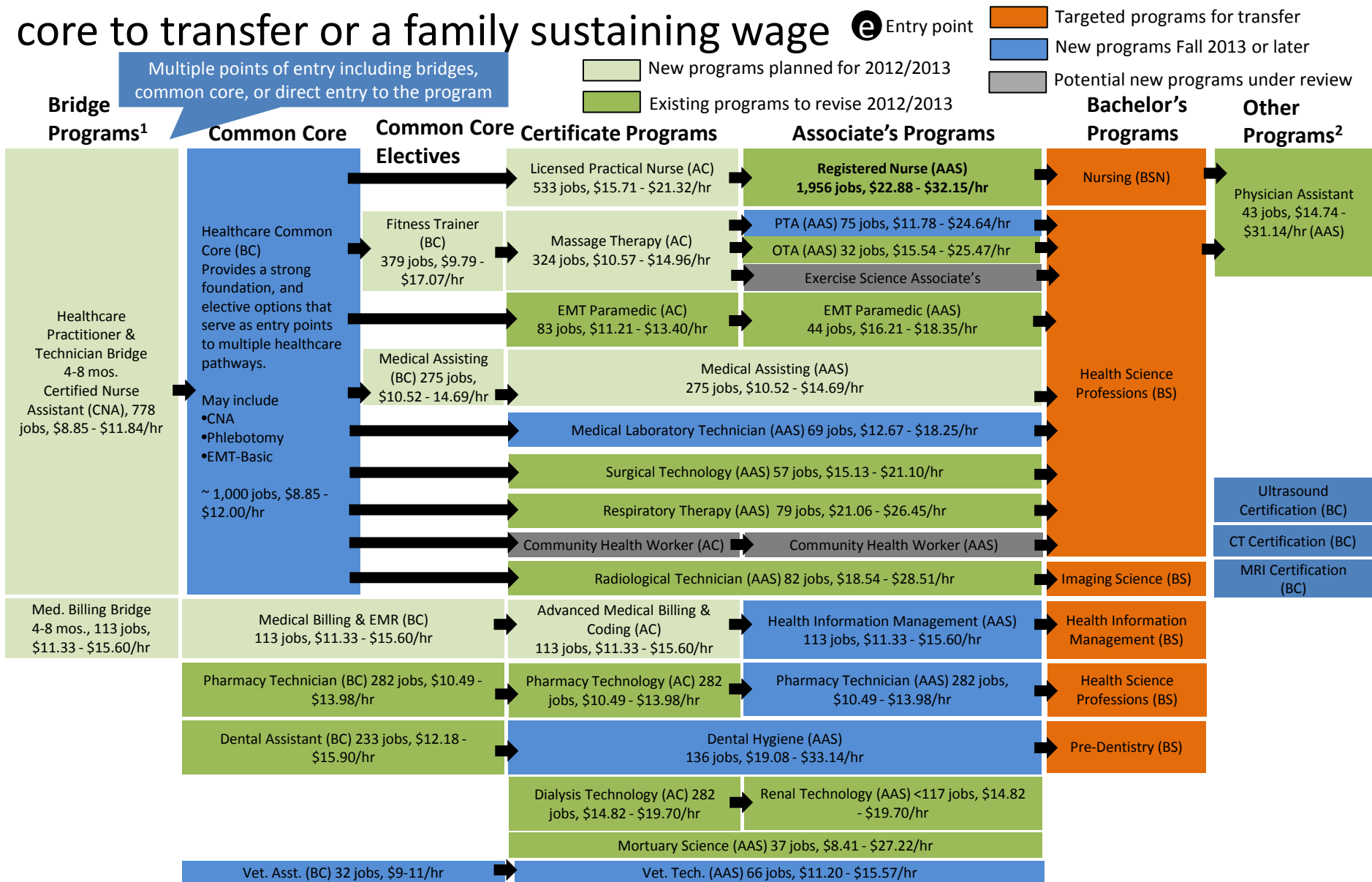
Reviewed by industry partners



Source: CCC Academic Catalog, 2011-2012; Team analysis, EMSI Q2 2012 Jobs: approx. annual Cook County projected openings 2012-2022, wages: 10th percentile through median

(1) Bridge programs serve foundational and adult education students and seek to bring them up to the level required to enter skills programs

Proposed health professions programs are pathways from a common core to transfer or a family sustaining wage



Source: EMSI Q2 2012; CCC Program Portfolio Review; Jobs represent annual openings projected for Cook County, 2011 - 2021; wages are 10th percentile through median wage

- (1) Bridge programs serve foundational and adult education students and seek to either provide them with employment or transition to college credit
- (2) Other programs are continuing education or post-baccalaureate programs that support upskilling of existing professionals, some may operate at profit

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MALCOLM X

CITY COLLEGE OF CHICAGO

January 8th, 2013

SPATIAL STRATEGY

VISION | DRIVERS

MASSING STRATEGY

SPATIAL STRATEGY

VISION | DRIVERS

MASSING STRATEGY

Design

Program Assumptions

Enrollment in Health Sciences is based on Planned Pathways and Reinvention Projections

- 7.5% growth in enrollment in General Education based on increased enrollment from Health Services requirements
- 3.0% growth in Continuing Education
- 3.6% growth in Adult Education

Classes will be held five days a week

resulting in 24 Weekly Room Hours in lieu of current 18.7

- Typical guidelines suggest 60-70% utilization
- 24 hours represents 60% of a 40 hour week

Long term growth will be accommodated by lengthening days and increasing efficiency

- 45 hour weeks with 70% use would increase the Weekly Room Hours from 24 to 31.5 ... a 31% increase

Design

Program Assumptions

Increasing Multi-disciplinary Interaction

- Classrooms and Laboratories will be shared resources and not be dedicated exclusively to departments
- Open offices will replace many traditional offices

Other Space Utilization Efficiencies

- Right size instructional spaces
 - Increased quantity of 30 and 40 person classrooms
 - Fewer 50 person classrooms and lecture halls will use space more efficiently
- Flexible Classrooms and Skills Labs
- Storage and Logistics will be handled off site

Design

Program - Space Allocation

		Scheduled <u>60% - 70%</u>
Adult Education	590	354 - 413
Continuing Education	84	50 - 59
General Education	1664	998 - 1165
Health Sciences	1014	608 - 709
Library	<u>16</u>	<u>10 - 11</u>
Total Instructional Seats:	3,368	2,021 - 2,358
Open Lab Computer Seats:	243	
Other Student Seating:	1,279	
(Library, Tutoring, Testing, Student Union, etc.)		

Design

Program - Space Allocation

Adult Education	17,475	
Continuing Education	2,460	
General Education	82,040	
Health Sciences	75,305	
Library and Academic Support	<u>21,610</u>	
Subtotal:		198,890 nsf
Student Services	51,270	
Administration	5,780	
Operations	35,945	
Conference Center	11,650	
Child Care Center	<u>4,835</u>	
Subtotal:		109,480 nsf
Corridors, Walls, Stairs, Restrooms, MEP, etc. x 1.6		
Total Building Area:		493,392 gsf

SPATIAL STRATEGY

VISION | DRIVERS

MASSING STRATEGY

VISION

MALCOLM X COLLEGE WILL CREATE CLEAR PATHWAYS TO SUCCESS.

Meeting each individual where they are and elevating them to their fullest potential, these pathways turn ambiguous goals into actionable plans and timelines. Clear navigation, supportive relationships and experiential learning allow students from diverse backgrounds to preview and realize dynamic health careers.

“You never know who might cure HIV/AIDS. We should remove any obstacles.”

– Malcolm X faculty member

DECLARE IDENTITY



PROUDLY COMMUNICATE THE
COLLEGE'S PROFESSIONAL &
ASPIRATIONAL IDENTITY.

WELCOME



**MEET THE DIVERSE MALCOLM X
COLLEGE COMMUNITY AT THE FRONT
DOOR.**

MODEL SUCCESS

3

FACILITATE RELATIONSHIPS AND
PERSONAL CONNECTIONS THAT
MODEL SUCCESS.

**LIVE
IT NOW**



**INTRODUCE STUDENTS TO THEIR
FUTURE CAREERS WITH EXPERIENTIAL
LEARNING.**

CLEAR THE WAY TO LEARNING

5

FREE THE MIND, THE SPIRIT AND
THE BODY TO OPTIMIZE ACADEMIC
OUTCOMES.

SPATIAL STRATEGY

VISION | DRIVERS

MASSING STRATEGY

MASSING | SITE DRIVERS

STRONG HEALTH SCIENCE IDENTITY

ACKNOWLEDGE COMMUNITIES

ENTRY SEQUENCE / SECURITY

PARKING STRUCTURE / CLEAR ACCESS

ENVIRONMENTAL CONTEXT

APPENDIX

A Closed Door Session will be held to discussion Property Acquisition Options.