



Special Meeting of the Board of Trustees

The Evergreen State College
2700 Evergreen Parkway NW, Suite 3200 Boardroom
Olympia, WA 98505
Friday, January 17, 2025
11:00 a.m. – 11:30 a.m.

Remote Meeting

(All panelists participating via Zoom)

Public Zoom link: <https://evergreen.zoom.us/j/88951663553>

The Evergreen State College Mission Statement

As an innovative public liberal arts college, Evergreen emphasizes collaborative, interdisciplinary learning across significant differences. Our academic community engages students in defining and thinking critically about their learning. Evergreen supports and benefits from local and global commitment to social justice, diversity, environmental stewardship and service in the public interest.

AGENDA

- 11:00 a.m. 1. Call to order, determination of quorum
 2. Public Comment*
 3. Financing renovation of dorm D
 a) Action item: *motion do adopt Resolution 2025-01 approving forms and authorizing execution and delivery by the college of a state agency site lease and a state agency financing lease in the principal amount not to exceed \$2,200,000, plus costs and financing expenses and capitalized interest, if any, for the purpose of accomplishing the renovation of the college's dormitory building D; and providing for relating matters.*
- 11:30 a.m. 4. Adjourn

* The Board of Trustees welcomes public comment. It can be submitted in writing or made orally during the meeting. Written comment will be distributed to the Trustees per the [Board of Trustee's Public Comment Policy](#). Please submit written comment, or sign up to make oral public comment, no later than 11:00 a.m. Friday, January 17, 2025, by emailing trustees@evergreen.edu.

For more information or accommodations, please email trustees@evergreen.edu.



EXECUTIVE SUMMARY

January 22, 2025

To: Board of Trustees

From: John Carmichael, President

Subject: Board adoption of Resolution 2025-01 authorizing the financing of the cost of the renovation of the college's dormitory Building D through a state bond.

1) Administrative Recommendation:

A motion to adopt Board Resolution 2025-01 Authorizing:

The execution and delivery by the college of an initial State Agency Site Lease and a State Agency Financing Lease to finance the \$2.2 million cost of the renovation of the college's dormitory Building D.

2) Explanation:

a) The college Dormitory Buildings C and D are in need of repair and are currently unoccupied. In the 2024 State Legislative session, the legislature approved the college to secure financing of \$4.4 million to renovate dormitories C and D using a Certificate of Participation bond issued by the Washington State Office of the State Treasurer. The college has decided to phase the project and complete renovation of Dormitory Building D for occupancy in fall of 2025 at a cost of \$2.2 million and the renovation of Dormitory C for occupancy in fall of 2026 for \$2.2 million.

b) Proposed by: Dave Kohler, Chief Financial Officer

c) Background: The shortage of available housing on the local market for students, combined with the expectation that Evergreen's enrollment will continue to grow, necessitates making more spaces available on campus. Renovating and reopening dormitories C and D is the best way for Evergreen to quickly make more housing spaces available.

d) Alternate view: None provided.

3) Scheduling:

The board's action becomes effective upon adoption of the resolution. After adoption, the College's financing request will be part of the Office of the State Treasurer's statewide bond issuance. Sale will be in February 2025 and proceeds on a reimbursement basis will be available to the college in February 2025. Repayment of principal and interest will begin in June 2025 from proceeds of housing rental income.

4) Fiscal Impact:

Re-opening Dormitory D will add 95 beds to the housing inventory. It is estimated that full occupancy will create \$400,000 to \$500,000 of net income for the housing system, some of which will be used to repay the debt.

If the resolution is delayed, there will not be enough time to complete the renovation before classes begin in fall of 2025.

5) Program Impact:

Renovation of Dormitory D will increase the number of beds available in student housing by 95. Increased students on campus will aid the student experience.

6) Legal Process:

The College is authorized by the Revised Code of Washington (RCW) 28B.10.300 to construct, own and operate dormitories and facilities for student, faculty and employee housing and to borrow money to pay the cost of the acquisition of such lands and of the construction, installation, equipping, repairing, renovating, and betterment of such buildings and facilities.

The College is authorized by the RCW 28B.10.022 to enter into financing contracts approved by the state finance committee and enter into financing contracts which are payable solely from and secured by all or any component of the fees and revenues of the university derived from its ownership and operation of its facilities not subject to appropriation by the legislature.

Staff Review:

_____DK_____ Chief Financial Officer

_____AB_____ Executive Associate to the President and Secretary to the Board



THE EVERGREEN STATE COLLEGE

SERIES RESOLUTION NO. 2025-01

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE EVERGREEN STATE COLLEGE; APPROVING THE FORMS AND AUTHORIZING THE EXECUTION AND DELIVERY BY THE COLLEGE OF A STATE AGENCY SITE LEASE AND A STATE AGENCY FINANCING LEASE IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$2,200,000, PLUS COSTS AND FINANCING EXPENSES AND CAPITALIZED INTEREST, IF ANY, FOR THE PURPOSE OF ACCOMPLISHING THE RENOVATION OF THE COLLEGE'S DORMITORY BUILDING D; AND PROVIDING FOR RELATED MATTERS.

WHEREAS, The Evergreen State College, a state college of the State of Washington (the "College"), maintains a housing system (the "System"); and

WHEREAS, the College is authorized by RCW 28B.10.300 to acquire, construct and operate dormitories and facilities for housing students and to borrow money and issue revenue bonds, notes, or other evidences of indebtedness in order to finance the costs of those facilities; and

WHEREAS, the College has generally authorized the issuance of housing system revenue bonds, notes, or other evidences of indebtedness in one or more series pursuant to Resolution No. 94-3, adopted on May 11, 1994 (the "Master Resolution"); and

WHEREAS, the bonds, notes, or other evidences of indebtedness authorized under the Master Resolution are to be payable from Net Revenues of the System (as such term is defined in the Master Resolution); and

WHEREAS, the College is authorized to enter into financing contracts for the use and acquisition for public purposes of real and personal property pursuant to chapter 39.94 RCW and RCW 28B.10.022; and

WHEREAS, as required by RCW 39.94.040(4), the College has received authorization from the State Legislature under Section 8003(7) of Chapter 375, Laws of 2024, to enter into a financing contract for up to \$4,400,000, plus costs and financing expenses and capitalized interest pursuant to chapter 39.94 RCW to reopen unused residence halls; and

WHEREAS, the College has filed a Notice of Intent and a Real Estate Financing and Project Overview with the Office of State Treasurer setting forth the College's intent to enter into financing contracts for up to \$4,400,000, plus costs and financing expenses and capitalized interest, if any, to finance the costs of renovating Dormitory Buildings C and D by performing necessary building upgrades to mechanical, plumbing, and life safety systems in two phases of reopening unused residence halls to accommodate anticipated growth in student enrollment; and

WHEREAS, the Board wishes to approve the forms and authorize the execution and delivery by the College of an initial State Agency Site Lease (referred to for the purposes of this resolution as the "Series 2025A Site Lease") and a State Agency Financing Lease (referred to for the purposes of this resolution as the "Series 2025A Financing Lease") having the terms and conditions set forth in Exhibit A and Exhibit B, respectively, to this resolution for the purpose of financing the cost of the renovation of the College's Dormitory Building D as the first phase of reopening unused residence halls (the "Dormitory D Project"); and

WHEREAS, the Master Resolution requires that all Bonds authorized under a resolution supplemental to the Master Resolution shall be Parity Bonds (as such term is defined in the Master

Resolution) having an equal lien and charge upon the Net Revenues of the System, and the Board wishes to designate and issue the Series 2025A Financing Lease as a Parity Bond insofar as the College expects, and will be obligated under the Series 2025A Financing Lease, to make principal and interest payments (defined as “Agency Rent Payments” in Appendix 1 to the Series 2025A Financing Lease) under the Series 2025A Financing Lease from Net Revenues of the System; and

WHEREAS, pursuant to Resolution No. 2015-13 and the Master Resolution, the College previously issued its Housing System Revenue Refunding Bond, Series 2015 (the “Series 2015 Bond”), which is currently outstanding in the principal amount of \$805,000 and will finally mature on March 1, 2026; and

WHEREAS, the College was not in default of its Rate Covenant (as defined in the Master Resolution) in respect of the Series 2015 Bond in the immediately preceding fiscal year of the System ended June 30, 2024; and

WHEREAS, there is on file with the Board the Certificate of the Chief Financial Officer of the College demonstrating that the Additional Bonds Test provided by the Master Resolution will be satisfied in connection with the execution, delivery, and issuance by the College of the Series 2025A Financing Lease commencing with the College’s fiscal year 2027, the first full fiscal year following the date (anticipated to be on or about September 1, 2025) on which the Dormitory D Project will be first ready for normal continuous operation, and each fiscal year thereafter, based on the unaudited Financial Statements of the College’s Residential Services for the fiscal year 2024;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE EVERGREEN STATE COLLEGE, as follows:

1. Approval and Authorization of Series 2025A Site Lease and Series 2025A Financing Lease.

(a) To the extent the requirements of Section 4 of the Master Resolution are applicable to the College's execution, delivery and issuance of the Series 2025A Site Lease and Series 2025A Financing Lease to finance the Dormitory D Project, the Board hereby determines that the respective forms, terms and conditions of the Series 2025A Site Lease and Series 2025A Financing Lease to be executed and delivered on behalf of the College to finance the Dormitory D Project shall be those provided in the forms of State Agency Site Lease and State Agency Financing Lease attached to this Resolution as Exhibit A and Exhibit B, respectively, and such forms of State Agency Site Lease and State Agency Financing Lease are hereby approved by the Board.

(b) The principal and interest components of Agency Rent Payments due under the Series 2025A Financing Lease, to the extent payable from Net Revenues of the System, shall be paid from a special account hereby created and designated as the "Series 2025A Financing Lease Account" within The Evergreen State College Housing System Revenue Fund previously established by and currently existing under the Master Resolution. No other special fund or account, including any reserve fund or account, is created to provide for payment of the Series 2025A Financing Lease.

2. Designation and Issuance of Series 2025A Financing Lease as a Parity Bond under the Master Resolution. Based upon the Certificate of the Chief Financial Officer of the College demonstrating that the Additional Bonds Test provided by the Master Resolution will be satisfied in connection with the execution, delivery, and issuance by the College of the Series 2025A Financing Lease, the Board finds and determines that the Series 2025A Financing Lease shall be

issued as a Parity Bond pursuant to Section 5 of the Master Resolution and shall be entitled to all of the benefits and security provided by the Master Resolution for Parity Bonds, including but not limited to a first priority lien and charge on Net Revenues of the System subject only to the payment of Operating Expenses not paid from other sources as provided by Section 2 of the Master Resolution.

3. General Authorization and Delegation to Designated College Representatives. The President, Executive Vice President, and Chief Administrative Officer of the College each is appointed as a Designated College Representative (as defined in the Master Resolution) and as an Authorized Agency Representative (as defined in Appendix 1 to the Series 2025A Site Lease and the Series 2025A Financing Lease), and each is authorized, acting independently, to execute and deliver the Series 2025A Site Lease and the Series 2025A Financing Lease on behalf of the College. Each Designated College Representative/Authorized Agency Representative is further authorized, acting independently, to approve and accept on behalf of the College the schedule of principal and interest components of Agency Rent Payments to be due and payable under the Series 2025A Financing Lease, and to execute and deliver to the Office of State Treasurer all other documents, agreements and certificates, and to take all other actions necessary or appropriate in connection with the financing of the Dormitory D Project as provided by the Series 2025A Site Lease and Series 2025A Financing Lease.

4. Effective Date. This Resolution shall be effective immediately upon its adoption.

APPROVED AND ADOPTED by the Board of Trustees of The Evergreen State College,
at a special meeting held this 17th day of January 2025.

THE EVERGREEN STATE COLLEGE

Chair, Board of Trustees

ATTEST:

Secretary, Board of Trustees

SECRETARY'S CERTIFICATE

I, the undersigned, the duly chosen, qualified, and acting Secretary of the Board of Trustees (the "Board") of The Evergreen State College (the "College") and keeper of the records of the Board, HEREBY CERTIFY:

1. The attached Series Resolution No. 2025-01 (the "Resolution") is a full, true, and correct copy of a resolution of the Board duly adopted at a special meeting of the Board held on January __, 2025, as that Resolution appears on the minute book of the College, and the Resolution is now in full force and effect.

2. A quorum of the members of the Board was present throughout the meeting and a majority of those members present voted in the proper manner for the adoption of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand as of this _____ day of January, 2025.

Secretary, Board of Trustees