

1) Provide a brief description of the project, including the benefits derived from accomplishing the project.

Career Technical Education Center: Mountain West Career Technical Institute respectfully requests \$1.5 million in Oregon Regional Solutions funding for the 2015-17 biennium for a new, state-of-the-art, 150,000 square-foot *Career Technical Education Center (CTEC)* on Portland Road in Northeast Salem that will serve the Salem-Keizer School District and broader Mid-Valley region.

As an innovative public-private partnership between Mountain West Career Technical Institute and Salem-Keizer School District, CTEC is focused on helping area students develop academic proficiency, technical skills and industry certifications, as well as the “soft skills” needed to assure success in careers and/or college. CTEC’s mission is to: “prepare students for high-skill, high-wage, and high-demand careers, while developing the skills, technical knowledge, academic foundation and real-world experience to assure their success upon graduation.”

By exposing youth to career pathways, providing links to industry certifications and college credit, and motivating students to stay in school and get their diploma before entering the workforce or going on to college, CTE programs strengthen our community and help move Oregon closer to achieving the 40-40-20 goal.

Opening in Fall 2015, a projected 180 students will enroll in 2015-16 in the first two strands of Residential Construction and Commercial Manufacturing. In 2016-17, Precision Agriculture and Aviation Technology will open. Each year another 20,000 square-feet will be remodeled and two additional CTE programs added. CTE program areas are being identified by student interest, labor market analysis, industry support, and state educational and economic priorities.

By 2020, when fully built out, CTEC will house at least 10 CTE programs, serving 1,100 students. *CTEC will serve Salem-Keizer School District, and eventually the entire Mid-Valley—providing an innovative, replicable model for Oregon, and the nation, of how a public-private partnership can support Career Technical Education and economic development.*

As part of a \$12 million dollar capital project, a significant investment of \$1.5 million from Regional Solutions would fund capital only expenses including interior renovations and hands-



on training equipment for three CTE programs of study, including Residential Construction, Commercial Manufacturing, and Precision Agriculture, as well as a Student Commons.

CTEC Background and Vision: In 2013, the Mountain West Career Technical Institute (MWCTI) launched with a focus on delivering high-quality, high-impact educational opportunities to students. Nurturing strong ties with local business and industry, MWCTI is tasked with ensuring that Salem-Keizer students are joining the workforce with the skills and training that employers are seeking and/or are entering college prepared for success.

Since July 2013, MWCTI, led by President Chuck Lee, has worked closely with district staff, school board, community and industry partners to identify how best to enhance and/or expand upon the 30 Career Technical Education (CTE) programs in the district and to construct a new state-of-the-art CTE Center that will serve Salem-Keizer students and the broader Mid-Valley region.

A range of factors has inspired the community of partners to *dream BIG* including inspiring visits to Las Vegas, NV; Vancouver, WA; Boise, ID; and, other Oregon CTE programs. In Salem-Keizer, there has

been a long-standing vision for a CTE high school. In 2008, it ranked high in bond polling and was the last item cut when the total school bond amount needed to be reduced to strengthen chances for successful passage. Local industry has identified a critical un-met need for skilled workers and job growth is expected to be strong in the CTE strands



planned for CTEC. Our high school students clearly need educational opportunities that inspire them to create a positive future for themselves and area industry needs a trained workforce.

Community Served: The community being served by CTEC is initially defined as students in the 11th and 12th grade who reside in the Salem-Keizer School District. CTEC is an option for any student who is academically on track to begin the 2015-16 school year as a junior (12+ credits), or as a senior (18+ credits), and is open to both male and female students. Given the size and scope of the facility, the program will open to students from other districts in the region as it grows, and joint-use agreements may be established with regional partners such as Incite, Portland and Chemeketa Community Colleges, as well as area industry to utilize the CTEC facility after-school hours and/or on the weekends as part of the larger vision for a regional job training center.

Community Need: Salem-Keizer lags behind other Northwest communities in employment rates and percentage of adults who possess the education and skills for employment and career success. Of greater Northwest cities, Salem has the lowest percentage of adults with a Bachelor of Arts degree (14.2%), far below the state (29.2%) and national (30%) averages. Eight percent of Salem’s adults do not have a high school diploma—the highest rate in Oregon. Yet, the percentage of jobs requiring post-high school education continues to rise, and it is estimated that 64% of Oregon jobs will require a college degree by 2018.

Our local youth are disproportionately affected by an array of social and economic disadvantages that threaten to keep them locked in generational cycles of poverty and under-employment. In the Salem-Keizer School District, 58% of our 41,100 students are eligible for the Federal Free and Reduced Meal Program, 51% are minority, 19% are Limited English Proficient, and 16% have a disability. Twenty-six schools qualify for Title 1 funding and 79 different languages are heard at home by students; with Spanish, Russian, and Marshallese the dominant second languages.

As a whole, Marion County has a poverty rate of 18.6%, while the Department of Human Services has identified six census tract areas located within the community that are poverty hot spots. According to the U.S. Census, Marion County has a childhood poverty rate of 28.3%, the 25th worst county in Oregon, and a youth unemployment rate of 22.7%. Of youth ages 16-24 (which includes the 11th and 12th grade demographic served by CTEC), 18.3% in Marion County are opportunity youth, defined as not in school or working—significantly higher than the state average of 14%.

Overall, the demographics in Salem-Keizer point to a large youth population that has high risk factors for dropping out of school or being unable to transition successfully to the labor force and/or post-secondary education. To ultimately end the cycles of hunger, poverty and underachievement, we must prepare students for higher education and career tracks that will provide living-wage jobs.

Project Impact: According to the National Association for Career and Technical Education (ACTE), CTE programs produce multiple positive outcomes. Overall, high school students engaged in CTE are more engaged, perform better, and graduate at higher rates. Compared to prior vocational education programs, new CTE programs like CTEC are: for all students; integrated with academics in a rigorous and relevant curriculum; through partnerships provide pathways to employment and/or associate, bachelor’s and advanced degrees; and. link students to 21st century skills needed by high-growth industries that provide living-wage jobs.

In a 2006 report by the Gates Foundation on high-school drop-outs, 81% of students said that more learning opportunities that make the classroom relevant to the real world would have helped them to finish high school. According to ACTE, the average high school graduation rate for students in CTE programs was 90% compared to the average nationwide of 75%.

Projected outcomes for CTEC include:

- **Number of Participants 2015-17:**
 - ✓ Up to 300 youth in 11th and 12th grades will participate in either Residential Construction or Commercial Manufacturing CTE programs in 2015-17
 - ✓ Up to 180 youth in 11th and 12th grades will participate in either Precision Agriculture or Aviation Technology CTE programs in 2016-17
- **Education-related Outcomes:**
 - ✓ 90% of CTEC students will earn at least 8 college credits
 - ✓ CTEC students will demonstrate 95% or better attendance
 - ✓ 90% of CTEC students will graduate from high school
- **Workforce-related Outcomes:**
 - ✓ 90% of CTEC students will earn 2 or more industry-required certifications
 - ✓ 90% of CTEC students will participate in 1 or more of the following career exploration activities: mentor program, job shadow experience, paid/unpaid internship, and on-line computer aptitude-based programs
- **Career-related Outcomes:**
 - ✓ 100% of CTEC students will develop employability skills, such as career searches, resume writing, mock interviews, public speaking, that are documented in a work portfolio
 - ✓ 100% of CTEC Seniors will be able to define their goals in terms of entering the workforce or post-secondary education post-graduation

Measurement Tools: Tools will include student surveys and interviews, tracking attendance and graduation rates, and working with program partners to document certifications, college credit and career exploration activities. MWCTI will work with SKSD to create a follow-up mechanism to evaluate longer-term outcomes in both quantitative and qualitative ways.

2) Does the project comply with the Advisory Committee's priorities?

The Career Technical Education Center (CTEC) addresses three of the Mid-Valley Regional Advisory Committee's priorities including:

- *Promoting regional workforce development opportunities*—this is the primary focus of CTEC. CTE program areas are being identified based on labor market analysis, industry support, and student interest, and aligned with Oregon's economic and educational priorities.
- *Growing into a center for agri-business innovation and agri-tourism*—the Precision Agriculture CTE Program area will focus on agricultural innovation and new agricultural technology such as GPS and Unmanned Vehicle Systems (UVS).
- *Enhance programs that encourage business retention and expansion*—CTEC will address this by training a skilled workforce that will help the region retain existing businesses and recruit new business. For example, Oregon is a leader in drone technology; with at least half of the major businesses located in Oregon, and the Federal Aviation Administration recently approving exploratory use of unmanned air vehicles

(UAVs) in three areas in the state. By training CTEC students in this field, Oregon can be poised to retain and expand this sector.

3) What would happen if this project was not accomplished?

CTEC is critical to the scaling up of CTE efforts and workforce development in the Mid-Valley. We are confident the project will be accomplished, with CTEC set to open in Fall 2015 with two programs of study—Residential Construction and Commercial Manufacturing. Precision Agriculture and Aviation Technology will open in Fall 2016, and six more CTE areas of study will be added through 2020 when the project is completed and reaches its goal of serving 1,100 students annually. If the project was not accomplished the result would be less workforce training opportunities for our region, a less skilled workforce, fewer living-wage jobs, and less educational and/or career success for our high-needs community, especially the youth population.

4) Does the project have strong community and agency support? Who are the responsible/lead parties? Who are the partners that need to be involved?

CTEC has significant community support and a shared vision shaped by a community of key partners. The development of CTEC is led by an innovative public-private partnership between the privately funded Mountain West Career Technical Institute and the Salem-Keizer School District. The President of MWCTI, Chuck Lee, has been leading the CTEC effort since July 2013, working closely with SKSD leadership. The CTEC Steering Committee began meeting in January 2014 and the SKSD hired a CTEC Planning Principal in Fall 2014. These two primary partners have agreed to the following actions in a detailed Memorandum of Agreement (MOA). Mountain West Career Technical Institute: Mountain West has led planning efforts and purchased the 150,000 sq. ft. facility (formerly Neilsen Manufacturing) in NE Salem. Committed to renovating and equipping it to house ten different CTE programs of study at a cost of approximately \$12 million over five years. Larry Tokarski, owner of Mountain West, will contribute \$6.1 million and the rest of the funding will come from other donors, foundations, public sector grants, and industry.

Salem-Keizer School District: SKSD is developing the curriculum, aligning instruction to meet state, community college and industry standards, recruiting and registering students, hiring faculty and staff, providing transportation and covering ongoing operating costs. If funded, SKSD will serve as the sponsor for this Regional Solutions proposal, working with the State on an intergovernmental agreement.

Other key partners who are part of the CTEC Steering Committee, with a list of their specific project contributions, include:

- Salem-Keizer Education Foundation (SKEF): Krina Lee, ED; marketing materials (brochures, website); breadth of knowledge of priority/opportunity youth, education, and CTE; fiscal agent for 501c3 grants
- Strategic Economic Development Corporation (SEDCOR): Chad Freeman, ED; industry partnerships; recruiting new businesses to provide jobs to CTEC students; knowledge of regional jobs/economy

- Salem Area Chamber of Commerce: Jason Brandt, ED; Ready to Work/Ready to Learn exposes students to real world work through presentations, tours, job shadows, internships, mentoring and training. Has hosted industry-specific lunches to build support for CTEC.
- Incite: Tony Frazier, ED; research on next strands/program development; knowledge of priority and opportunity youth; potential for opportunity youth focused and/or training partnerships with CTEC.
- Chemeketa Community College: Johnny Mack, Dean of CTE; align CTEC curriculum with manufacturing at CCC; making college credit available for CTEC Commercial Manufacturing students
- Northwest College of Construction: David Zagorodney. ED; aligning construction curriculum, potential CTEC use for training Salem-based PCC students, college credit for Residential Construction strand
- Oregon Higher Education Coordinating Commission: Salam Noor, Former Assistant Superintendent in SKSD and lead on CTEC; now coordinates state level CTE revitalization funding
- Sunset Manufacturing: Charlie Hopewell, CEO; manufacturing layout and equipment, curriculum; former President of Nielsen Manufacturing; part of Oregon CTE-STEM Employer Coalition
- Sunco Construction: Dan Dorn, CEO; industry expert; Con-Tec connection; internships/apprenticeships
- Other partners include: Salem-Keizer School Board and the Department of Mission Advancement (DMA). Portland Community College is linking college credit to the Construction program. In addition, industry specific advisory committees are being established for each CTE program.

CTEC has support from the Governor's office, with Whitney Grubbs, Director of State and Regional Alignment, recently submitting a letter of support for a Meyer Memorial Trust proposal.

5) List identified or potential funding sources needed to carry out the project.

- a. **What is the rough cost estimate to complete the project?** The total project budget for capital investment is approximately \$12 million through 2019 and the full build-out of the ten CTE program areas in the 150,000 sq. ft. facility. With operating support from the Salem-Keizer School District included, the total budget is \$21.5 million through 2019.
- b. **If state funds are used, will they leverage other resources?** In 2014, Mountain West purchased the former Nielsen Manufacturing Facility at 3501 Portland Road in NE Salem for \$3.6 million and is committing an additional \$2.5 million for exterior and interior renovation. MWCTI has also raised \$250,000 from the Epping Family Foundation, \$150,000 from the Oregon Community Foundation, and \$50,000 from the City of Salem. MWCTI is committed to fundraising for the remaining renovation and equipment costs.
- c. **Are there operating or maintenance costs associated with the project?** Yes, there are ongoing operating and maintenance costs associated with the project and the Salem-Keizer School District is committed to covering these costs.

6) Is this project characterized as short or long term (short 1-2 years)? List approximate time-frame for implementation.

The property was purchased in July 2014 and renovations began almost immediately. The first two CTE programs—Residential Construction and Commercial Manufacturing—are set to open in Fall 2015, with Precision Agriculture and Aviation Technology planned for Fall 2016. An additional six CTE strands will be added through 2020 when the project will be completed.

7) Outside of the permits and funding requirements, list any impediments/obstacles to accomplishing the project. List possible solutions to those obstacles.

Our most significant challenge is securing the capital needed to build out the full vision for CTEC. A comprehensive fundraising plan is in motion that includes private foundation and public sector grants, major donor gifts, potential New Market Tax Credits, and industry support.

8) Is the project economically and environmentally sustainable?

Yes, the project is both economically and environmentally sustainable. Economically, there is a significant upfront capital investment of approximately \$12 million. General operating costs will be covered by the Salem-Keizer School District and fees collected from joint-use partners. In terms of sustainability objectives as established by ORS 184.423, we are renovating an existing facility in a blighted, low-income neighborhood, and planning for the most efficient use of energy and other resources in facility design. CTEC will provide economic opportunities for citizens, especially youth, which will contribute to ensuring a globally competitive workforce, strengthening the community, and increasing economic stability in the Mid-Valley.

Conclusion: Our community is challenged by high poverty, low educational outcomes, and unemployment, while simultaneously area industries are challenged to find a skilled workforce. CTEC provides a solution oriented response that is full of hope for the future. CTEC will measurably increase student opportunities for educational success, support the development of a skilled workforce, and significantly boost economic vitality in the Mid-Valley.

We greatly appreciate your time and consideration. We look forward to meeting in person to discuss the project in more detail. Please contact me, Chuck Lee, MWCTI President, at 503-551-5661 or chuck@mwinv.com.

