

## **FAQs – Frequently Asked Questions about the Vick Building (525 Trade Street)**

### **Why are we purchasing property in Salem?**

Salem is Oregon's second-largest city with almost 170,000 residents. However, it has no significant, face-to-face public university presence. Our presence in Salem reflects our mission of delivering transformative education and personalized service in our region, including providing convenient and flexible degree programs for working adults *where they are*. Acquiring property—whether it is the Vick building or another property—gives WOU a place to plant our flag in Salem and grow as a vital component of Salem's economic, cultural and civic future.

### **Why downtown Salem?**

Western Oregon University envisions a future where we are central to the economic, cultural and civic life of Salem. Downtown Salem offers many advantages:

- a central and historical sector of the city
- proximity to large employers, including state government offices and Salem Hospital
- convenient to public transportation
- a short commute from Monmouth

The Vick building at 525 Trade St. also offers:

- a high-visibility location on a key arterial (Trade Street)
- an onsite parking lot and access to city garages and street parking
- proximity to numerous dining options, allowing WOU to focus on delivering education

### **What's the timeline?**

If the Western Oregon University Board of Trustees authorizes proceeding, we expect to finalize the purchase in August 2019.

The building will require some work before it can be occupied, including minor renovations, furnishings and signage. We anticipate that the building will be ready for classes in fall 2020. Until then, WOU:Salem will continue to operate at the WESD building in south Salem.

### **What are next steps?**

We have entered into a 60-day period of due diligence during which we will conduct inspections and follow up accordingly. The final authority for purchasing the property rests with the WOU Board of Trustees.

### **How much will this cost?**

At this time, we anticipate a purchase price of approximately \$2.725 million (~\$77/square foot). After minor renovations, furnishings and signage are included, we expect a total cost of about \$3 million.

**How are we paying for this?**

We are studying several options to best use university resources, including using reserves, establishing a line of credit, and financing via a traditional mortgage. We are running cost-benefit analyses on each of these options and will present our findings to the Board of Trustees to seek its approval.

**Will this affect my budget?**

WOU:Salem operations have been allocated as part of the FY20 annual budget based on projected revenues and expenses. Because the current WOU:Salem budget includes lease expenses, if this purchase is approved, the following year's Salem budget will include appropriate depreciation/debt service. Other units' budgets are independent of WOU:Salem and have been developed throughout the FY20 budgeting process. As WOU:Salem operations expand, a careful analysis of additional required services from other units will take place, and budget decisions will be made accordingly.

**When can I see the building?**

At present, the interior of the building is not open to the public. You can walk around the exterior of the building at your leisure, however.

**What data support the purchase of this building at this time?**

At this time there is little to no face-to-face public university presence in Salem. PSU once offered select programs in Salem, but no longer. OSU and UO have focused on Portland. EOU has an advising outpost at Chemeketa Community College that guides students into EOU's online degree programs. But no university other than WOU is offering degree programs with a significant face-to-face component in Salem.

According to data from the U.S. Census, Salem's population has grown from 138,000 to 170,000 since 2000, an increase of more than 20%. The median age of Salem residents is 35.2 years, which is below the national median (38 years) and suggestive of a significant pool of near- and long-term potential students. A little more than 50% of Salem residents (~85,000) are working adults between 25 and 65 years of age, and more than 50,000 of these residents have graduated from high school but have not earned a four-year degree.

		Projected enrollments at selected yields
--	--	--

	% of Salem residents who are high school graduates but have not completed a four-year degree	0.1%	0.5%	1%
25-34	60.4% (~14.5k)	14.5	72.5	145
35-44	55.7% (~12k)	12.5	62.5	120
45-54	63% (~23k)	23	115	230
		50	150	500

Overall, Marion County is home to 341,000 residents. Of those who are 25 or older, 62.3% (166,000) have a high school diploma but have not earned a four-year degree. Another 85,000 residents live in Polk County, and more than 60% those who are 25 or older have a high school diploma but have not earned a four-year degree. Salem is the major employment center for our region and the Vick building puts us in closer proximity major employers in Salem as well as Marion and Polk counties. WOU's Monmouth campus is outside Marion County, while downtown Salem is more centrally located to where many of the people in Salem as well as Marion and Polk counties live and/or work.

In all, our largest community college partners award more than 9,000 associate's degrees each year: 40% CTE A.A.S. degrees and 60% transfer degrees. These students seek degree completion options. Downtown Salem is closer to the I-5 corridor than Monmouth, providing better access to students who attend WOU's partner community colleges.

There is significant unmet need in Salem as well as Marion and Polk counties for public university education. WOU is positioned to meet that need.

### **Will my job be moving?**

We do not expect any involuntary reassignments to a Salem campus. As WOU programs and services expand in Salem, there may be opportunities for employees to work in Salem or split work between Monmouth and Salem.

### **Will this affect tuition?**

No.

### **How will this affect campus services?**

As part of our approval by the NWCCU to open an additional location, we developed a plan for the expansion of student services in Salem. It can be found [here](#) on page 16.

### **Will this mean we may offer more programs?**

WOU seeks to offer the programs needed by Salem-based students. We expect to develop more Salem-based paths through existing programs and to create new programs to serve the Salem population.

### **What will be offered at WOU:Salem?**

WOU:Salem is focused on programs for working adults and degree completion. At this time, three programs are authorized for delivery at the Salem site:

- M.A. in Organizational Leadership
- A.B. in Liberal Studies
- M.S. Ed in Special Education

In addition, given the availability of electives and a path through general education in Salem along with online courses in select degree programs, students will be able to complete the following degrees in Salem in 2019-20.

- B.S. in Psychology
- B.S. in Criminal Justice
- B.A. in Interdisciplinary Studies (limited pathways)

We are in conversations with other programs about moving delivery to Salem and are very interested in talking with programs that see Salem as a promising site for delivery of their academic programs.

### **How will this affect WESD classes next year?**

Classes will proceed at the WESD as planned in 2019-20. We will offer classes on Tuesday, Wednesday and Thursday evenings with 5:30 p.m. and 7:30 p.m. start times.

### **How would the purchase of this building affect the days, times and delivery of our courses?**

We began our Salem programs in the WESD facility with evening, hybrid classes for working adults. With access to classrooms during the day, we will explore strategic extensions of class times earlier in the day (e.g., 2 p.m. and 4 p.m. classes). Given that today's college student typically needs to work while attending college, we expect that WOU:Salem will continue the focus on hybrid course delivery to provide flexibility to students.

### **Questions?**

Contact Sue Monahan ([smonahan@wou.edu](mailto:smonahan@wou.edu))

