

# CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

## **Sitting/Acting as Extension/4H District Board**

### Policy Session Worksheet

**Presentation Date:** May 20, 2025

**Approx. Start Time:** 11:00 am

**Approx. Length:** 60 minutes

**Presentation Title:** Potential Future Site of the Extension District Facility

**Department:** County Administration

**Presenters:** Nancy Bush, County Operating Officer

#### WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Staff is seeking Board direction on the future site of the Extension/4H District Education Facility. Should staff pursue a facility at the former Bob's Red Mill Store or continue its partnership with Clackamas Community College?

#### EXECUTIVE SUMMARY:

The Extension and 4H District was formed by the voters of Clackamas County in 2008. At that time, the District partnered with Oregon State University to provide extension program and service support on behalf of the District. The Board of County Commissioners serves as the governing body for the Extension and 4H District of Clackamas County.

Oregon State University has worked closely with Clackamas County since 2014 to develop plans for the construction of a new Extension Education Center on the Red Soils campus. In June 2022 County and District staff reported that construction estimates came in \$2 million more than the original estimates, bringing the project cost to over \$17 million. This exceeded the District's available funding and bond financing was requested from the County. The Board did not make a final decision and instead requested additional financial documents and value engineering on the facility to find cost efficiencies.

In the Fall of 2022, Board Chair Tootie Smith began looking for a creative partnership opportunity between Oregon State University (OSU) and Clackamas Community College (CCC) on behalf of the Extension/4H District. Those discussions progressed and OSU and CCC began looking at using a variety of funding sources to locate an Education Center for a shared purpose on the CCC campus. The Board discussed these developments in Executive Session and briefly in public session.

In November 2024, CCC \$120 million bond renewal was passed. While not explicitly naming an Extension Education Center, this was shared as a possibility in community meetings. A "Natural Resources Center of Excellence" is detailed in bond project descriptions. However, there CCC reports that there are no restrictions on the bond that it be used specifically for an Extension/4H facility.

On May 2, County Administration received a request from Oregon State University staff to consider the purchase of the recently available former Bob's Red Mill Store.

Per the 2022 IGA between the Extension/4H District, Clackamas County and Oregon State University (OSU), the County is responsible for ownership, maintenance and operation of the Clackamas Extension Program facilities. There is also a provision in the IGA that Clackamas County and OSU may jointly agree that the extension facility is not owned, leased or maintained by Clackamas County.

If the Board directed staff to pursue this site, the building would be owned and maintained by the Clackamas County, **not** Oregon State University.

Attachment A provides information from OSU regarding the proposed purchase of Bob's Red Mill, cost to purchase, details of the property and programs and service availability. A pro forma financial is also attached in Attachment B.

**FINANCIAL IMPLICATIONS (current year and ongoing):**

Is this item in your current budget? ☒ YES ☐ NO

What is the cost? \$15 million

What is the funding source? Extension/4H District, the District has set aside these funds for a new facility

**STRATEGIC PLAN ALIGNMENT:**

- Honor, Utilize, Promote and Invest in our Natural Resources.

**LEGAL/POLICY REQUIREMENTS:**

There is an Intergovernmental Agreement (IGA) between Clackamas County, Extension/4H District and Oregon State University outlining the partnership and each entity's roles and responsibilities.

**PUBLIC/GOVERNMENTAL PARTICIPATION:**

Clackamas County Extension/4H Advisory Board has been engaged in discussions around a future site for an Extension Education Facility. Additionally, these members are aware of the opportunity to purchase the former Bob's Red Mill Store.

**OPTIONS:**

1. Direct staff to draft a Letter of Intent to consider the purchase of the former Bob's Red Mill Store for use as the new Extension Education Facility.
2. Direct staff to continue working with Clackamas Community College on the development of the shared facility, a Natural Resources Center of Excellence which would house the Extension/4H education, programs and services.
3. Take no action, but direct staff to come back with more information.

**RECOMMENDATION:**

No staff recommendation.

**ATTACHMENTS:**

Attachment A: Memo from OSU Extension re: proposed purchase of Bob's Red Mill

Attachment B: Pro forma financial statement for the purchase of Bob's Red Mill

**SUBMITTED BY:**

Division Director/Head Approval \_\_\_\_\_

Department Director/Head Approval \_\_\_\_\_

County Administrator Approval \_\_\_\_\_



**Oregon State University**  
**Extension Service**  
**Clackamas County**

**Extension Service – Clackamas County**

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5/16/2025

Gary Schmidt  
County Administrator  
Clackamas County  
2051 Kaen Rd. Oregon City, 97045

Subject: Proposed purchase of Bobs Red Mill land and building with all FFE

Dear Mr. Schmidt,

I am providing information regarding the request to purchase the Bob's Red Mill (BRM) building through service district funds. This proposal is adapted from a previously proposed shared building with Clackamas Community College (CCC).

**Funds available**

The Clackamas Extension and 4-H Service District has \$15,142M saved for the purpose of a new facility.

**Cost to purchase and remodel Bob's Red Mill Store:**

- The BRM land of 1.96 acres and building of 20,889 sq ft is listed for sale at \$5.9M.
- The sale price includes: all furniture, fixtures and equipment (FFE), all commercial grade kitchen equipment w/ hood, solar panels, loading dock and all commercial grade storage shelving units, and a large highway 224 Pylon sign.
- The cost of required building remodeling and upgrades has been estimated with the assistance of an architect and will not exceed \$3M.

**Cost to operate and maintain**

Attached: Proforma as of 5/15/25

**Considerations**

*Cost and timeline*

- The service district would have its own building, at a savings of \$5M compared to the CCC building proposal.
- The BRM building could be remodeled and the district be moved in within a year from start of remodel, in 2026. Construction at CCC will not be completed with move in until Winter 2028.

*Space and suitability for programming*

- The BRM building will be able to house the following programs: 4-H Youth Development, Family and Community Health, Urban Horticulture/ Master Gardener, Forestry and Natural Resources and support space to add the following programs: Juntos (family-oriented college access programming, delivered in Spanish) and Open Campus programs plus incorporate workforce development into programming.
- The BRM building offers increased capacity for programming and meetings including classrooms, office space, educational presentation areas, and a teaching kitchen.
- At the BRM building, OSU Extension programming will have priority for use of space.

Agricultural Sciences & Natural Resources, Family and Community Health, 4-H Youth, Forestry & Natural Resources, Extension Sea Grant, Open Campus, and Outdoor School programs. Oregon State University, United States Department of Agriculture, and Oregon counties cooperating. The Extension Service offers its programs and materials equally to all people.

*Access*

- The BRB site will continue to serve all Clackamas County residents within the urban and rural areas of the county.
- The BRM building has 85 dedicated parking spaces. It has 2 bus stops within 7 minutes walking. #152 is a 2-minute walk and #29 is a 5-minute walk. The light rail line in Milwaukie is a 19-minute walk to the BRM building.
- The proposed CCC location is across campus (~20-minute walk) from the transit stop and has access to standard campus parking.

*Collaboration*

- Builds on Oregon State University's historical relationship with Bob's Red Mill and the family through their opening ceremony to sponsor of our 4-H awards, prizes and the Moore Foundation relationship with OSU and its College of Health.
- Collaboration and partnership will continue with Clackamas Community College, including on site for natural resource-type Extension programming, and potentially increase with the BRM building being close to the CCC Harmony campus.

Regards,

DocuSigned by:

*Leah Sundquist*

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Leah Sundquist

Administrative Office Manager, Local Liaison

Oregon State University Extension – Clackamas County

CC:

Kristopher Elliott, OSU Vice Provost for Extension and Engagement and Director of OSU Extension  
Angela Sandino, North Willamette Regional Director, OSU Extension and Engagement

## Attachment B

### Bob's Red Mill Building Pro Forma: Clackamas County Extension and 4-H Service District

#### OPERATING ASSESSMENT

##### INCREMENTAL REVENUE PROJECTIONS

		Rate / Escalation	Year 1 - FY26	Year 2	Year 3	Year 4	Year 5 - FY30	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11 - FY36
Incremental Revenues	Taxes	3.5%	\$3,136,198	\$3,245,965	\$3,359,574	\$3,477,159	\$3,598,859	\$3,724,819	\$3,855,188	\$3,990,120	\$4,129,774	\$4,274,316	\$4,423,917
	Delinquent Taxes	2.0%	\$25,000	\$25,500	\$26,010	\$26,530	\$27,061	\$27,602	\$28,154	\$28,717	\$29,291	\$29,877	\$30,475
	Interest Earnings (taxes and building)	3.0%	\$3,000	\$3,090	\$3,183	\$3,278	\$3,377	\$3,478	\$3,582	\$3,690	\$3,800	\$3,914	\$4,032
	<b>TOTAL REVENUES</b>		<b>\$3,164,198</b>	<b>\$3,274,555</b>	<b>\$3,388,766</b>	<b>\$3,506,967</b>	<b>\$3,629,297</b>	<b>\$3,755,899</b>	<b>\$3,886,924</b>	<b>\$4,022,526</b>	<b>\$4,162,866</b>	<b>\$4,308,108</b>	<b>\$4,458,424</b>

##### INCREMENTAL EXPENSE PROJECTIONS

Incremental Expenses	Personnel Costs	3.0%	(1,759,425.00)	(1,812,207.75)	(1,866,573.98)	(1,922,571.20)	(1,980,248.34)	(2,039,655.79)	(2,100,845.46)	(2,163,870.83)	(2,228,786.95)	(2,295,650.56)	(2,364,520.08)
	Services & Supplies	2.0%	(704,282.00)	(718,367.64)	(732,734.99)	(747,389.69)	(762,337.49)	(777,584.24)	(793,135.92)	(808,998.64)	(825,178.61)	(841,682.18)	(858,515.83)
	Maintenance & Repairs	2.0%	(74,720.00)	(76,214.40)	(77,738.69)	(79,293.46)	(80,879.33)	(82,496.92)	(84,146.86)	(85,829.79)	(87,546.39)	(89,297.32)	(91,083.26)
	Capital Improvements	2.0%	(300,000.00)	(306,000.00)	(312,120.00)	(318,362.40)	(324,729.65)	(331,224.24)	(337,848.73)	(344,605.70)	(351,497.81)	(358,527.77)	(365,698.33)
	<b>TOTAL EXPENSES</b>		<b>(2,838,427.00)</b>	<b>(2,912,789.79)</b>	<b>(2,989,167.66)</b>	<b>(3,067,616.76)</b>	<b>(3,148,194.80)</b>	<b>(3,230,961.18)</b>	<b>(3,315,976.96)</b>	<b>(3,403,304.96)</b>	<b>(3,493,009.77)</b>	<b>(3,585,157.83)</b>	<b>(3,679,817.49)</b>
<b>ANNUAL OPERATING NET</b>			<b>\$325,771</b>	<b>\$361,765</b>	<b>\$399,599</b>	<b>\$439,350</b>	<b>\$481,102</b>	<b>\$524,938</b>	<b>\$570,947</b>	<b>\$619,221</b>	<b>\$669,856</b>	<b>\$722,950</b>	<b>\$778,606</b>
ACCUMULATED BALANCE				\$687,536	\$1,087,135	\$1,526,485	\$2,007,587	\$2,532,525	\$3,103,473	\$3,722,694	\$4,392,550	\$5,115,500	\$5,894,106
ACCUMULATED BALANCE*			\$5,000,000	\$5,687,536	\$6,087,135	\$6,526,485	\$7,007,587	\$7,532,525	\$8,103,473	\$8,722,694	\$9,392,550	\$10,115,500	\$10,894,106

\*FY26 amount is the \$5M in savings left from the building purchase and remodel.