

COMMUNITY CAMPUS

at New Columbia

MONTHLY



REPORT



Drywall is complete and the interior is being painted

FEBRUARY 2007

“The Kids are Coming”

New Columbia
IN NORTH PORTLAND'S PORTSMOUTH NEIGHBORHOOD

PREFACE

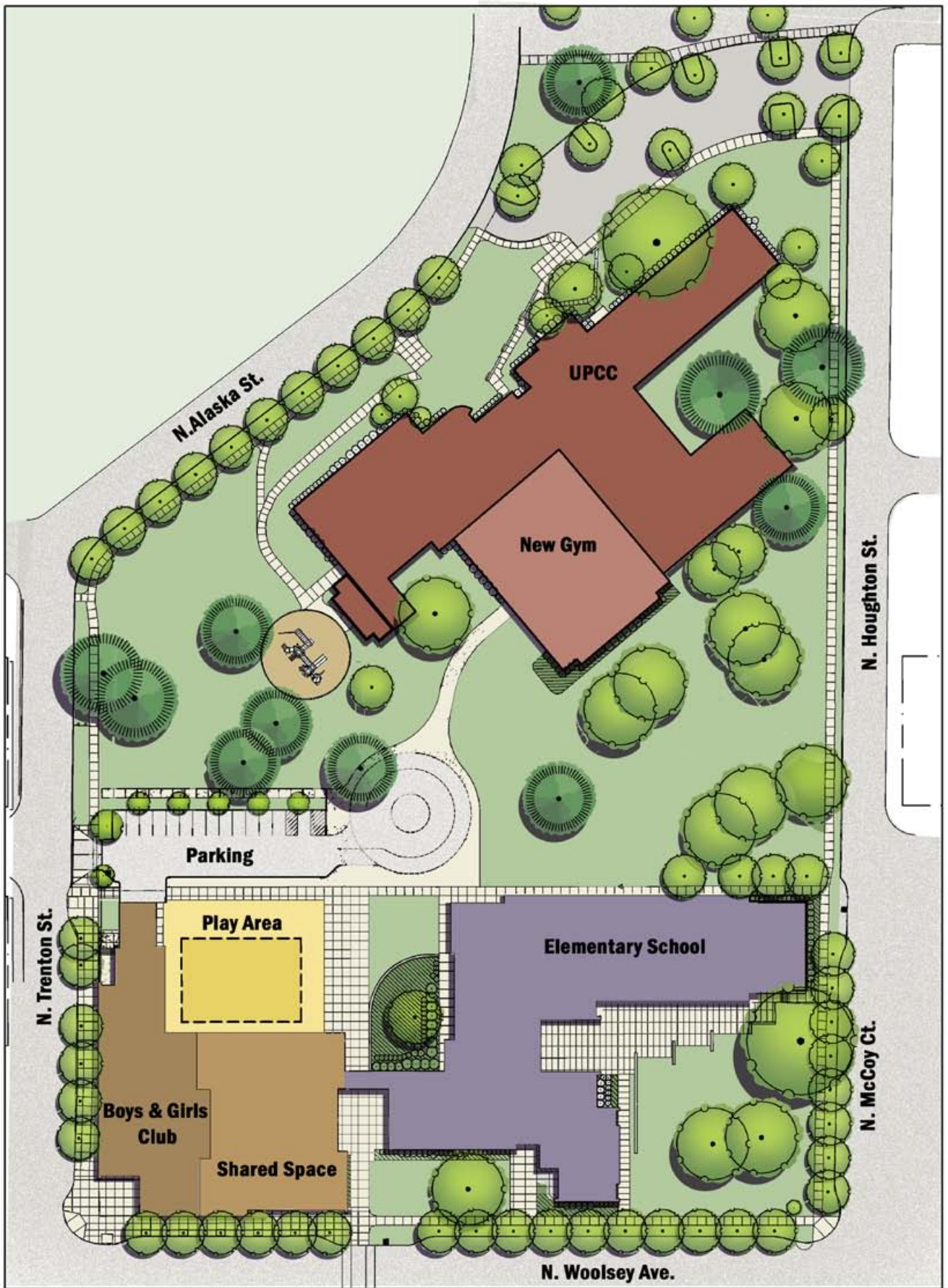
Striving to serve a farsighted aspiration rooted in the knowledge that “The Kids are Coming” a group of *civil servants* established The Corps of Discovery. The primary purpose of the Corps was to devise a mechanism to fund a new elementary school within the emergent New Columbia housing redevelopment and get that school built and operational by September, 2006. The Housing Authority of Portland, the Portland Public School District, the Boys and Girls Club of Portland and Portland Parks & Recreation have come together to pool professional talent and financial resources to make the vision of an elementary school a reality.

Out of the goal of providing a new elementary school to serve the residents of New Columbia and the surrounding neighborhood, a Community Campus concept was born. The Community Campus will include the new elementary school as well as the Boys and Girls Club and a community center. In addition to providing modern educational opportunities, the Community Campus will serve the entire Portsmouth neighborhood in a variety of ways, thus becoming a hub for a diverse and *healthy* neighborhood.

The scope of work will include constructing the new elementary school, a Boys & Girls Club along with some common shared space in the southwest corner of the New Columbia development. In addition just to the east, a new gymnasium will be constructed adjacent to the existing University Park Community Center. These facilities will be connected via a pathway and a common green play area. The Community Campus concept applies in the capacity of the different institutions having the ability to share and use their respective facilities in a manner they support each other.

The Housing Authority of Portland and Portland Public Schools have both passed resolutions committing personnel and financial resources to see the Community Campus get built. These commitments are leading to the development of the strategic funding tools that will ensure there is enough money in place for construction and operations. In conjunction with the public agency financing, New Market Tax Credits will formulate the backbone of the funding. This mixed finance arrangement is what will allow the Community Campus to be designed, paid-for and constructed in a little over one year.

HAP is committed to delivering the Community Campus on time and within budget. To this end, HAP has created a system of project controls that enable managers of the Community Campus and the leadership of the organizations also committed to this pursuit, to receive critical management information on a regular basis. One aspect of this system is the Monthly Report.



NEW COLUMBIA COMMUNITY CAMPUS

FEBRUARY 2007

Budget Tracking

School and Boys & Shared Space

Complete

Boys and Girls Club Tenant Improvement

The Boys & Girls Club, Walsh and HAP have agreed to the cost of construction to complete the tenant improvements in the B&GC shell space for a cost of \$1.1 million. The Budget increased to \$17,917,996 to reflect the additional financing and construction costs to complete the tenant improvements. The budget increase was due to the extended completion date of 6 months past the opening of the school.

Walsh manages a Value Engineering list that includes items that may be deleted, modified, or added into the scope of work. The construction team in conjunction with the Boys and Girls Club continuously reviews this list to ensure the tenant improvements get constructed to the B&GC satisfaction. As of the end of February, the project is showing a small positive variance of a little over \$1,000. However, there are still some exposures in ASI No. 31 which are revisions to interior finishes the B&GC requested that need to be addressed to get to a final construction number.

UPCC

Parks and Recreation awarded a construction contract to Triplett-Wellman for just under \$4 million. This contract value is funding the construction a new gymnasium along with associated code upgrades and new restrooms in the existing community center. This budget will essentially cover all of the programmed scope except for the modifications to the existing gymnasium. No change in February.

Contingency

School and Boys & Girls Club

As part of the agreement between HAP and the Boys & Girls Club, construction contingency was omitted. There is however, approximately \$2,000 remaining in Walsh contingency that can be accessed to address changes. The Value

Engineering list described in the previous section is used to manage the cost of construction.

Construction Schedule and Work Progress

School and Boys & Girls Club

The school is complete and open.

The Boys and Girls Club tenant improvements continue at a pace to maintain schedule. As of the end of February, the drywall is complete and painting is about 95% complete. Mechanical and electrical rough-in is complete. The acoustical T-bar grid is in and ceiling tile is being dropped in.

The TI completion is scheduled for mid-March 2007. However, the project will still need two weeks to “flush” the building as part of a LEED requirement.

UPCC

The structural steel and exterior block for the gymnasium is complete. Metal siding and roofing is ready to go. Work progresses at a good pace in the interior.

The roof is on the new gymnasium and the gym glazing and its framing should occur during March. This will make the gym weather tight gym and ready to install wood floor and other finishes.

Most of the interior spaces have been built and in many cases paint and finish materials are being applied. The fitness room that was created out of the abandoned mess hall is nearly complete and looks fantastic.

Current Schedule:

- New Gymnasium June, 2007
- UPCC Upgrades and Improvements June, 2007

Contract Status

All known contracts have been bought by N4C.

MWESB Status

School and Boys & Girls Club

The table included in this report is based on the current work that is under contract. All values listed are for the school/shared space only. As can be seen, the project is approximately 20% participation on the overall contract value.

Financing

School and Boys & Girls Club

Bank of America approved and funded the ninth draw request. Including this disbursement 95% of the Primary Loan and 96% of total funding for Phase 1 has been drawn.

PPS authorized the release of \$250,000 to fund development of the student drop-off and parking area adjacent to the east side of the school.

Boys and Girls Club have provided \$300,000 of funds that have been used toward the development of the Shared Space. Subsequently, the B&GC provided bankable pledges for \$250,000 for their foundation work. HAP provided the bridge funding for construction costs of \$181,000. Recently, the B&GC pledge effort has not been able to keep up with the construction schedule. Therefore, HAP has elected to fund the construction of the building shell for \$753,000. This will maintain construction schedule, building continuity and will save money in the long run should the B&GC not obtain financing. However, at the end of May, the B&GC did provide a check in the amount of \$250,000.

As part of the transaction of the School District disposing of John Ball Elementary school, The City reimbursed HAP \$300,000 of an interim bridge loan.

Regence Health Systems have committed to funding \$500,000 towards the completion of the Boys and Girls Club tenant improvements.

Parks and Recreation have funding in place at least to build a new gymnasium and associated building and life-safety upgrades. PP&R may pursue additional funding to leverage the work going to place. Funding to date has been obtained through bond levies and a federal UPARR grant.

Management and Operations

School and Boys & Girls Club

With the opening of the school, operations have begun and are being managed and implemented by Portland Public Schools.

The School will maintain the landscaping and irrigation systems. HAP has responsibility for the existing “legend” trees. There are 13 sub power meters. Implementation of monitoring these meters is still being discussed between PPS and the B&GC.

The B&GC are adding another boiler which will be configured in a lead-lag sequence with the PPS boiler. There will be a forthcoming coordination meeting.

B&GC will start to manage their space in April, 2007.

SOURCES OF FUNDS	Budget		Incurred	%
	Phase 1 Amount	Phase 2 Amount		
A Loan -- Portland Public School District	8,800,000		7,638,595	86.80%
D Loan -- Housing Authority of Portland	2,725,000		2,725,000	100.00%
Boys & Girls Club Fundraising Proceeds	0	2,492,534	1,298,807	52.11%
B Loan - NMTC Equity	1,693,292		1,693,292	100.00%
C Loan - NMTC Equity	2,069,579		2,069,579	100.00%
Interest Earnings on Invested Equity	137,591		127,045	92.34%
PPS Support of Dana Turnaround	250,000		250,000	100.00%
TOTAL SOURCES OF FUNDS	15,675,462	2,492,534	15,802,318	86.98%

APPLICATION OF FUNDS	Budget		Incurred	%
	Phase 1 Amount	Phase 2 Amount		
Design & Construction Services and Fees	1,310,199	81,607	1,655,190	118.92%
Acquisition Costs	0	0	0	0.00%
Construction Costs	10,227,920	2,005,720	12,337,153	100.85%
Owner's Allowance for Change in Construction	593,742	109,749	593,742	84.40%
Development and Financing Costs	1,351,854	35,000	1,025,329	73.93%
Tax Credit & Organization Costs	1,891,747	0	1,536,268	81.21%
Start-up Costs, Reserves & Other Cash Requirements	50,000	0	1,185	2.37%
TOTAL APPLICATION OF FUNDS	15,425,462	2,232,076	17,148,867	97.12%

Sunk Sources			
HAP	260,458	200,000	200,000
PPS		200,000	200,000
Total Sunk Sources		400,000	400,000
Sunk Costs			
HAP Administration & Developer Cost Recovery		-	-
Design & Construction Services and Fees		349,176	349,176
Acquisition Costs		-	-
Construction Costs		-	-
Owner's Allowance for Change in Construction		-	-
Development and Financing Costs		35,000	38,716
Tax Credit & Organization Costs		15,824	17,859
Start-up Costs, Reserves & Other Cash Requirements		-	-
Total Sunk Costs		400,000.00	405,751.09

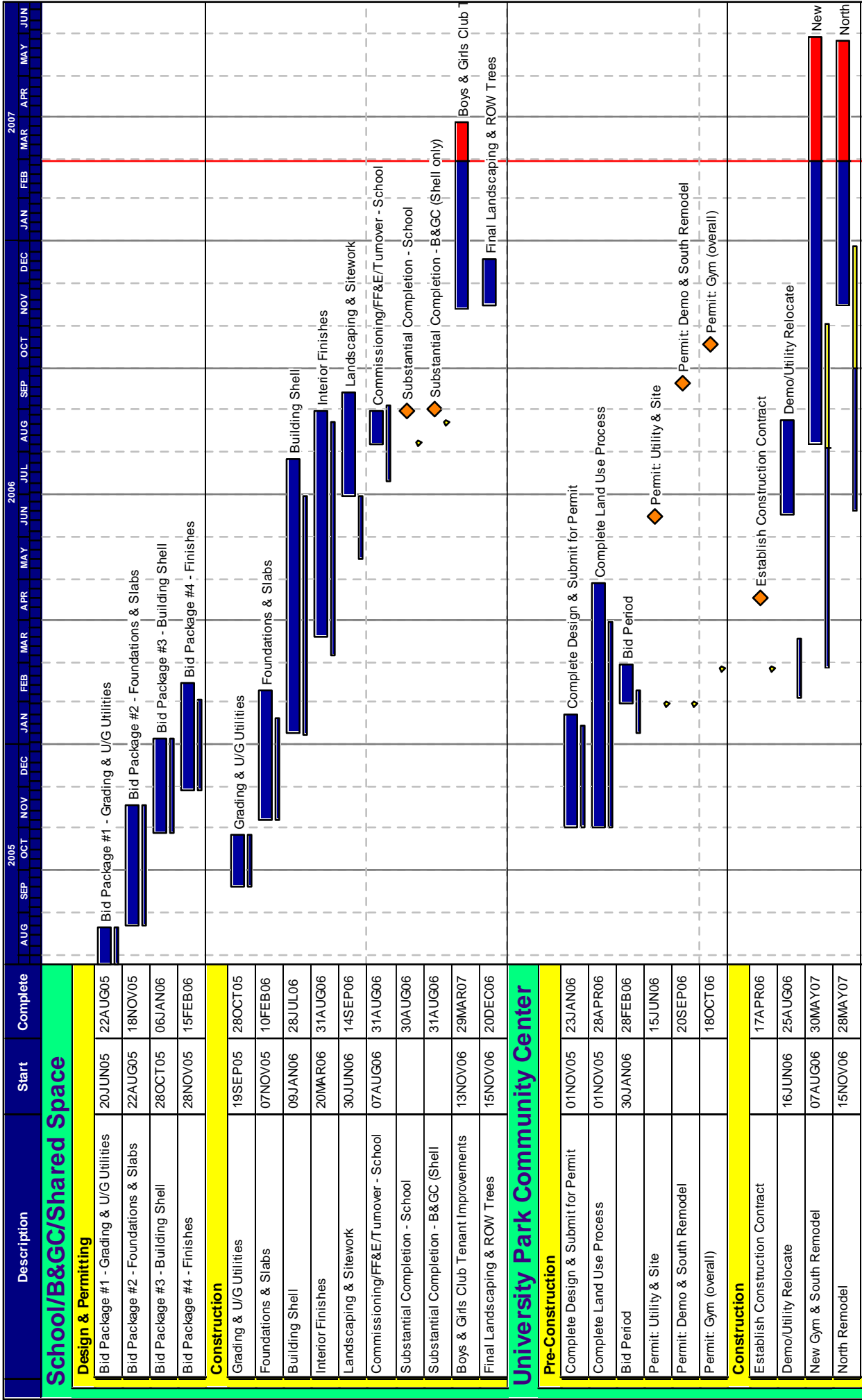
CONTRACT SUMMARY

Contract #	Contract #	ES	Vendor	Scope	Original Contract	Contract Changes	Current Contract	Incurred February 2007	Remaining Budget
NC0008	ES0012		Ball Janik	Consulting	0	0	0	3,673	(3,673)
n/a	ES0005		Ballard Spahr	Legal Services: NMTC	99,900	0	128,859	130,748	(1,890)
n/a	ES0011		Carlson Testing	Seismic Study	2,100	0	2,100	2,100	0
n/a	ES0003		Carlson Testing	Special Inspection	15,000	9,500	24,500	34,957	(10,457)
NC0078	ES0008		Collins Group	Resource Development	81,000	34,500	34,500	19,311	15,189
n/a	ES0001		Comerstone Mgt. Group	Project Management	120,000	1,456,920	1,576,920	1,546,037	30,883
NC0088	ES0013		Dulles, Olsen, Weekes & Assoc.	Architect	0	58,000	58,000	66,035	(8,035)
NC0026	ES0006		Foster Pepper & Shefelman	Legal Services: NMTC	8,150	5,550	13,700	4,500	9,200
NC0060B			Karen Whitman	Educational Advisor	0	0	0	4,052	(4,052)
NC0063			Perkins Coie	Legal	24,815	0	24,815	19,778	5,037
n/a			Shiels Oblitz & Johnsen	Financial Consultant	15,275	0	15,275	5,427	9,848
			Shiels Oblitz & Johnsen	Financial Consultant	0	0	0	42,526	(42,526)
NC0064	ES0009		Stoel Rives LLP	Legal Contract Review	1,800	0	1,800	1,800	0
n/a	ES0002		URS	Level 1 Update	0	51,000	51,000	49,176	1,824
NC0074	ES0004a		Vickers-Nelson	Project Management	30,000	0	30,000	30,000	0
n/a	ES0007		Walsh Construction	Boys & Girls Club	45,000	0	45,000	14,836	30,164
n/a	C0106		Walsh Pre-Construction	Construction Management	1,800	0	1,800	1,732	68
	ES0010		Walsh UPCC Pre-Construction	Construction Management	12,000	8,000	20,000	47,956	(27,956)
			Western FinancialGroup/	Financial Consultant					
			Pat Clancy	Document Reproduction					
	ES0014		Willamette Print & Blueprint	Document Reproduction					

TOTALS:

456,840 1,564,470 2,109,269 2,073,795 35,474

Target Business Report	Certified Sub/Supplier	Certified	Value of Certified Work @ School/B&G	Cost Incurred 01/30/07
Description of Work		2nd Tier Sub		
Horizontal Louver Blinds	Action USA		\$14,541	14,541
Projection screens	Action USA		\$4,118	4,118
Concrete pumping	Best West Commercial Concrete Pumping		\$9,090	9,090
Drywell supply and install	BL&B		\$29,500	29,500
Steel supply & field welding	Buffalo		\$183,106	173,609
Miscellaneous Metals & Sunscreens	Buffalo		\$163,818	143,490
Sunscreens	Buffalo		\$203,596	203,596
Seismic Joint	Custom Products and Services		\$5,000	5,000
Low Voltage	Fire & Security Group	Alarm Tracks	\$50,000	50,000
Toilet Accessories	Hilltop Commercial Supply		\$5,869	5,869
Plumbing	Hydro-Temp	Mid Valley Insulation	\$27,500	27,500
Flatwork	James Faison Construction		\$6,237	6,237
HVAC	Mechanical Inc		\$918,579	918,579
Electrical	Merit/Ampere	Ampere	\$635,213	635,213
Rebar installation	Mowry Rebar		\$22,937	22,937
Joint Sealants	NW Masonry Restoration		\$22,051	22,051
Painting and Wallcovering	Professional Affordable Painting		\$49,886	49,886
HVAC/Plumbing	Progressive Mechanical		\$72,895	24,750
Final Cleaning	Quality Building Services		\$11,888	11,888
Trucking	Salt and Pepper		\$2,800	2,800
Building Signage	Sign Wizards		\$10,840	10,840
Roof hatches	Simonis & Associates		\$2,482	2,482
Landscape and Irrigation	Valley Growers		\$65,448	59,602
Total			\$2,517,394	2,433,578
Percent of GMP			19.638%	18.98%
Contract for school and B&G Club			12,818,752	



HAP*PPS*B&GC*PP&R
 New Columbia Community Campus
 February, 2007