West Virginia Council for Community & Technical College Education

AGENDA

June 9, 2022

9:30 am

Members

Christina Cameron, Chair
Robert Brown, Vice Chair
Steve Roberts, Secretary
William Baker
Kenneth Boggs

Clinton Burch
Michael Graney
Tracy Miller
Andrew “Drew” Payne III
Harry Keith White

Sarah Armstrong Tucker, Chancellor
I. Call to Order

II. Consent Agenda

Due to an oversight, the Council’s April 21, 2022, meeting did not meet public meeting notice requirements. Therefore, previously presented items included on this consent agenda must be voted on again.

- *Approval of Minutes for January 20, 2022. Council Meeting............................................. pg 6
- *Fiscal Year 2023 Higher Education Resource Assessment........................................ pg 11
- *BridgeValley Community and Technical College Ten-Year Campus Development Plan .......................................................... pg 13
- *WV Council for Community and Technical College Education 2023 Meeting Schedule ............................................................................................................. pg 484

III. Institutional Presentation by Southern WV Community and Technical College

IV. General

A. *Approval of Minutes for April 21, 2022, Council Meeting............................................. pg 486

B. *Academic Fees Eligible for West Virginia Invests Grant at West Virginia Northern Community College............................................................................................................. pg 489

C. *Higher Education Adult Part-Time Student (HEAPS) Workforce In-Demand Occupations ............................................................................................................. pg 490

D. *Revisions to Legislative Rule Series 27, Workforce Development Initiative Grant Programs: Learn and Earn, Technical Program Development, and West Virginia
Rapid Response Grants................................................................................................................... pg 492

E. *Series 2, Emergency and Legislative Rules Performance-Base Funding Formula pg 500

F. * Sunset Date Extension for Series 12, Capital Project Management and Series 55, Human Resources Administration........................................................................................................ pg 536

G. *Election of Officers for the WV Council for Community and Technical College Education

V. Academic Affairs

A. *Associate of Science in Pre-Engineering Program at West Virginia Northern Community College......................................................................................................................... pg 589

B. *Annual Reauthorization of Two-Year Degree-Granting Institutions pg 600

C. *Revisions to Series 52, Annual Reauthorization of Degree-Granting Institutions pg 602

VI. Finance and Facilities

A. *Fiscal Year 2023 Operating and Capital Budgets for All Institutions pg 617

B. *WV Council for Community and Technical College Education Fiscal Year 2023 Operating Budget pg 645

Possible Executive Session Under the Authority of WV Code §6-9A-4 for the Following:

A. *Presidential Contract and Compensation at Blue Ridge Community and Technical College

B. *Presidential Contract and Compensation at Eastern WV Community and Technical College

C. *Presidential Contract and Compensation at Mountwest Community and Technical College

D. *Presidential Contract and Compensation at New River Community and Technical College

E. *Presidential Contract and Compensation at Southern WV Community and Technical College

F. *Presidential Contract and Compensation at WV Northern Community College

G. *Interim Presidential Appointment, Contract and Compensation at West Virginia University at Parkersburg
H. *Amended Contract for Chancellor of the West Virginia Community and Technical College System

I. *Interim Presidential Appointment, Contract and Compensation at Pierpont Community and Technical College

VII. Additional Comments

VIII. Upcoming Meetings

Location: Southern WV Community and Technical College
2900 Dempsey Branch Road
Mount Gay, West Virginia 25637

Date: August 18, 2022
Time: 9:30 a.m.

IX. Adjournment
A meeting of the West Virginia Council for Community and Technical College Education, was held via Zoom, beginning at 9:30 am. Council members present were: Bill Baker, Robert Brown, Clinton Burch, Christina Cameron, Michael Graney, Andrew Payne, Steve Roberts, and John Sorrenti. Absent: Kenneth Boggs, Tracy Miller, and Harry Keith White. Also in attendance were Chancellor Tucker, Council staff, community and technical college presidents, faculty, staff, students, and guests.

Call to Order

Christina Cameron, Chairman, called the meeting to order, and noted that a quorum was present.

1. Approval of Minutes

Mr. Sorrenti moved the adoption of the minutes from the December 9, 2021, and December 20, 2021, meetings of the West Virginia Council for Community and Technical College Education.

Mr. Roberts seconded the motion. Motion carried.

2. Resolution Honoring the Late Charles Puckett, Advisory Council of Faculty Chairman

Mr. Sorrenti moved the adoption of the following resolution:

WHEREAS, Mr. Puckett served with distinction as an assistant professor of biology for twenty-two years at Southern West Virginia Community and Technical College; and,

WHEREAS, Mr. Puckett was a valued and loyal member of the Advisory Council of Faculty (ACF) for a decade; and,

WHEREAS, Mr. Puckett served the ACF as secretary and vice chair, and held the position of chair this last year; and,

WHEREAS, Mr. Puckett worked on the ACF legislative committee and was active in coordinating the annual ACF legislative brochure; and,

WHEREAS, Mr. Puckett was a member of the Faculty Senate and numerous committees and workgroups at Southern West Virginia Community and Technical College; and,
WHEREAS, Mr. Puckett was a proponent for the study of science across the state, having most recently served as treasurer for the West Virginia Academy of Science; and,

WHEREAS, Mr. Puckett was dedicated to his community as exemplified through his service as a past president of the Logan Lions Club;

WHEREAS, Mr. Puckett, whose name was synonymous with Southern, was loved by both students and faculty;

THEREFORE, BE IT RESOLVED, That the West Virginia Council for Community and Technical College Education expresses its sincere gratitude to Mr. Charles “Chuck” Puckett for his commitment to educating students of southern West Virginia, advancing the mission of postsecondary education, and maintaining a deep loyalty to fellow colleagues and the community he served.

FURTHER, BE IT RESOLVED, That this resolution be inscribed upon the Council minutes of January 20, 2022.

Mr. Baker seconded the motion. Motion carried.

3. Return on Investment Report for the West Virginia Invests Grant

Christopher Treadway, Vice Chancellor for Community and Technical College Education, introduced Dr. John Deskins, Director of the West Virginia University Bureau of Business and Economic Research (BBER), who presented findings from a preliminary economic impact analysis of the West Virginia Invests grant program. Dr. Deskins noted that because West Virginia Invests is a relatively new program, data are not presently available for a full economic impact study, but that early data point toward an overall positive impact on enrollment and future earnings for program graduates. The economic impact report found that when students move from having only a high school diploma to earning a certificate or an associate degree, their wage earnings increase and the probability that they'll stay in West Virginia to work is much higher. A typical individual with an associate degree earns nearly $14,000 more annually than those with only a high school diploma two years after graduation. For the same timeframe, 70 percent of associate degree graduates remain in West Virginia for their careers, compared to 49.7 percent of high school graduates.


4. Program Reviews

Nikki Bryant, Director of Academic Programming, presented the 2020-2021 program reviews of the Community and Technical College Institutions.
5. Campus Development Plan Update for Mountwest Community and Technical College

Rich Donovan, Senior Director of Facilities stated that questions were raised at the Council’s October 9, 2021, meeting regarding the Campus Development Plan at Mountwest Community and Technical College (MCTC). As a result, MCTC’s plan has been revised, per Council request, to include: 1) A solution to provide ADA compliant restrooms at the Tri-State Fire Training Academy, where MCTC leases space for its Maritime Academy; 2) Additional information regarding MCTC’s partnership with Marshall University in the Aviation Maintenance Technology Program; and 3) Inclusion of Cabell Hall in the plan. Cabell Hall is a building Mountwest owns in downtown Huntington but does not currently occupy, however, because it is owned, it has been added to the plan.

6. Report on Textbook Affordability

Randall Brumfield, Vice Chancellor for Academic Affairs, reported that Open Learning West Virginia grants is a program in which faculty are provided with $1,000 grants to create or adopt OER in their courses. Faculty receive the $1,000 grant upon implementation of the OER in their course. Eighty-nine faculty have converted 104 courses to OER, as of January 2022.

In Spring 2021, Summer 2021, and Fall 2021, 104 courses were converted to OER. In those courses, nearly 3,000 students were impacted, and on average, saved $152 each. Based on Spring 2021, Summer 2021, and Fall 2021 course enrollments and the cost of course materials before OER implementation, students experienced an aggregate savings of nearly $450,000 dollars. This savings comes with only 89 faculty creating or adopting OER in 104 separate courses in three semesters.

Spending a one-time $104,000 on faculty grants generated nearly $450,000 in savings that will be sustained. And the savings will grow every semester, as almost 93% of faculty members agree that they plan to convert additional courses to OER in the future. 96% of the faculty who adopted OER strongly agree or agree that switching to OER was worthwhile, and 95% strongly agree or agree that the OER they used was high-quality.

Work will continue with this initiative across the state, though it should be noted that there are other faculty across the state also developing OER independent of the Open Learning West Virginia program.

7. West Virginia Distance Learning Network

Randall Brumfield, Vice Chancellor for Academic Affairs, reported that the U.S. Department of Agricultural Rural Development has recently awarded the West Virginia Council for Community and Technical College Education and the West Virginia Higher Education Policy Commission a grant in the amount of $744,328 to establish the West Virginia Distance Learning Network. Funds from the grant will be used to establish an inaugural distance learning network among designated public secondary and postsecondary education partners, with a vision toward eventually building a statewide distance learning network.
The origin of this distance learning project stems from the need to resolve the challenges associated with high-density rural communities that maintain high rates of socioeconomically disadvantaged populations, significant learning gaps in high school, poor health deficiencies, and elevated instances of drug-overdose fatalities.

8. **Update on US Economic Development Authority’s CDL Grant**

Chris Treadway, Vice Chancellor for Community and Technical College Education, discussed a grant opportunity through the United States Economic Development Administration’s Good Jobs Challenge. CTCS staff are preparing an application for funding to expand and modernize commercial driver’s license (CDL) training programs across the state within both the Community and Technical College System and the Career and Technical Education system through the West Virginia Department of Education. If awarded, the grant will fund a statewide team of college navigators tasked with recruiting students and providing support and guidance on the college-going process. It will also pay for support services, modern CDL simulator technology, equipment, fuel and other related costs. For those CTCs that do not offer CDL programs, funds may be used to support other programs related to supply chain and logistics. Notification of grant awards is expected in September 2022.

9. **Funding Formula Update**

Chris Treadway, Vice Chancellor for Community and Technical College Education, delivered an update on the development of a new outcomes-based higher education funding formula. The proposed model was drafted in response to a legislative mandate through an ongoing collaboration between the central office and institutional leaders from both the two- and four-year systems. Should the model be adopted by the Legislature, future appropriations requests will be based on such factors as progress toward degree completion, certificate and degree completion, transfers to a four-year institution, workforce development, and productivity. Safeguards are built into the proposed formula to provide stability and protect against large annual swings in funding. These safeguards include the use of a three-year rolling average for all metrics and a hold-harmless provision to prevent any institution’s outcomes-based funding from decreasing by more than 5 percent from one year to the next. Commission and Council staff continue to work with institutional leaders to finalize the funding formula proposal.

**Additional Board Action and Comments**

Chancellor Tucker stated that the expectation, if the legislative bill involving the new funding formula is passed, is that the Council will be directed to create a new funding formula rule which would involve quickly adopting an emergency rule while the permanent rule goes through the promulgation process for the 2023 legislative session.

**Adjournment**

There being no further business the meeting was adjourned.
Upcoming Meeting

Location: Advanced Technology Center
         South Charleston, WV
Date: April 21, 2022
Time: 9:30 am

____________________________________
Christina Cameron, Chairman

____________________________________
Steve Roberts, Secretary
ITEM: Fiscal Year 2023 Higher Education Resource Assessment

INSTITUTIONS: All

RECOMMENDED RESOLUTION: Resolved, That the West Virginia Council for Community and Technical College Education approves the Higher Education Resource Assessment (HERA) for Fiscal Year 2023 to the community and technical colleges as shown in Table 1 of the agenda item.

STAFF MEMBER: Ed Magee

BACKGROUND:

West Virginia Code §18B-10-2 provides for the WV Council for Community and Technical College Education (Council) to establish a Higher Education Resource Assessment (HERA). The Council and Higher Education Policy Commission are to use funds generated through the assessment to meet general operating expenses, fund statewide programs, and to “offset the impact, if any, on financially needy students of any potential assessment increase” (West Virginia Code 18B-10-2(d)).

The passage of Senate Bill 448 in 2004, allowed the Council to adopt a procedure for assessing community and technical colleges at a fixed percentage of 1.5% of their prior year estimated gross tuition and required fees. The procedure minimizes annual changes in allocations by institution and is predictable for budgeting purposes. Council staff recommend continuing this assessment procedure for Fiscal Year (FY) 2023.

Table 1 shows the calculation of the HERA assessment at 1.5% of estimated gross tuition and required fees for each institution. The total FY 2023 assessment is $569,087 – a decrease of $43,181 over the FY 2022 assessment of $612,268. The net change is primarily due to a decrease in enrollment. Staff recommends that HERA revenue be dedicated to statewide initiatives.

The recommendation is to approve the Higher Education Resource Assessment as presented.
<table>
<thead>
<tr>
<th>Fall 2021 FTE Enrollment</th>
<th>2021-2022 Tuition Rate</th>
<th>2021-2022 Tuition and Required Fees</th>
<th>2022-2023 Assessment</th>
<th>Change from Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Resident</td>
<td>Reciprocity &amp; Metro</td>
<td>Non-Resident</td>
<td>Total</td>
</tr>
<tr>
<td>Blue Ridge CTC</td>
<td>1,177.47</td>
<td>61.80</td>
<td>8.53</td>
<td>$4,128</td>
</tr>
<tr>
<td>Bridge Valley: CTC</td>
<td>1,156.00</td>
<td>0.00</td>
<td>5.47</td>
<td>$4,502</td>
</tr>
<tr>
<td>Eastern WV CTC</td>
<td>188.07</td>
<td>0.00</td>
<td>2.07</td>
<td>$3,768</td>
</tr>
<tr>
<td>Mountwest CTC</td>
<td>781.60</td>
<td>102.20</td>
<td>9.87</td>
<td>$4,692</td>
</tr>
<tr>
<td>New River CTC</td>
<td>745.60</td>
<td>0.00</td>
<td>4.60</td>
<td>$4,590</td>
</tr>
<tr>
<td>Pierpont CTC</td>
<td>1,058.60</td>
<td>0.00</td>
<td>25.80</td>
<td>$5,086</td>
</tr>
<tr>
<td>Southern WV CTC</td>
<td>1,017.00</td>
<td>56.47</td>
<td>4.73</td>
<td>$3,864</td>
</tr>
<tr>
<td>WV Northern Community College</td>
<td>682.73</td>
<td>67.67</td>
<td>6.93</td>
<td>$3,940</td>
</tr>
<tr>
<td>WVU at Parkersburg</td>
<td>1,416.73</td>
<td>106.33</td>
<td>16.33</td>
<td>$3,940</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>8,223.80</strong></td>
<td><strong>394.47</strong></td>
<td><strong>84.33</strong></td>
<td><strong>$35,448,727</strong></td>
</tr>
</tbody>
</table>
West Virginia Council for Community and Technical College Education
Meeting of April 21, 2022

ITEM: Ten-Year Campus Development Plan

INSTITUTION: BridgeValley Community and Technical College

RECOMMENDED RESOLUTION: Resolved, That the West Virginia Council for Community and Technical College Education approves BridgeValley Community and Technical College’s Ten-Year Campus Development Plan.

STAFF MEMBER: Richard Donovan

BACKGROUND:

State Code and the Council’s Legislative Rule, Series 12, require each institution to have an approved ten-year plan that identifies the Governing Board’s anticipated and proposed capital development and property acquisition for the entire institution and each campus under its jurisdiction. BridgeValley’s Board of Governors has advanced its proposed ten-year plan to the Council for approval as required by law and Series 12.

This version of BridgeValley’s Campus Development Plan is the final in a series of proposed plans that were not acted upon or were not approved by the Council. The primary focus of this version is to “right size” the institution’s facility inventory at the Montgomery Campus to more closely align with enrollment. It also maintains the current facility inventory at the South Charleston Campus, and its headquarters in Building 2000.

Montgomery Campus: The major objective proposed in this version is to reduce the institution’s square footage inventory from 298,412 square feet to a more manageable and appropriate 93,350 square feet. This would be accomplished by relinquishing leased space and disposing of most of the buildings acquired from West Virginia University in recent years, either through selling these buildings, transferring them to other public entities, or by demolition. The two buildings that BridgeValley would retain are Davis Hall and the Workforce Building (Lanham Maintenance Building acquired from WVU). This approach will result in significant savings in building maintenance and operation, estimated to be $500,000 per year, and relieve the institution of millions of dollars in deferred maintenance and capital improvement obligations.

South Charleston Campus: BridgeValley occupies three buildings at the South Charleston Campus; it’s headquarters in Building 2000, 85,127 square feet, which was completely renovated, and two additions added in 2012; and Toyota Hall (Advanced Technology Building), 53,621 square feet, a new building completed in 2014. Both buildings are in
good condition and do not need significant investment for deferred maintenance or capital improvements. The third building BridgeValley occupies is Building 704, 23,465 square feet. Major improvements were made to this building in 2012 when it was first occupied by the college for its welding, machine tool technology, and diesel mechanic programs. However, additional improvements are needed. All three of these buildings will be retained by BridgeValley.

**Auxiliary Sites:** BridgeValley also leases space at the Tri-State Fire Training Academy in Huntington for its Lineman Program, and approximately nine acres for its CDL Training Center in Redhouse.

**Building Appraisals:** Goldman Associates, Inc. was retained to provide appraisals for the following buildings in Montgomery. The appraisals are included in the Campus Development Plan document.

- Pathfinder (Engineering Classroom Building)
- GRID (Engineering Laboratory Building)
- Ratliff Hall (residence hall)
- Workforce Building (Lanham Maintenance Building)

**Deferred Maintenance:** Below is a list of deferred maintenance projects recommended for each campus by building or facility.

**Montgomery Campus**

**Davis Hall**
- Replace Penthouse Roof System
- Remove Remaining Hazardous Materials
- Renovate Offices and Interior Painting
- Paint Stairways and Back Entrances
- Repair Existing Stair Railings
- Improve Elevators

\$750,000

**Workforce/Maintenance**
- Replace and Relocate the Heating Boilers
- Add Cooling to the First Floor
- Install HVAC Controls
- Resolve Clearance Issue in Front of Main Electrical Service
- Repair Water Damaged Light Fixtures
- Remove Any Non-Plenum Rated Cable

\$850,000

**South Charleston Campus**

**Building 2000**
- Interior Improvements (Carpet and Paint)

\$350,000
Building 704 $750,000
▪ Provide New Elevator and Accessible Toilet

**Capital Improvements:** The following is the proposed capital improvement schedule in the Campus Development Plan over ten years:

<table>
<thead>
<tr>
<th>Estimated Schedule</th>
<th>Cost Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Phase 1: 2022-2022</strong></td>
<td></td>
</tr>
<tr>
<td>1. Building 2000 Nursing Program Expansion (under construction)</td>
<td>$2,250,000</td>
</tr>
<tr>
<td>2. Demolition of Westmoreland Hall</td>
<td>$ 64,000</td>
</tr>
<tr>
<td>3. Create Campus Green Space</td>
<td>$ 350,000</td>
</tr>
<tr>
<td>4. Demolition of GRID (Engineering Lab Building)</td>
<td>$ 350,000</td>
</tr>
<tr>
<td>5. Demolition of Pathfinder (Engineering Classroom Building)</td>
<td>$ 525,000</td>
</tr>
<tr>
<td>6. Davis Hall Stair Improvements</td>
<td>$ 750,000</td>
</tr>
<tr>
<td>7. Davis Hall - Elevator Modernization, including fixtures, door equipment, pumps, Snap-Cabs, LED lighting, bio-degradable oils (both cars)</td>
<td>$ 425,000</td>
</tr>
<tr>
<td>8. Building 2000 – Interior Improvements (Paint and Carpet)</td>
<td>$ 350,000</td>
</tr>
<tr>
<td>9. Building 704 - Provide New Elevator and Accessible Toilets</td>
<td>$ 750,000</td>
</tr>
<tr>
<td><strong>Phase 2: 2025-2028</strong></td>
<td></td>
</tr>
<tr>
<td>10. Workforce Building – Renovation and Stair/Elevator Addition</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>11. Demolition of Ratliff Hall</td>
<td>$ 380,000</td>
</tr>
<tr>
<td><strong>Phase 3: 2028-2031</strong></td>
<td></td>
</tr>
<tr>
<td>12. Davis Hall – Deferred Maintenance and Infrastructure Needs Exterior Siding Sealants, Sumps, Drains, Auxiliary Pumps, Moat</td>
<td>$1,500,000</td>
</tr>
</tbody>
</table>

BridgeValley’s Board of Governors approved this version of the Campus Development Plan at its meeting of April 1, 2022.

An executive presentation of the Ten-Year Campus Plan will be made at the Council meeting.
Acknowledgements

BridgeValley Community and Technical College embarked on a campus master planning process to establish a framework for the orderly development of all capital improvements that support the mission, vision, values, and strategic initiatives of the College. This is the first campus master plan for BridgeValley. Kanawha Valley CTC had never completed a plan, and Bridgemont CTC had completed a plan that was never adopted by the WVCTCS prior to the merger of the two institutions.

The successful master planning process included a comprehensive look at the physical environment of the campuses and how that environment helps the College succeed in its educational mission. ZMM acknowledges this important input, with many thanks to the following:

Board of Governors
Ms. Ashley Deem, Chair
Mr. Mark Blankenship, Vice Chair
Mr. Barry Holstein, Secretary
Ms. Megan Callaghan Bailey
Mr. Barry Crist
Mr. Jeff Ginther
Ms. Alexandra Harris
Dr. Andrew Kennedy
Mr. Larry Pack, Jr.
Ms. Andrea Petry
Ms. Rhonda White

Administration
Dr. Casey K. Sacks, President
Suzeette Breeden, Interim Vice President of Academic Affairs
Todd Jones, Vice President of Student Affairs
Laura McCullough, Vice President of Workforce
Jason Stark, Vice President of Operations
Cathy Aquino, Chief Financial Officer
Michelle Wicks, Director of Outreach and Communications
Alicia Syner, Executive Director of Institutional Advancement
Norman Mortensen, Dean of Computer Science, Manufacturing and Engineering Technology
Kelly Grose, Dean of Business, Legal, and Technical Occupations
Kristi Ellenberg, Dean of General Education, Liberal Arts and Sciences
Kent Wilson, Dean of Allied Health
James McDougle, Associate Vice President of Student Engagement/Dean of Students
Jordan Atha, Registrar
Executive Summary

BridgeValley Community and Technical College (BVCTC) was formed in 2014 through the merger of Bridgemont CTC and Kanawha Valley CTC. The merger was facilitated by Senate Bill 438, passed during the 2013 legislative session. BridgeValley has undertaken several previous efforts to create a Campus Development Plan, but none of them have been fully adopted.

SOUTH CHARLESTON CAMPUS

The main academic building on the South Charleston Campus is Building 2000. Building 2000 contains 196,800 SF of space, of which BridgeValley leases 85,127 SF. Currently BridgeValley occupies the south and west wings on levels G, 1, 2, 3. An additional 8,000 SF of space is required to accommodate an expansion of the Nursing program.

The school also operates in Building 704 (Welding and Machine/Toll Programs), as well as Toyota Hall (ATC). The Advanced Technology Center provides a unique training center that incorporates state-of-the-art technology and faculty expertise to offer credit and non-credit training that meet the needs of regional employers. Through collaborations with community members, industry, and government customized training and education programs can be developed in manufacturing, information technology, chemical, and energy fields. BridgeValley operates within and manages the facility. The building, now called Toyota Hall was recently constructed, and no deferred maintenance or expansion is planned for this facility. The current inventory of BridgeValley facilities on the South Charleston Campus includes:

<table>
<thead>
<tr>
<th>Facility</th>
<th>Square Feet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building 2000</td>
<td>85,127 SF</td>
</tr>
<tr>
<td>Building 704</td>
<td>15,929 SF</td>
</tr>
<tr>
<td>Toyota Hall (ATC)</td>
<td>53,621 SF</td>
</tr>
<tr>
<td>Sub-Total</td>
<td>154,677 SF</td>
</tr>
</tbody>
</table>

Total Cost of South Charleston Campus Facilities per Year:

<table>
<thead>
<tr>
<th>Facility</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building 2000</td>
<td>$ 642,708.84</td>
</tr>
<tr>
<td>Building 704</td>
<td>$ 106,087.20</td>
</tr>
<tr>
<td>Toyota Hall (ATC)</td>
<td>$ 300,277.56</td>
</tr>
<tr>
<td>Custodial</td>
<td>$ 125,776.98</td>
</tr>
<tr>
<td>Total:</td>
<td>$1,174,850.58</td>
</tr>
</tbody>
</table>

MONTGOMERY CAMPUS

Over the last several years BridgeValley has taken possession of several buildings from the previous West Virginia Tech campus in Montgomery. Currently the space that is maintained at the Montgomery Campus for exceeds the current and projected enrollment. The main academic building at the Montgomery Campus is Davis Hall, which is adequate to support the full population of students on the campus; however, some of the programs (diesel and lineman) require a building that contains high bay and technical education spaces. The current inventory of BridgeValley facilities on the Montgomery Campus includes:

<table>
<thead>
<tr>
<th>Facility</th>
<th>Square Feet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Davis Hall</td>
<td>77,215 SF</td>
</tr>
<tr>
<td>Westmoreland Hall</td>
<td>10,800 SF</td>
</tr>
<tr>
<td>GRID (Engineering Lab Building)</td>
<td>80,656 SF</td>
</tr>
<tr>
<td>Pathfinder (Engineering Classroom Building)</td>
<td>45,575 SF</td>
</tr>
</tbody>
</table>
Workforce (Maintenance Building) 16,139 SF
Ratliff Hall 51,969 SF
Diesel (Brown Chevrolet) 3,074 SF (Estimated from Mapping)
Printing Innovation Center 10,534 SF (Not all BV – 35,600 SF Total)
House 1,200 SF (Estimated)
Morris Creek Watershed Building 1,250 SF (Estimated from Mapping)
Sub-Total 298,412 SF

In addition to these facilities, BridgeValley maintains the following additional spaces for special programs:

Tri-State Fire Academy 1,650 SF (As Needed)
CDL Training Center (Redhouse) 0 SF (9 Acres)
Sub-Total 1,650 SF

Total Cost of Montgomery Campus Facilities per Year:

Davis Hall $200,973.04
Westmoreland Hall $ 21,439.80
GRID (Engineering Lab Building) $150,421.24
Pathfinder (Engineering Classroom Building) $147,874.16
Workforce (Maintenance Building) $ 56,789.12
Ratliff Hall $ 78,953.16
Printing Innovation Center $ 18,000.00
Diesel (Brown Chevrolet) $ 59,188.14
House $ 2,992.61
Morris Creek Watershed Building $ 1.00
Custodial $142,081.39
Total: $878,713.66

OVERALL
Currently BridgeValley operates 15 Facilities (7 Owned by BVCTC, 8 Leased - Including 3 at the WVRTP) at a cost of $1,927,787.26 per year. The total area of these facilities is 454,739 SF. Based upon the current and maximum recent enrollment the space utilization per student (FTE) is excessive in Montgomery:

Space Utilization per Student Based Upon Current Enrollment:
South Charleston 259 SF/Student
Montgomery 1,677 SF/Student

Space Utilization per Student Based Upon Maximum Recent Enrollment:
South Charleston 149 SF/Student
Montgomery 988 SF/Student

The excessive space in Montgomery will eventually strain BridgeValley’s finances and is not prudent or sustainable.
CONCLUSION
The attached Master Plan document recommends reducing the number of facilities in Montgomery. If fully implemented the plan would eliminate Westmoreland, Grid (E-Lab), Pathfinder (E-Classroom), Ratliff Hall, PIC, Watershed, Brown Chevrolet and the House from the current inventory of BridgeValley facilities. The total number of facilities would be reduced from 13 to 5 (Building 2000, Building 704, Toyota Hall, Davis Hall, and Workforce). The utilization of the Montgomery Campus would be improved, and the SF/FTE would be reduced from 1,677 to 524. Savings of nearly $500K per year will be realized, and millions of dollars if deferred maintenance costs will be avoided. Minor improvements are anticipated to Davis Hall (Elevator Improvement), Building 704 (Elevator, Accessible Toilets), Building 2000 (Nursing Expansion and Carpet/Paint), and Workforce (Accessible Entrance and Elevator). Unless enrollment or programmatic needs change, no significant building or campus expansions are anticipated.

This document includes appraisals for many of the buildings that will be eliminated from the Montgomery Campus and outlines the approach for their disposition via sale (public or private) or demolition. The outcome of this process is a realistic strategy to guide the development of BridgeValley in a manner that supports the priorities and vision of the college.
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Appendix:  
BridgeValley BOG 04/01/22 Presentation  
Pathfinder (Engineer Classroom Building) Appraisal  
GRID (Engineering Lab Building) Appraisal  
Ratliff Hall Appraisal  
Workforce (Maintenance Building) Appraisal
BUILDING 2000 ASSESSMENT
South Charleston Campus

SUMMARY
- Building 2000 was recently renovated to serve as the administrative headquarters for BridgeValley Community and Technical College in South Charleston.
- Building 2000 Contains 196,800 SF of Space, BridgeValley Leases 85,127 SF
- Cost: $53,559.07/month; $642,708.84/year
- BridgeValley Occupies the South and West Wings on Levels G, 1, 2, 3
- Potential Improvements: Wet Labs, Itinerant Space for Adjunct Faculty (5-10 at a time)

Recommendation: Continue to Occupy, Expand Nursing Program into North Wing of Third Floor

BACKGROUND
Building 2000 serves as the administrative headquarters for BridgeValley Community and Technical College (BridgeValley) in South Charleston. Building 2000 contains 196,800 SF of space, of which BridgeValley leases 85,127 SF. Currently BridgeValley occupies the south and west wings on levels G, 1, 2, 3. Dow currently occupies the 4th level of these wings. BridgeValley requires additional office, classroom, lab, and assembly space in Building 2000. A limited assessment of Building 2000 was completed due to the fact that the entire facility was recently renovated.

BUILDING NEEDS

Although Building 2000 was recently renovated to serve as the headquarters for BridgeValley, some of the interior finishes including painting and carpeting require replacement. There is also a need to expand the Nursing Program, which is currently underway. The third floor of the north wing, which includes 5,704 SF of space will be renovated to meet this need.
SUMMARY

- This 53,621 SF technology facility that houses community and technical college and workforce development programs was completed in 2014.
- Operated by BridgeValley with Regional Training Function
- Cost: $25,023.13/month; $300,277.56/year
- At Maximum Capacity
- Recommendation: Continue to Occupy, No Major Improvements Anticipated

BACKGROUND

This 53,621 SF technology facility that houses community and technical college and workforce development programs was completed in 2014. The facility is operated by BridgeValley even though it has a regional training function. The steel-frame building with a brick veneer is located in the West Virginia Regional Technology Park (WVRTP) in South Charleston. The building, now known as Toyota Hall, has been a tremendous asset to the WVRTP, BridgeValley, and the community. Toyota Hall is already at maximum occupancy. A limited assessment was completed of Toyota Hall due to the relative new construction.

BUILDING NEEDS

No expansion or major renovation of the facility will be undertaken at this facility in the next 10 years.
ANNEX (BUILDING 704)  
South Charleston Campus  

SUMMARY

- Annex/Industrial Tech Center was originally built as a boiler house and machine shop (Building 704) by Union Carbide in the late 1940’s. There was an addition in 1978.
- One and Two-story 23,465 SF Steel-Framed Building, BridgeValley Leases 15,929 SF
- Cost: $8,840.60/month; $106,087.20/year
- Currently Houses Welding and Machine/Tool
- Significant Renovation in 2012 for BridgeValley
- Recommendation: Continue to Occupy, Improvements: Elevator, Accessible Toilets

BACKGROUND

The Annex was originally built as a boiler house and machine shop (Building 704) by Union Carbide in the late 1940’s. Since then, the main 3-story volume housing the old boilers has been demolished leaving a void on the southeast corner of the building. The two-story 23,465 SF steel-framed building occupies a flat lot just left of the main entrance to the Tech Park on the Kanawha Turnpike in South Charleston, WV. The first floor of the building is highlighted by two high bay spaces and a large mechanical room to the south separated by the main electrical room. A two-story addition was built on the north side in 1978 which contains locker room facilities and support space on the first floor. The second floor has offices, classrooms, and a restroom off a single-loaded corridor with stairways at each end, one interior and one exterior. The structure of the building has an unprotected, non-combustible fire rating and the entire facility, except for the basement and campus utility room, is protected by an automatic fire sprinkler system.

A significant renovation was completed in 2012 which consisted of major life safety improvements to allow BridgeValley CTC to occupy the building for classroom activities. The most notable life safety issues were the removal of the old, oil-soaked, wood flooring with a new concrete floor; addressing the occupancy fire separation issues; and the interior and exterior stair improvements. Architecturally, the most dramatic improvements were the removal of various interior partitions and the cleaning and painting of the high bay work areas. Several engineering improvements were made ranging from upgrades to the fire alarm system to repairing and reworking of mechanical systems throughout the building. Upgrades and repairs to the existing fire sprinkler systems were also completed. The
renovations made to the building were intended to accommodate diesel technology; however the building now houses multiple additional programs including welding and machining.

BUILDING ENVELOPE

The majority of the exterior walls consist of solid brick and brick veneer over concrete masonry with prefinished metal panels installed directly over the structural steel frame on a small portion on the southeast side of the building. Cracks caused by settlement over the years are visible on the brick masonry of the original building, but the exterior walls appear structurally sound. There are large steel single-pane windows into the high-bay spaces, typical for this type of facility, and small punched aluminum windows in the addition. Metal panels also cap the top of the two-story office addition on the north side of the building. The building contains no main entrance or signage.

There are a few maintenance and other improvements that should be addressed initially. The masonry, metal panels and windows seem to be in relatively good condition but, at a minimum, should be pressure-washed and/or cleaned and painted. A small metal canopy should be suspended over the west side entrance to the building, signifying it as the main entrance. Signage, both for the college and directional wayfinding should be provided throughout the facility.

Depending on the funding available, major exterior improvements could be provided. Along the west façade, a projecting addition could be constructed to act as the main entrance to the building. The existing masonry could be covered in corrugated metal panel to provide a contiguous, industrial look to the exterior. The metal panel would be continued as an enclosure around the existing stair on the east side of the building. It is recommended that all the windows in the building be replaced to help with thermal efficiency.

BUILDING ROOF

The building has a single-ply membrane roof over the main floor and a built-up roof over the north addition. The main roof seems to be in very good condition, having been replaced in the recent past. The roof over the addition appears to be original and in poor condition; it needs replaced along with the base flashing and metal coping.

INTERIOR

In the most recent renovation, a group of offices and storage space off to the side in the main work bay were demolished to remedy several life safety deficiencies. These offices need to be rebuilt to provide the college with faculty and staff offices and an admissions presence for the South Charleston campus.

Locke room facilities for both men and women were built on the first floor of the addition accessed directly from the diesel shop and seem to be in adequate and usable condition but do not meet ADA requirements for accessibility. The locker rooms should be renovated to provide ADA-compliant facilities for both men and women, including showers for each if offered. On the first floor, this would mean a complete renovation to each locker room, with the size of the men’s locker room being downsized significantly from what is currently provided. This vacated area could be renovated into additional classroom space off the work bay.

Currently, no accessible access or facilities are provided to the second-floor offices and classrooms. An elevator should be constructed to provide accessible access to the second floor. ADA-compliant facilities
should be provided for both men and women on the second floor. Along with these improvements, the
ceilings and lighting should be removed and replaced.

MECHANICAL

The work bay is currently served by four steam unit heaters and steam fin tube heaters under the front
windows. There is a steam ventilation make-up air unit located in the front-end wall. The office and
locker room addition has a 10-ton 3,500 cfm, indoor self-contained, cycle water cooled, steam heat unit
in a 2nd floor mechanical closet and a steam make-up air unit servicing the locker room also located in
the mechanical closet. The air conditioning unit serves offices and classrooms for both upper and lower
levels. There is also a steam cabinet heater in the front stairwell and a steam ceiling cabinet heater in the
locker room.

Exhaust ventilation is supplied by two high volume 54” slow rpm wall propeller fans, one on each end wall
and three rooftop propeller fans. The recessed office area is served by a 1998 Trane 4-ton rooftop air
conditioner. There is an exhaust rooftop utility set connected to indoor flex duct with a snorkel end used
for past machine tool exhaust. This utility set appears to have been added to a previous rooftop propeller
fan curb. There are five ceiling mounted propeller fans for moving air for comfort purposes. There are
two exhaust fans, one for toilet exhaust and one for locker room exhaust.

In June of 2012, the steam plant for the Tech Park went off-line. This change necessitated significant
modifications to the buildings mechanical systems.

ELECTRICAL

The existing lighting for the Annex is comprised of a few basic types of light sources such as high intensity
discharge (HID), linear fluorescent and incandescent lamps. The current lighting layout within the facility
appears adequate for basic tasks. A higher lighting level may be required in areas where more complex
tasks are performed. Modifications are dependent on the area being served.

The existing linear fluorescent fixtures located in the facility contain T12 lamps with magnetic ballasts and
should be replaced with either T8 or T5 energy efficient lamps with electronic ballasts. The latest
Department of Energy (DOE) Ballast Ruling states that ballast manufactures are no longer allowed to
produce 2-lamp F40T12 magnetic replacement ballasts, making future repairs very difficult.

The HID fixtures located in the work bay may be replaced, or supplemented, with linear fluorescent
fixtures in order to obtain the necessary lighting levels for a desired task. These fixtures are designed
specifically for high-to-medium bay applications and feature instant on, stepped dimming and hot re-
strike which typical HID fixtures do not offer. In 2012, the work bay area was fitted with a few suspended
linear fluorescent fixtures equipped with emergency battery ballasts to provide emergency egress lighting
in case of an electrical outage or manual shutdown.

The service machine room is furnished with industrial-style high wattage incandescent fixtures. Although
providing adequate lighting in the space, incandescent lamps waste energy and have the shortest life
expectancy of all the sources. It is recommended the incandescent fixtures be removed and replaced with
a more practical lamp source and fixture type such as an industrial high bay fluorescent.
During the 2012 renovation, additional egress lighting and safety markings were located throughout the facility to safely direct the occupants out of the building in case of an emergency. Exit signs with LED markings were located at each exit door and positioned in areas required to mark the path of egress.

The electrical service for the Annex consists of both medium and low voltage gear located in the service machine room rated at 2.4kV and 480V respectively. There are two service entrances at 2.4kV and two entrances at 480V providing a total of 4 service feeders. All four electric services generate from Substation 52, located on the west side of the Industrial Technology Center directly across from the parking lot.

The two 480V service conductors generated from Substation 52, switch ‘3B’ and ‘3C’, circuits ‘F1’ and ‘F2’ respectively are routed to a large junction box located in the service machine room. Service conductors from circuit ‘F2’ feed panel ‘DP-704-F2’ and circuit ‘F1’ feeds motor control center ‘MCC-704’. Circuit ‘F1’ originally fed the old boiler house which was demolished years ago.

Panel ‘DP-704-F2’ is the primary distribution panel that feeds the work bay. This panel provides 480V power to the north and south bus ducts located within the work bay area and is also responsible for powering the Construction and Welding Shops. This panel is rated 600A which is quite small for such a facility and will require a future upgrade once the load increases. There is ample capacity on both north and south bus ducts to provide future power needs for the new curriculum in the work bay area, limited only by the demand on panel ‘DP-704-F2’.

One of the 2.4kV medium voltage service conductors from Substation 52, switch 2, circuit ‘L-1’, feeds an existing Westinghouse panel responsible for powering lighting panels ‘LP-A’, ‘LP-B’, ‘LP-C’ and ‘LP-AA’ via 2400V primary to 240/120V secondary step down transformers. It appears the 2400V primary for feeding these panels via step down transformers is unnecessary and may be removed. The 240/120V lighting panels could be fed from a 480V primary source instead of 2400 medium voltage which would lessen any safety concerns. Further investigation needs to be performed to determine if the 2400V service feeder could be eliminated.

The second 2.4kV medium voltage service conductor from Substation 52, switch 3A is dedicated to motor controller ‘MC-2’ which feeds the 400hp air compressor and the 250hp cycle water pump utilized by the entire site. An additional 2.4kV redundant source generated from Substation 51, switch ‘5A’ is provided to an adjacent controller ‘MC-1’ for the purpose of enhanced reliability.

Since there are multiple electrical services within Annex, a written procedure should be implemented to ensure disconnection of all electrical power can be accomplished using safe switching procedures by qualified site personnel. In addition to written shutdown procedures, permanent plaques shall be installed at each service location to indicate where the other service disconnects are located. Although not required for large capacity multi-building industrial installations under single management, identification plaques ensure all personnel are properly informed of the service locations. If plaques are installed, they should be of sufficient durability to withstand the ambient environment.

The existing fire alarm control panel is located on the north wall of the computer classroom and is currently maintained by SimplexGrinnell of Charleston. The fire alarm control panel is a Simplex 4120 conventional panel manufactured in the mid to late 1990’s and is becoming obsolete. An inspection was conducted by SimplexGrinnell in May 2011 and indicated that the control panel, batteries, pull stations and tamper switches passed inspection, but some of the speakers failed to operate under alarm conditions.
During the 2012 renovation, the existing fire alarm system was modified and retested and currently meets local codes and complies with ADA regulations. Additional notification and detection devices were added to the fire alarm system and located throughout the facility to meet compliance.

At this time, the fire alarm control panel meets current codes, but the panel is still outdated and quickly becoming obsolete. It would be prudent to remove the existing control panel and replace with a modern addressable, networkable fire alarm controller during any future upgrades.
DAVIS HALL ASSESSMENT
Montgomery Campus

SUMMARY

- Davis Hall serves as an educational classroom building for BridgeValley Community and Technical College at the Montgomery Campus.
- 6-story, 77,215 SF Classroom Building Constructed in 1970
- Cost (Utilities): $10,313.17/month; $123,758.04/year
- Maintenance @ $1.00/SF = $77,215.00
- Total: $200,973.04
- Significant Renovation in 2012
- Recommendation: Continue to Occupy, Elevator Improvement Project
- Anticipated, Stair Rail Improvement is Ongoing

BACKGROUND

Davis Hall serves as an educational classroom building for BridgeValley Community and Technical College at the Montgomery campus. The 6-story building with full basement is a single-use educational building with classroom space, laboratories and administrative offices. The 77,215 SF educational building constructed in 1970 consists of dental hygiene clinic, dental hygiene classrooms and labs, engineering classrooms and labs,
medical assisting classrooms and labs, welding classrooms and labs, business classrooms, general education classrooms, biology and environmental science labs. The building is highlighted by a 2-story entrance lobby that is open to the second floor above comprised of office and conference space. A 210-seat auditorium is situated at the back of the lobby. The typical upper-level floor contains classrooms and labs double-loaded off the main corridor separated by non-rated glass (demountable) partitions. The main corridor leads to a core on the west end which houses offices, elevators, restrooms and exit stairs. The exterior skin consists of architectural precast concrete panels and a glass curtain wall system with metal panel spandrel between floors enclosing a steel-framed structure.

A significant renovation was completed in 2012 which consisted of major life safety and other architectural and engineering improvements. The most notable life safety issues were the replacement of the plastic wiring in the ceiling plenums, a new addressable fire alarm system, and ADA renovations to the entrances and restrooms. Architecturally, the most dramatic improvements are the replacement of the exterior windows, a new metal-clad entrance canopy, improvements to the classrooms and upgrades to the auditorium. Several improvements were made from an engineering perspective that will help the overall performance and efficiency of the building. The outdoor ventilation system, cooling tower and gas boilers were replaced, along with the building lighting and controls.

BUILDING ENTRANCE

The main access to the building entrance is by means of a sloped concrete ramp which spans a low area that provides light into the basement classrooms. From the sidewalk the grade starts sloping down almost immediately, and continues to the face of the building, (approximately 20 feet). This low-lying area extends along the entire length of the building and wraps around one corner. A future improvement is to alleviate this low area while providing a pedestrian plaza and accessible entrance path to the building.

BUILDING ENVELOPE

The building was designed in the international style popular at the time of its construction. The architectural precast panels on the exterior of the building have a pebble finish on the standard wall panels and a smooth finish on the vertical fins which seem to be in good condition. The precast panels require cleaning and replacement of the caulking in the exterior joints.
BUILDING ROOFS

The building has two different roof systems, a 2-ply modified bitumen roof on the auditorium and the main upper roof, and a ballasted single-ply system on the mechanical penthouse. The main upper roof surface was replaced a little over one year ago but has significant water ponding issues. The auditorium roof and the mechanical penthouse roof were not replaced. For the new roof surfaces, it is recommended that the installer be contacted for verification on the limits of the installation warranty and the roof be repaired. It is suggested that the other roofing be replaced.

ELECTRICAL

It is recommended that the switchgear be replaced with a main breaker-type switchboard with sufficient feeder capacity to allow for future demand. A new 208V distribution system with transformers is needed throughout the building. Replacement of the existing switchboard may require additional building space to allow for the relocation of the telephone and fiber-optic service points and provide sufficient clearance and exiting for the switchgear. The addition of a building security system with card access for the main entrance and handicap entrance as well as a closed-circuit TV system should be considered for the security of staff and students.

The existing pad-mounted service transformer feeds both Davis Hall and Westmoreland Hall. The future electrical needs of both buildings may require separating the feeders from the transformer and providing another pad mounted transformer adjacent to Westmoreland Hall.

MECHANICAL

The Welding Shop exhaust system should be upgraded to comply with OSHA’s standards. Also, ventilation should be installed in all building service rooms.

BUILDING NEEDS

The lobby stairs take a significant amount of floor space. These could be removed or reconfigured to provide additional usable space in the lobby.

The existing stairs have damaged / short railings. These should be repaired/replaced.
RECENT PROJECTS – (Funded by Bond Funds & WVCTCS)

- The exterior sidewalks at the rear of the building were heaved and uneven due to tree roots. The tree was removed, and concrete sidewalk was replaced.
- The exterior wall panel sealants were replaced.
- The building dock permitted storm water to enter the building. The area was redesigned to redirect storm water and repair some concrete work.
- Exterior building lighting was replaced and improved.
- An expanded parking area and campus alert system was installed.
GRID – FORMERLY ENGINEERING LAB BUILDING ASSESSMENT
Montgomery Campus

SUMMARY

▪ The GRID (formerly Engineering Lab) at WVU Tech was built in two phases.
▪ One and Two-Story Building, 80,656 SF, Constructed in 1940s/1984
▪ Cost (Utilities): $5,813.77/month; $69,765.24/year
▪ Maintenance @ $1.00/SF = $80,656.00
▪ Total: $150,421.24
▪ Recommendation: Demolition targeted in Fiscal Year 2024 unless some other non-college entity takes over operation of the building.
▪ Current Cost/Year: $150,421.24
▪ Mothball (Winterize):
  Sprinkler Must be Maintained or the System Fully Removed (Per State Fire Marshal)*
  Anticipated Energy Cost: $28,229.60/Year ($0.35/SF)
▪ One Boiler Has Failed, Estimated Repair Cost: $75,000.00
▪ Anticipated Demolition Cost: $350,000.00
▪ Other Options: Sell to State Agency, Sell to Public
▪ Appraised Cost: $220K

BACKGROUND

The GRID (formerly Engineering Lab) at WVU Tech was built in two phases. The date of construction of the first phase is unknown, but is assumed to be approximately 1940, and contains 49,984 SF (excluding a small basement mechanical space). This portion of the building is heated only, and (except for a few limited areas) is not air conditioned. The second portion of the building was constructed between 1982 and 1984 and was designed by local architect Clint Bryant. This addition contains 30,672 SF for a total
building area of 80,656 SF. The GRID currently consists of classrooms, maker space, community space, podcasting and emerging technology space, art space, flex space, IT Servers, chemistry lab and sociology classrooms.

EXTERIOR

The exterior veneer is in good condition, except for some wall joints sealants need to be replaced. The overall steel frame appears to be structurally sound and in good shape. Windows at the rear of the building should be eventually replaced with more energy efficient windows. Roofing is membrane type over flat structure and is 17 years old with several significant leaks.

INTERIOR

The interior finishes are dated and should be updated, only as renovations occur. According to current reports, the floor tiles contain asbestos and should be removed. There is a freight elevator, but no passenger elevator. Restrooms are in fair condition but not ADA accessible. There are several spaces that can be renovated for use.

PLUMBING

The plumbing system appears to be in working order. The water service entrance was installed without a backflow preventer. The plumbing fixtures are original and do not have any of the water saving features that are currently available.

MECHANICAL

The original heating system was fan coils heated with hot water. The cooling system was merely a ventilation system. The ventilation system was a series of exhaust fans and unit ventilators. In 1981 approximately 40 FT was added to the north side of the building. With the building addition a cooling system was incorporated within the addition only. The system utilized hot water coils for heating and direct expansion for cooling. Two areas on the first floor of the addition incorporated a variable volume temperature (VVT) system. The VVT system had a pneumatic control system which has been decommissioned. The space was heated with a hot water coil in the supply air duct and cooled with a DX coil within the roof top unit. The roof top unit is a constant volume machine and the dampers opened and closed based on temperature and a bypass damper bypassed air from the supply air duct to the return
air duct as dampers closed. At the present one thermostat replaced many pneumatic thermostats serving the VVT system once the parts required to fix the VVT boxes became unattainable.

In 1988 an upgrade to the existing printing technology required cooling to be added to the printing technology area. A packaged chiller was added to the roof and an air handler utilizing chilled water was installed on the first floor within the upgraded facility. The hot water was merely extended to the new air handlers.

Some of the roof top units appear to be original and working, but certainly have outlived their expected life. Several of the units have been upgraded and likely require another upgrade.

ELECTRICAL

The electrical system consists of a pad mounted transformer located behind the Engineering Lab Building that feeds a newer 4 section 2000A 120/208V 3ph Square D switchboard. This switchboard is physically connected and serves the original 800A building load that was relocated to a 5th section during a 1981 renovation. In this 5th section, there are three 200A circuit breakers that are in the off position that served equipment that has been removed. These can be used to fill any future capacity requirements. Other smaller panels are located throughout the building but not consolidated in typical electrical rooms. The main electrical gear and all other panels appear to be in good condition and can remain operational.

There appears to be some abandoned exposed NM (non-metallic) cable extending out of a junction box installed in some of the stairwells that may have served lighting fixtures that have been removed. This cabling is often referred to by a brand name “Romex”. NM Cable is allowed to be installed in building of this type but in a limited scope such as installed in conduit and junction boxes. It is recommended to at a minimum, remove exposed NM cable back to the junction box and if possible, remove in its entirety. This was the only location that NM cable was observed.

The emergency lighting for this building is handled by battery powered wall mounted lights and appears to have sufficient coverage. Most of the emergency lighting has been updated to newer LED type, which have a smaller footprint and have more compact replaceable batteries.

The lighting in the building is mostly recessed surface mounted and some surface T8 standard fluorescent lighting. This lighting is more efficient than older T12 fluorescent lighting but not as efficient as newer LED lighting. It is recommended to upgrade spaces to newer LED lighting as finishes are upgraded. There are a few places were screw in medium base fluorescent lamps are installed. It is recommended to change those to screw in LED type and add a label inside the fixture to limit the wattage used in that fixture so that incandescent or halogen lamps are not used in the future. No occupancy sensors were observed to be installed. The only places where it is recommended to add occupancy sensors would be in the computer labs. A sufficient quantity of dual technology sensors should be used to pick up minor motion that may be associated with occupant use of computers. It would be recommended to leave manual switching in more hazardous locations such as science labs and electrical rooms.

The fire alarm system is an older non-addressable Simplex system. The system is operational and has past the latest 2016 annual test. The system consists of ceiling mounted detection devices and wall mounted notification devices and pull stations. The building does have a sprinkler system. The building does have smoke detectors and appears to have full smoke detector coverage of the corridor as would be required.
in a new building. The fire alarm system should be upgraded to a newer addressable system when any major renovation takes place.

The main telecommunication backboard is located in the basement. There have been water leaks in the basement that have at a minimum damaged the backboard that the incoming cabling and distribution system is attached. It is recommended to change this backboard and further inspect any associated equipment once the leak is fixed to prevent further damage.

The main telecommunication room is on the first floor of the addition. It is a large room that has 5 data racks that sit on a metal raised floor system. There have been sections cut out of some of the 2x2 metal floor tiles that do not have bushings or similar protection installed. This has left sharp edges that need to be addressed. There is a burn mark on one portion of an opening that seems to indicate that there was a short in a wire at some point caused by the sharp edges. This room is equipped with a Fenwal brand halon fire extinguishing agent that did not pass the latest inspection on November 2015. Adjacent offices open to this large telecommunication space. The halon system is not sized to protect these offices and therefore to be effective, the clear glass doors on these office spaces must remain closed.

There is one data rack on the second floor in the computer lab that has access to the roof. Most of the data cable observed in the building was CAT 5E cabling that is not plenum rated. This cabling does enter a plenum space. It is recommended to change this cabling to plenum rated type to reduce the risk of toxic fumes spreading quickly through the HVAC system in the event of a fire. This building does utilize some wireless access points.

BUILDING NEEDS

Although several improvements have been made in recent years, if the building remains it would require a significant renovation. Noted deficiencies include:

**General**

- Patch and repair roof leaks
- A Passenger Elevator Needs to Be Added within the Building (i.e. the Building is Currently not Accessible)
- Masonry Cracking is Occurring in the Corridor of the Original Building – Requires Monitoring
- Storefront Systems Need Replaced
- Skylights Need Removed or Replaced (Water Damage)
- Improvements Need to be Made Where the Addition meets the Original Building – Leaking Occurring (Add Expansion Joint)
- Corridor Wall Penetrations Need Fire Caulked (per State Fire Marshal)

**Interior Finishes Need Upgraded**

- Remove all wood construction within the building.

**Electrical System**

- Remove any non-plenum rated and “Romex” cabling.
- Upgrade light fixtures.
- Replace fire alarm system.
- Replace water damaged telecommunications backboard.
- Plumbing System
  - Install a backflow preventer.
  - Install water saving flush valves and water saving lavatory faucets.

Mechanical System
- Remove the existing VVT dampers.
- Replace existing rooftop units.
- Replace HVAC controls.
- Provide cooling to the original building.
- Add heat to the mechanical area to prevent freezing of sprinkler lines.
SUMMARY

- Pathfinder Hall (formerly Engineering Classroom Building) at WVU Tech is 45,575 SF and was constructed in 1965.
- Cost (Utilities): $8,524.93/month; $102,299.16/year
  - $1.00/SF = $45,575.00 (Pathfinder and Workforce Share Electric Acc’t)
  - Total: $147,874.16 (Pathfinder and GRID Share Water/Sewer Acc’t)
- Contains a Large 300 seat Tiered Floor Auditorium (Total Utility Costs were Segregated/SF)
- Mezzanine Contains Administrative Space
- Pathfinder Hall is Connected to the E-Lab Building with an Enclosed Walkway
- Recommendation: Demolition targeted in Fiscal Year 2024 unless some other non-college entity takes over operation of the building.
- Current Cost/Year: $147,874.16
- Mothball (Winterize):
  - Sprinkler Must be Maintained or the System Fully Demolished (Per State Fire Marshal)*
  - Anticipated Energy Cost: $15,951.25/Year ($0.35/SF)
- Anticipated Demolition Cost: $525,000.00 (More Expensive Due to Height)
- Other Options: Sell to State Agency, Sell to Public
- Appraised Cost: $225K
BACKGROUND

Pathfinder Hall (formerly Engineering Classroom Building) at WVU Tech contains 45,575 SF and was constructed in 1965. The building contains a large 300 seat tiered floor auditorium on the first level, as well as a small retail space. A mezzanine contains administrative space. The upper levels contain office space with a rectangular corridor that is connected to a double loaded classroom wing. The building is a steel frame with a thin concrete panel veneer. Pathfinder Hall is connected to the E-Lab building with an enclosed walkway. The building also consists of student space, learning commons, Middle College classrooms and labs, bookstore and food service space.

EXTERIOR

The exterior panels are in fair condition, except the thin panels offer minimal insulation. The overall steel frame appears to be structurally sound and in good shape. Roofing is membrane type over flat structure and is 11 years old with significant leaks. Penthouse roof is over 30 years old and in need of replacement. The wall flashing has failed around the auditorium and needs to be replaced as water infiltration occurs often.

INTERIOR

The interior finishes are dated and should be updated as renovations occur. According to current reports, the floor tiles contain asbestos and should be removed. The passenger elevators are in very good condition and have recently updated controls. Restrooms are in fair condition but not all are ADA accessible. The steel frame does not appear to be fire-protected and most walls terminate just above the ceiling. Any significant renovations to the building will require these elements to be brought up to current code.

PLUMBING

The plumbing system appears to be in working order. The water supply is piped from the adjacent GRID (engineering lab) building. The water service entrance was not installed with a backflow preventer. The fixtures are original and do not have any of the water saving features as their modern counter parts. The domestic water heater has been replaced recently. The safety showers do not have tempering valves installed on them. The safety showers should be moved out of the stairwell and placed in a more readily accessible location.

MECHANICAL

The cooling for the building is accomplished with a chilled water system. The existing chiller is located within the penthouse and the cooling tower is located on the roof adjacent to the penthouse. The existing chiller has two compressors, one of which requires rebuilding. The heating for the building is electric resistance heat. The only natural gas piped within the building is for the generator located within the penthouse.
The large air handler within the penthouse is original. The original fabric filters have been replaced with filter racks to house pleated filters. The outside air dampers require an upgrade to place them back in working order. At the present it appears the outside air dampers are in the partial open position and do not respond to the original control system. The pneumatic controls should be upgraded to a more modern version. The inside of the air handler should be cleaned, and insulation applied to the exterior of the cabinet, or the air handler should be replaced.

Each floor of the engineering classroom building, except for the mezzanine, is heated and cooled by unit ventilators located above the ceiling. The outside air is treated by a large air handler located within the penthouse. The mezzanine unit ventilators are installed on the floor within each space. The outside air for the mezzanine is introduced through the unit ventilators located on the floor within each space.

A renovation starting on the sixth floor and finishing with part of the fifth floor replaced the original unit ventilators. The controls were upgraded from pneumatic to a web-based system only for the new unit ventilators. The remainder (of the original unit ventilators) is still controlled by the original pneumatic control system. Some of the new unit ventilators were installed and grilles exchanged utilizing the plenum space above the ceiling for return air. The same plenum is used for cables which are not plenum rated. The return air grilles should be ducted to the new unit ventilators to remedy the situation.

ELECTRICAL

The electrical system consists of a pad mounted transformer located behind the Engineering Lab building that feeds the original 3000A 120A/208V Switchboard located on the first floor. This switchboard feeds a 1200A 120/208V 3ph Square D panel located in the penthouse level above the 6th floor and smaller recessed panels in mainly in the corridors on each floor. The panels are fed from a 3000 amp vertical duct bus that extends the entire height of the building. The main electrical gear appears to be in good condition. There has been a water leak at some point that has run through the 6th floor recessed electrical panels. It is recommended to replace the three electrical panels that have been exposed to this water leak. All other equipment is in good condition and can remain in operation unless a repair is encountered that parts are not attainable for. Most of the panels in the building appear to be the original panels from 1965.

The building has a newer Generac 120/208V 3ph natural gas generator that has an output breaker rated at 175 amps. This output breaker would correspond to approximately 50KW. The installation makes it difficult to navigate around the generator itself for service although it is in the same location as the original generator. This generator serves an emergency panel that mainly handles that the emergency lighting loads throughout the building. The generator is not connected and does not have the capacity for the 2 newer 30 HP elevators in the building.

The lighting in the building is mostly surface mounted and some recessed T8 standard fluorescent lighting. This lighting is more efficient than older T12 fluorescent lighting but not as efficient as newer LED lighting. It is recommended to upgrade spaces to newer LED lighting as finishes are upgraded. Most of the exit signs are LED type but a few are the older incandescent type. It is recommended to change the older incandescent type exit signs to new LED type for energy savings and more even illuminate of the lettering. There are some areas that may need lighting levels increases. It is recommended to take steps to increase the lighting levels in the labs on the 6th floor. An immediate solution would be to change to higher lumen fluorescent or LED lamps that are compatible with fluorescent ballast. Fluorescent lamps with the same wattage can have light output that varies as much as 50%. Also, the ends of some of the corridors have a
long distance from the last recessed light fixture, and it is recommended to add a fixture. Some of the
spaces have occupancy sensors installed. It is recommended to continue adding occupancy sensors in
most spaces. It would be recommended to leave manual switching in more hazardous locations such as
science labs and electrical rooms.

The fire alarm system is a newer Siemens system that was installed around 2005. The system consists of
ceiling mounted detection devices and wall mounted notification devices and pull stations. This system
is not in need of any updates. The building does have a sprinkler system. The building does have some
smoke detector coverage but does not have full coverage of the corridor as would be required in a new
building. Additional smoke detectors would be recommended to be added in the corridor as renovations
of that space take place.

The main telecommunication room/office is on the 2nd floor. This room does not have its own cooling
system that is typical of newer telecommunications room. There is one data rack in this area that utilizes
CAT 5E cabling that is not plenum rated. This cabling does enter a plenum space. It is recommended to
change this cabling to plenum rated type to reduce the risk of toxic fumes spreading quickly through the
HVAC system in the event of a fire. Recessed telecommunication enclosures can be found on each floor
for distribution along with a telecommunication backboard in the penthouse. There are wireless access
points in select areas of the building such as the auditorium.

BUILDING NEEDS

Although several improvements have been made in recent years, if the building remains occupied a
significant renovation is required. Noted deficiencies include:

General
- Interior Finishes Need Upgraded
- Structural fire protection and smoke tight construction must be added throughout the building.
- Exterior envelope needs improvements and wall insulation should be increased.
- Convert the auditorium into a performance theater for technical education.

Electrical System
- Replace three (3) damaged electrical panels.
- Replace the generator with one capable of serving the elevators.
- Upgrade lighting (interior & exterior.)
- Add smoke detectors.
- Remove any non-plenum rated cabling.

Plumbing System
- Install a backflow preventer.
- Install water saving flush valves and water saving lavatory faucets.
- Relocate the safety showers.

Mechanical System
- The existing air handler should be cleaned, and insulation repaired on the exterior of the unit, and
  when possible, the unit should be replaced.
- The pneumatic control system should be replaced with a direct digital control (DDC) system. The control system should establish all the control points and send them to a front-end system that resides within the building.
- The control dampers controlling the outside air should be replaced, such that they can be opened during occupied conditions and closed during unoccupied conditions.
- A Demand Control Ventilation sequence should be incorporated to conserve energy.
- The chiller located within the penthouse should be replaced.
- Continue replacing the existing fan coil units and updating the control system.
- Ensure the return air system does not include the plenum space above the ceiling.
WESTMORELAND HALL ASSESSMENT
Montgomery Campus

SUMMARY
- 2-story, 10,800 SF Metal Building Constructed in 1978
- Cost (Utilities): $886.65/month; $10,639.80/Year
- Maintenance @ $1.00/SF = $10,800.00, Total: $21,439.80
- Poor Condition, Not Accessible
- Multiple Renovations Have Been Planned – Not Financially Viable
- Recommendation: Demolition
- Recommendation: Demolition in Fiscal Year 2023
- Current Cost/Year: $21,439.80
- Anticipated Demolition Cost: $64,000.00
- Create Campus Green Space in this Location

BACKGROUND
In 1978, West Virginia University Institute of Technology (WVU Tech) built Westmoreland Hall at the west end of their campus as a flex space classroom building. The upper level of the rectangular, 2-story, 10,800 SF metal building opens to Fayette Pike on the south side while the lower level opens to First Avenue on the north. Upon separation of WVU Tech and the community college in 2008, Westmoreland Hall was transferred to the community college. A small renovation was undertaken in 2009 which converted a former childcare center on the second floor into classrooms and offices.

EXTERIOR
Westmoreland Hall is a 37-year-old metal building and is in poor condition for continued occupancy. The overall steel frame appears to be structurally sound and the original exterior metal panels are in good
shape except for some rusting along the base and around wall panel penetrations, which is typical for this type of building. The low-sloped metal roof which is also original to the building does not leak but has major issues with the perimeter drainage control. The metal gutters are rusted through in several locations with missing and damaged metal downspouts adding to the problem. The downspouts seem to have originally been connected to an underground drainage system, but the boots are now clogged up with mud and other debris. Water now pours out directly on grade in several locations around the building perimeter.

INTERIOR

Westmoreland Hall has a simple circulation corridor down the middle with educational and office space double-loaded on both the upper and lower levels. Circulation between the upper and lower levels on the interior of the building is accomplished only by going outside and coming back in. From the upper level entrance, the corridor leads back to a straight run stair that leads directly to the exterior on the lower level. Most of the upper level is occupied by faculty office space, classrooms, a kitchen / break room along with men’s and women’s restrooms. Upon entering the lower level, a large work bay with an overhead crane occupies much of the right side of the building with 3 classrooms on the left. At the end of the hall on the right lies a computer lab with an adjacent small office. A small mechanical room and restrooms lie off an exit corridor that veers to the left. After exiting the building, a concrete stair leads back up to Fayette Pike.

PLUMBING

The existing facility is fully sprinkled but domestic water service does not have a backflow preventer. The existing toilets on both floors do not meet ADA requirements.

MECHANICAL

The existing labs and offices on the lower level are being served by a combination of small wall-mounted window air conditioners, gas fired make-up units, and a packaged terminal air conditioning with electric heat in one office. This unit ejects its heat directly into the corridor which makes the corridor hot. The Work Bay area is heated by three gas-fired unit heaters; there is no air conditioning or ventilation for this area. Considerations should be given on conditioning this space.

The existing offices on the upper level are being served by Packaged Terminal Air Conditioners. The original units are Trane (PTAC) units which are approximately 5 years old; some of these units have been
replaced by Amana package terminal Air Conditioner and Heat Pumps. Consideration should be given on current ventilation requirements of classrooms.

ELECTRICAL

The 600 Amp 480/277 volt electrical service is in good condition and sufficient for the building’s current and future use. The service is fed underground from the existing Davis Hall pad-mounted transformer and may need to have a new transformer installed if further up-grades are performed on the Davis Hall electrical distribution system.

The existing surface-mounted wraparound lens fluorescent fixtures have been upgraded to new ballasts and T8 fluorescent lamps. All rooms have had occupancy sensors installed to control the lighting. There are a few broken and missing fixture lenses. However, replacements are currently available for repairs.

The large work bay does not have proper exiting or exit signage. The large work bay lighting is insufficient and should be replaced along with the addition of suitable emergency egress lighting and exit signage.

All interior rooms and corridors have sufficient exit signs and emergency lighting using wall-mounted emergency battery units. These units are of various manufacturers and types and will require monitoring as well as replacement of the lamps and batteries over the future life of the facility. The first floor East/West corridor requires the installation of an emergency battery unit for emergency egress lighting. The exterior paths of egress require outside emergency egress lighting.

Convenience receptacles at sinks and lavatories need to be changed to GFCI protected receptacles. Some of the offices are using several power tap extension cords and require additional convenience receptacles.

The building has wireless internet access throughout and several of the workstations are hardwired. The data distribution rack is located in a storage room off the large work bay and should be secured in a closet to protect it from damage or tampering.

The fire alarm system is a Notifier 4 zone system with pull station, smoke detection and horn strobes throughout the building. The fire alarm system monitors the new fire protection sprinkler system.

With some minor maintenance and improvements, the electrical systems will be sufficient to continue use of the building for the next few years.

BUILDING NEEDS

Although some improvements have been made in recent years, if the building remain occupied a significant renovation is required. Noted deficiencies include:

- Repair / redirect water infiltration into the building.
- Convert multiple restrooms into a single-family restroom.
PRINTING INNOVATION CENTER ASSESSMENT
Montgomery Campus

SUMMARY

- In 2003, the Upper Kanawha Valley Economic Development Corporation built the Technology Community on the site of the old G.C. Murphy department store on Third Avenue in downtown Montgomery.
- 3-story, 35,600 SF Building with a Partial Basement, 10,534 SF Occupied by BridgeValley
- Cost (Utilities): $1,500.00/month; $18,000.00/year
- Intended as Business Incubator that did not Materialize
- 2007 Renovation for Printing Department, other Uses
- Rent was Front-Loaded, Currently $1 per Year Until 2030
- Recommendation: Immediately Vacate the Building

BACKGROUND

In 2003, the Upper Kanawha Valley Economic Development Corporation built the Technology Community Building on the site of the old G.C. Murphy department store on Third Avenue in downtown Montgomery. The 3-story, 35,600 SF building with a partial basement was originally built as a business incubator space that never materialized. In 2005, the Printing Department of BridgeValley Community and Technical College (Bridgemont) agreed to occupy a portion of the building in lieu of renovating Conley Hall on the WVU Tech campus. With matching grant money and donations from several industry leaders, in 2007, BridgeValley renovated the basement into training and research labs and the first floor into specialty areas which include a distance-learning auditorium, a multimedia executive conference suite and multiple state-of-the-art simulation and computer laboratories. The highlight of the first floor is the Publishing Hall of Fame which serves as a focal point for corporate leaders who have made significant contributions to the printing industry. The Division of Workforce Development previously leased five offices on the third floor of this building.
EXTERIOR / INTERIOR

Being a newly constructed building, the overall condition of the exterior and the interior of the building is very good. The 3-story front façade has a 1-story brick base that blends in with adjacent downtown buildings at the street level. The two stories above the base are constructed of an exterior insulation and finish system that resembles stucco with regularly spaced double-hung aluminum clad wood windows. Above the main entrance is a group of inset windows capped with an arched stucco accent. The shape of the building is relatively square providing a simple core layout on the interior which contains the elevator, exit stair, mechanical space and accessible restrooms on all floors but the basement. All meeting rooms, classrooms and offices are arranged along the exterior perimeter with building corridors surrounding the centralized core. An additional exit stair is located on the northwest corner to provide a second means of egress from all floors.

MECHANICAL

The existing basement is heated and air conditioned by three Trane/American Standard electric furnaces and roof-mounted condensing units. The basement level has a ducted return system with PVC piping. The other floors are handled by six Trane gas fire air conditioning units on the roof without a ducted return. All units appear to be in very good condition on running. The facility is fully sprinkled but the domestic water service does not have a backflow preventer. Overall, the facility is in very good condition.

ELECTRICAL

The building electrical systems were completely upgraded in 2003 and are in very good condition. The main distribution switchboard is a Square-D 1600 amp 120/208volt 3phase 4 wire with new branch circuit panelboards throughout the building.

The recessed T8 fluorescent direct/indirect light fixtures, exit signage and emergency lighting are in very good condition. The lighting is controlled by local switching and should have the switching changed to occupancy sensors to turn off lights
when the rooms are unoccupied. The emergency lighting is provided by fixture mounted emergency battery/ballast units with integral test switches.

Building security is monitored via a door security system and a CCTV system on all BridgeValley floors. The fire alarm system is a Simplex 4010 addressable system complete with detection, audio/visual notification and manual pull stations and is in working order.

A roof mounted 7KW 30 A 120/240v single phase natural gas generator supplies emergency power for the building sump pump, fire alarm, telephone system and basement lights. The weekly generator exercise program has been disabled and should be reprogrammed to provide weekly testing.

The building electrical systems are in very good condition and should provide good service for many more years.
SUMMARY

- Workforce/Maintenance Building is 16,139 SF and was constructed in 1978.
- Cost (Utilities): $3,387.51/month; $40,650.12/year
- Maintenance @ $1.00/SF = $16,139.00
- Total: $56,789.12
- Load Bearing Masonry Building with Brick Veneer
- Roof has Recently Been Replaces
- 3 Areas: Garage, Administrative, and Storage
- Significant Accessibility Issues
- Recommendation: Renovate and Move Lineman Program Back Into Building, Potentially Move Diesel Program
- Appraised Cost: $350K

BACKGROUND

The Maintenance Building contains 16,139 SF and was constructed in 1978. It is a load bearing masonry building with a brick veneer. The roof has exceeded its life expectancy and needs replacement. The building has three separate areas associated with its use. It is comprised of a garage portion for maintenance and storage, a storage section and an office/admin section. The building mainly needs cleaned on the interior and exterior and is suitable for multiple uses. The second level is only accessible from a rear entrance and the interior stairs are very narrow.
PLUMBING

The plumbing system appears to be in working order. The water service entrance was installed with a backflow preventer. The fixtures are original and do not have any of the water saving features. The safety showers do not have tempering valves installed on them. The domestic water heater appears to have been replaced recently.

MECHANICAL

The garage section is heated with hot water unit heaters and ventilated through exhaust fans and associate intake ventilators. The storage section is heated with hot water unit heaters and ventilated with exhaust fans and intake ventilators. The office/admin section has a single zone air handler to condition the space. The air handler that serves the office/admin space utilizes hot water for heating and refrigerant for cooling.

ELECTRICAL

The electrical system consists of a pad mounted transformer located behind the Engineering Lab building that feeds the original 600A 120/208V 3ph General Electric Switchboard located in the first-floor mechanical room. This switchboard feeds the panels throughout the building and duct-bus located in shop area. There is not another typical electrical room. The main electrical gear appears to be in good condition but has a serious issue regarding clearance. There is almost half the required clearance of 36” in from of the switchboard for someone to safely test and work on the equipment. A larger person may even have difficulty getting in between the piping and the switchboard in order to turn off a breaker in the event of an emergency. It is recommended to looking into various options in order to add clearance in from of the main electrical gear. This may include reconfiguring or relocating piping and/or pumps or relocating the main service. A newer slimmer panel may also be able to replace the existing switchboard because of advancement in technologies. The existing switchboard is approximately 24” deep and a newer main distribution panel can be a small as 9.5” deep. Most of the other equipment is in good condition and can remain in operation. The only panel showing signs of extra wear and corrosion is Panel A in the drive-in garage area.

The emergency lighting for this building is handled by battery powered wall mounted lights. There is an older wall pack with a large battery that supplies emergency lighting to several remote heads. There were also newer LED type wall packs and combination exit sign with emergency light head observed.

The lighting in the building is a combination of surface mounted and recessed T8 standard fluorescent lighting. This lighting is more efficient than older T12 fluorescent lighting but not as efficient as newer LED lighting. It is recommended to upgrade spaces to newer LED lighting as finishes are upgraded. All the exit signs appear to be changed out to LED type. The two areas that seem to need lighting improvement were the showers and the main electrical/mechanical room. A new wet location light with higher lumen output is needed in the shower. In the mechanical/electrical room, part of the reason for the need for improved lighting is that the lighting has a housing that shields most of the up-light. The other reason is that there are simply so many obstructions causing shadows from the point source lighting provided by the screw in type bulb in the fixtures. ZMM recommends changing the lighting to something with a small
footprint, but a spread-out distribution such as a 2’ long strip that allows some up-light to more evenly light the space around obstructions.

There are two areas were a water leak has caused water to build up in the lighting fixture. This was noticed in the locker room and the conference room. Some fixtures are missing their lenses, including several “vaportite” fluorescent fixtures on the lower level in the garage and a recessed troffer upstairs in one office. The building appears to have occupancy sensors in all the correct spaces to reach a compromise between energy savings and safety.

The fire alarm system is an older non-addressable Simplex system that is the original fire alarm system. The system has been expanded to add spoke detectors throughout most of the corridors. The system consists of ceiling mounted detection devices and wall mounted notification devices and pull stations. The building does have a sprinkler system.

The telephone service entrance is in the main electrical/mechanical room and does not have enough clearance in front of it. There is a horizontal tank medium size air compressor and associated electrical wiring restricting access to the telephone wiring. Someone would have to reach over the air compressor to work on the telephone system. It is recommended that the air compressor or telephone distribution system be relocated into another area.

The main data room is located upstairs in a room above the electrical/mechanical room. The data cabling utilizes CAT 5E cabling that is not plenum rated. This cabling does enter a plenum space. It is recommended to change this cabling to plenum rated type to reduce the risk of toxic fumes spreading quickly through the HVAC system in the event of a fire. There are wireless access points located in select areas of the building.

BUILDING NEEDS

Although some improvements have been made in recent years, the building requires significant improvements. Noted deficiencies include:

- The building is not accessible, and the stairs are inadequate. A new main entry addition with a new stairwell and elevator is required.
- Renovate restrooms to make accessible.
- Install water saving flush valves and water saving lavatory faucets.
- The heating boilers appear to be original and should be replaced and relocated; due to the confined space they were originally installed. Should the building use change the existing capacity should be reconsidered.
- Add cooling to the first floor if the building use is changed.
- Install HVAC controls.
- Resolve clearance issue in front of main electrical service.
- Repair water damaged light fixtures.
- Remove any non-plenum rated cable.
RATLIFF HALL ASSESSMENT
Montgomery Campus

SUMMARY

▪ Three-Story, 51,969 SF Residence Hall
▪ Cost (Utilities): $2,248.68/month (no power bill); $26,984.16/year
▪ Maintenance @ $1.00/SF = $51,969.00
▪ Total: $78,953.16
▪ Current Cost/Year: $78,953.16
▪ Mothball (Winterize): Sprinkler Must be Maintained or the System Fully Demolished (Per State Fire Marshal)*
▪ Anticipated Energy Cost: $18,189.15/Year ($0.35/SF)
▪ Anticipated Demolition Cost: $380,000.00
▪ Other Options: Sell to State Agency, Sell to Public
▪ Appraised Cost: $170K
▪ Recommendation: Demolition targeted in Fiscal Year 2025 unless some other non-college entity takes over operation of the building.

BACKGROUND

Ratliff Hall located at the corner of 2nd Avenue and Ferry Street in Montgomery, Fayette County, West Virginia 25136. It is owned by BridgeValley Community & Technical College and located in the Montgomery Corporation Tax District on Map 3B as Parcels 8, 10, 11, 12 and 13. The building is a dormitory consisting of 51,970 square feet and situated on a 38,000 square foot site.

A detailed assessment of Ratliff Hall was not undertaken. BridgeValley does not have a programmatic use for the facility. It will be either sold or demolished.
DIESEL (BROWN CHEVROLET) ASSESSMENT
Montgomery Campus

SUMMARY
- Leased Facility Houses Diesel Program
- Leased Through 2029
- Intent to Transition to Electric Engine Focus
- Cost: $4,000/month; $48,000/year
- Utilities: $932.35/month; $11,188.14/year
- Total: $59,188.14
- Recommendation: Relocate to Workforce Building Once Improvements Have Been Made

BACKGROUND
A detailed assessment of Diesel (Brown Chevrolet) was not undertaken. BridgeValley intends to vacate the building once adequate improvements are made to Workforce to accommodate the diesel program. The facility is leased, and the funding for any proposed improvements should be moved to the Workforce Building.
WATERSHED BUILDING ASSESSMENT
Montgomery Campus

SUMMARY
- Lineman Program relocated to this location due to an issue with a neighbor in Montgomery.
- Total Cost: $1/year
- Entire Building and Site Are Located in the 100-Year Flood Plain
- Recommendation: Vacate Facility, Relocate Program to Workforce Building

BACKGROUND
A detailed assessment of the Watershed Building was not undertaken. The facility is leased, and BridgeValley intends to vacate the building due to unsafe conditions and the location of the building and equipment in the 100-year flood plain.
PRIVATE RESIDENCE ASSESSMENT
Montgomery Campus

SUMMARY
- No longer utilized.
- Cost (Utilities): $249.38/month; $2,992.61/year
- Total: $2,992.61
- The roof was recently inadvertently replaced by an outside vendor.
- Recommendation: Board voted to sell as soon as WVU resolves ownership issues.

BACKGROUND
A detailed assessment of the Private Residence was not undertaken. The BridgeValley Board of Governors has already voted to sell the house.
ENROLLMENT and DEMOGRAPHIC ASSESSMENT

BACKGROUND

Enrollment has been tracked since BridgeValley was established in 2014. To provide additional clarity the enrollment has been tracked by campus. As with other community and technical colleges across the state, enrollment (both as headcount and fulltime equivalent) has dropped from 2014-2022:

Please note that the highlighted cells indicate the maximum enrollment at each campus as both headcount (HC) and fulltime equivalent (FTE).

Through legislation, BridgeValley’ s primary service region includes the counties of Fayette, Kanawha, Putnam, Clay, Raleigh, and Nicholas. Overlapping district consortia boundaries extend BridgeValley into the Greenbrier, Mercer, Monroe, and Pocahontas (with New River CTC) counties. Because of unique programming, however, recent reports show that BridgeValley is serving students from 45 of the 55 counties in West Virginia.

BridgeValley draws most of its traditional students from the following high schools:

- Riverside High School
- South Charleston High School
- Valley High School
- Saint Albans High School
- Capital High School
- Nitro High School
- Herbert Hoover High School
- Sissonville High School
- Poca High School
- Clay County High School
- George Washington High School
- Winfield High School

Enrollment Goals

The 2020 BridgeValley Community and Technical College Strategic Plan anticipates a 2% annual increase and headcount, and a 1% annual increase in FTE over the next 3 – 5 years. For years 2026 through 2030, the College projects a 1% annual increase and headcount, and a 0.5% annual increase in FTE.

Additional Growth Areas

On-line and off-site programming at additional approved locations, will continue to be growth areas for the college, creating the need for state-of-the-art distance learning facilities and support services.

Impact on Facilities

The current campus development plan does not anticipate significant growth. Several facilities will be eliminated from BridgeValley’s portfolio to more adequately reflect the student population and facility needs.
DEFERRED MAINTENANCE PROJECTS

Below is a comprehensive list of deferred maintenance projects at BridgeValley Community and Technical College for each campus by building or facility. The cost estimate supplied for each building includes overhead and profit for the general contractor plus a small contingency. Please note that deferred maintenance is not included for buildings that will be removed from BridgeValley’s inventory.

Montgomery Campus

Davis Hall $750,000
- Replace Penthouse Roof System
- Remove Remaining Hazardous Materials
- Renovate Offices and Interior Painting
- Paint Stairways and Back Entrances
- Repair Existing Stair Railings
- Improve Elevators

Workforce/Maintenance $850,000
- Replace and Relocate the Heating Boilers
- Add Cooling to the First Floor
- Install HVAC Controls
- Resolve Clearance Issue in Front of Main Electrical Service
- Repair Water Damaged Light Fixtures
- Remove Any Non-Plenum Rated Cable

South Charleston Campus

Building 2000 $350,000
- Interior Improvements (Carpet and Paint)

Building 704 $750,000
- Provide New Elevator and Accessible Toilets
EXISTING BUILDING NEEDS

Below is a list of existing buildings and facilities at BridgeValley Community and Technical College in need of renovations, additions, demolition, or any combination thereof.

South Charleston Campus

- Building 2000: Maintain, Nursing Program Expansion (+/- 8,000 SF)
- Building 704: Maintain, Accessibility Improvements
- Applied Technology Center (Toyota Hall): Maintain

Montgomery Campus

- Davis Hall: Maintain, Improve Elevators, Regular Maintenance
- Workforce/Maintenance: Renovation and Addition (New Stairway and Elevator)
- Westmoreland Hall: Demolition
- GRID (Engineering Lab Building): Demolition
- Pathfinder (Engineering Classroom): Demolition
- Ratliff Hall: Sale/Demolition
- Diesel (Brown Chevrolet): Terminate Lease
- Printing Innovation Center: Terminate Lease
- House: Sell
- Morris Creek Watershed Building: Terminate Lease
MAJOR SITE IMPROVEMENTS

PARKING

Most of the required parking for the Montgomery Campus is currently absorbed in the surrounding city infrastructure of public parking. This strategy is appropriate in an urban setting and is critical to the success of the master plan. On-site parking is provided for some faculty and staff and all accessible parking requirements, with the construction of a new lot located in the southern portion of the campus. The existing parking lot on the corner of South Madison Street and 2nd Avenue was recently paved with asphalt and site lighting and security phones were added to this lot. Once Westmoreland Hall is Demolished, a small campus greenspace will be created.

Parking for Building 2000 and the remainder of the South Charleston Campus is adequate. No major site improvements are anticipated at this time.
INFRASTRUCTURE IMPROVEMENTS

MONTGOMERY CAMPUS

The City of Montgomery is responsible for sanitary and storm service. The City is in the process of separating storm and sanitary sewers. In the area of the BridgeValley Campus there are both sanitary and storm sewers available. Storm Sewer is currently available on Madison Street and Second Avenue. The line on Second Avenue belongs to the Department of Highways (DOH). The DOH does not allow hard line connections to their storm systems.

Southern Public Gas provides gas service to the City of Montgomery. Gas service was visible from First Avenue. The existing gas service lines in the area were not located.

Appalachian Power Company provides three-phase power that is available from Fayette Pike and Monroe Street. Communications are also available from this pole line. Overhead power and communication lines are also located along First Avenue. The lines along First Avenue are fed by the overhead lines along Monroe Street and terminate at the intersection of First Avenue and Madison Street.

West Virginia American Water is the water provider for the City of Montgomery. The water service appears to be adequate for the future development of the BridgeValley Campus. Three fire hydrants are located at street corners adjacent to the campus limits. Typically, if fire flow is available to existing buildings and fire hydrants the water pressure and flow will be adequate to serve new development.

SOUTH CHARLESTON CAMPUS

The City of South Charleston provides sanitary service to the site. Sanitary Sewer Service is available along Science Park Drive. There is a 6” line dedicated to sanitary sewer.

Storm drainage is available along Science Park Drive and in the proposed parking area through existing combined sewer lines. The 12” line on Science Park Drive and the 10” line in the proposed parking area should be adequate for site storm drainage. The City of South Charleston may require on site stormwater detention to meter the flow to their system at the pre-construction run-off rate.

West Virginia American Water supplies water to the South Charleston campus. Along the driveway south of the building site there is an 8” water line. The water line is tied into an existing booster pump station. Flow data was not available at the time of this report; however, fire hydrants are provided around the site indicating adequate pressure and flow to serve the site.

Natural gas is existing on the site through an aboveground network located on the pipe rack south of the site. A 6” tap is available to the site. Presently Cabot Oil and Gas provides gas service to the entire facility. (Mountaineer Gas has provided a proposal to take over the service.)

Power and communications are available to the site and are adequate to provide service. will remain in the same location of the existing at the corner of Lee and Dickinson Streets.
PROPERTY ACQUISITION BOUNDARIES

BridgeValley’s campus development plan does not require any property acquisition; however, it is in the best interest of the school to acquire any residential property in the block that Davis Hall is located. Over time these structures can be acquired and demolished.
NEW FACILITIES and BUILDING SITES

No new facilities or building sites are identified as part of this Campus Development Plan.

LIST of CAPITAL PROJECTS

BridgeValley has identified the following list of capital improvements necessary to enable continued growth and success of the college. These projects represent the immediate, near term (5 years) and long term (10 years) needs and are listed in order of priority. Please refer to Section 10 for timing estimates and projected costs associated with individual projects.

1. Building 2000
   South Charleston Campus
   Nursing Program Expansion (Ongoing)

2. Davis Hall Improvements
   Montgomery Campus
   ▪ Replace Existing Electrical Switchgear
   ▪ Replace Existing Pad-Mounted Transformer
   ▪ Upgrade Electrical Distribution System
   ▪ Upgrade Elevator Lobbies, Cabs and Controls
   ▪ Replace Penthouse Metal Wall Panels
   ▪ Construct Exterior Entrance (Remove Moat)

3. Workforce CCE Building Improvements
   Montgomery Campus
   ▪ Add an Elevator and Stairway
   ▪ Create Accessible Restrooms
   ▪ Install HVAC Equipment for Cooling on 1st Floor
   ▪ Install HVAC Controls
**TIMING, PHASING and PROJECTED COSTS**

For the Master Plan to be appropriately implemented and funded over time, timing estimates with associated costs were identified. These estimates provide a sequence of construction, allowing capital projects to be built to accommodate the ongoing needs of BridgeValley Community and Technical College. The planned projects have been identified starting with immediate needs and include proposed construction through 2031. The estimated scheduling for capital projects assumes that funding strategies will begin in 2022. The estimated scheduling also assumes that the Master Plan will be implemented in multiple steps to allow for ongoing operations and reduced interruption activities on the Charleston, Montgomery and South Charleston campuses. The project sequencing reflects the findings of the enrollment and space projections. Identified below are the list of capital projects in order of priority and their associated order of magnitude costs.

<table>
<thead>
<tr>
<th>Estimated Schedule</th>
<th>Cost Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Phase 1: 2022-2022</strong></td>
<td></td>
</tr>
<tr>
<td>1. Building 2000 Nursing Program Expansion</td>
<td>$2,250,000</td>
</tr>
<tr>
<td>2. Demolition of Westmoreland Hall</td>
<td>$64,000</td>
</tr>
<tr>
<td>3. Create Campus Green Space</td>
<td>$350,000</td>
</tr>
<tr>
<td>4. Demolition of GRID (Engineering Lab Building)</td>
<td>$350,000</td>
</tr>
<tr>
<td>5. Demolition of Pathfinder (Engineering Classroom Building)</td>
<td>$525,000</td>
</tr>
<tr>
<td>6. Davis Hall Stair Improvements</td>
<td>$750,000</td>
</tr>
<tr>
<td>7. Davis Hall - Elevator Modernization, including fixtures, door equipment, pumps, Snap-Cabs, LED lighting, bio-degradable oils (both cars)</td>
<td>$425,000</td>
</tr>
<tr>
<td>8. Building 2000 – Interior Improvements (Paint and Carpet)</td>
<td>$350,000</td>
</tr>
<tr>
<td>9. Building 704 - Provide New Elevator and Accessible Toilets</td>
<td>$750,000</td>
</tr>
<tr>
<td><strong>Phase 2: 2025-2028</strong></td>
<td></td>
</tr>
<tr>
<td>10. Workforce Building – Renovation and Stair/Elevator Addition</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>11. Demolition of Ratliff Hall</td>
<td>$380,000</td>
</tr>
<tr>
<td><strong>Phase 3: 2028-2031</strong></td>
<td></td>
</tr>
<tr>
<td>12. Davis Hall – Deferred Maintenance and Infrastructure Needs Exterior Siding Sealants, Sumps, Drains, Auxiliary Pumps, Moat</td>
<td>$1,500,000</td>
</tr>
</tbody>
</table>
CAMPUS INTERACTION and SUPPORT

The physical location of the Montgomery and South Charleston campuses provide accessibility to BridgeValley’s programs for most residents of the district consortia boundaries described in Section 2.

The Montgomery and South Charleston campuses complement each other using shared faculty, staff, and distance-learning/technology capabilities. Most faculty in the technical fields alternate teaching at both locations based on course schedules, demand, and course delivery methods. Student support staff travel or use technology between campuses so that services available at all campus locations. Use of WebEx, videoconferencing, on-line courses, an on-line library, and other information technology tools provide efficiencies and coordination for courses, services, and meetings.

Facilities at all locations, when built or renovated, will incorporate the signature BridgeValley reds and greens in some aspect of the design or renovation in addition to use of the BridgeValley logo and branding. Signage, consistent at all campus locations and leased facilities, will present a uniform appearance as presented in the campus signage plan.
IMPACT on LOCAL COMMUNITY

Approval of BridgeValley inaugural Campus Development plan will further promote BridgeValley’s goal to provide access to quality education and is in alignment with the College’s core values to fulfill their mission:

“We strive to be a positive and transformative force in the places we call home by providing resources and programs that enable our neighbors to rejuvenate and reimagine our neighborhoods, interact with and understand our natural and built environments, and participate in and develop our local economy. Championing the arts, cultivating an entrepreneurial spirit, and collaborating with the new and existing industries, the college will be the primary convener and facilitator necessary to support a creative and enduring community.”

With the implementation of this plan the Montgomery and South Charleston communities will derive positive benefits. Although demolition of a variety of structures in Montgomery is contemplated (if alternate uses are not identified), the demolition will create developable site for the growth that fits the current needs of Montgomery, not the past.

In South Charleston the Advanced Technology Center provides a unique training center that incorporates state-of-the-art technology and faculty expertise to offer credit and non-credit training that meet the needs of regional employers. Through collaborations with community members, industry, and government customized training and education programs can be developed in manufacturing, information technology, chemical, and energy fields.
Presentation
4.1.22
Inventory of BridgeValley Facilities: South Charleston Campus

- Building 2000  85,127 SF
- Building 704  15,929 SF
- Toyota Hall (ATC)  53,621 SF

Sub-Total  154,677 SF
Inventory of BridgeValley Facilities: Montgomery Campus

- Davis Hall 77,215 SF
- Westmoreland Hall 10,800 SF
- GRID (Engineering Lab Building) 80,656 SF
- Pathfinder (Engineering Classroom Building) 45,575 SF
- Workforce (Maintenance Building) 16,139 SF
- Ratliff Hall 51,969 SF
- Diesel (Brown Chevrolet) 3,074 SF (Estimated from Mapping)
- Printing Innovation Center 10,534 SF (Not all BV – 35,600 SF Total)
- House 1,200 SF (Estimated)
- Morris Creek Watershed Building 1,250 SF (Estimated from Mapping)

Sub-Total 298,412 SF

Other:
- Tri-State Fire Academy 1,650 SF (As Needed)
- CDL Training Center (Redhouse) 0 SF (9 Acres)

Sub-Total 1,650 SF

Inventory of BridgeValley Facilities: Overall

- 15 Facilities – 7 Owned by BVCTC, 8 Leased (Including 3 at the WV RTP)
- Total Area: 454,739 SF
Enrollment (Headcount) Fall 2021

- Fall 2021: 1,573
- South Charleston: 677
- Montgomery: 201
- Equal: 18 (Negligible)
- No Class on Either Campus: 677

Enrollment (FTE) Fall 2021

- Fall 2021: 1,176
- South Charleston: 596
- Montgomery: 178
- Equal: 15 (Negligible)
- No Class on Either Campus: 414

Enrollment Trends

<table>
<thead>
<tr>
<th>HC</th>
<th>Fall 2021</th>
<th>Fall 2020</th>
<th>Fall 2019</th>
<th>Fall 2018</th>
<th>Fall 2017</th>
<th>Fall 2016</th>
<th>Fall 2015</th>
<th>Fall 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Majority of classes on SC Campuses</td>
<td>677</td>
<td>34.04%</td>
<td>350</td>
<td>20.90%</td>
<td>1205</td>
<td>70.59%</td>
<td>1215</td>
<td>71.94%</td>
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<td>Majority of classes on Montgomery Campuses</td>
<td>201</td>
<td>12.78%</td>
<td>216</td>
<td>12.16%</td>
<td>191</td>
<td>11.31%</td>
<td>194</td>
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<td>1.14%</td>
<td>15</td>
<td>0.87%</td>
<td>10</td>
<td>0.59%</td>
<td>10</td>
<td>0.51%</td>
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<tr>
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<td>43.04%</td>
<td>677</td>
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<td>677</td>
<td>43.04%</td>
<td>677</td>
<td>43.04%</td>
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<table>
<thead>
<tr>
<th>FTE</th>
<th>Fall 2021</th>
<th>Fall 2020</th>
<th>Fall 2019</th>
<th>Fall 2018</th>
<th>Fall 2017</th>
<th>Fall 2016</th>
<th>Fall 2015</th>
<th>Fall 2014</th>
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</thead>
<tbody>
<tr>
<td>Majority of classes on SC Campuses</td>
<td>596.46</td>
<td>48.42%</td>
<td>283.67</td>
<td>23.36%</td>
<td>950.76</td>
<td>76.06%</td>
<td>1098.13</td>
<td>72.38%</td>
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<tr>
<td>Majority of classes on Montgomery Campuses</td>
<td>14.8</td>
<td>12.85%</td>
<td>22.53</td>
<td>1.78%</td>
<td>188.00</td>
<td>14.06%</td>
<td>168.13</td>
<td>13.44%</td>
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<tr>
<td>Equal Amount of Classes on Both Campuses</td>
<td>7</td>
<td>0.59%</td>
<td>0</td>
<td>0.00%</td>
<td>8</td>
<td>0.53%</td>
<td>15</td>
<td>0.99%</td>
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<tr>
<td>No Classes on Either Campus</td>
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<td>1290</td>
<td>77.43%</td>
<td>341</td>
<td>19.19%</td>
<td>273</td>
<td>16.16%</td>
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<tr>
<td>FTE</td>
<td>Fall 2021</td>
<td>Fall 2020</td>
<td>Fall 2019</td>
<td>Fall 2018</td>
<td>Fall 2017</td>
<td>Fall 2016</td>
<td>Fall 2015</td>
<td>Fall 2014</td>
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<td>76.06%</td>
<td>1098.13</td>
<td>72.38%</td>
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<tr>
<td>Majority of classes on Montgomery Campuses</td>
<td>135.06</td>
<td>12.85%</td>
<td>81.4</td>
<td>7.73%</td>
<td>143.13</td>
<td>11.25%</td>
<td>130.46</td>
<td>12.26%</td>
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<tr>
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<td>7</td>
<td>0.59%</td>
<td>0</td>
<td>0.00%</td>
<td>5.33</td>
<td>0.31%</td>
<td>9.26</td>
<td>0.67%</td>
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<tr>
<td>No Classes on Either Campus</td>
<td>1176.19</td>
<td>100.00%</td>
<td>1268.8</td>
<td>100.00%</td>
<td>1335.05</td>
<td>100.00%</td>
<td>1251.39</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td>Majority of classes on SC Campuses</td>
<td>730</td>
<td>66.49%</td>
<td>228.66</td>
<td>21.71%</td>
<td>824</td>
<td>76.28%</td>
<td>838.13</td>
<td>78.74%</td>
<td>946</td>
</tr>
<tr>
<td>Majority of classes on Montgomery Campuses</td>
<td>135.06</td>
<td>12.85%</td>
<td>81.4</td>
<td>7.73%</td>
<td>143.13</td>
<td>11.25%</td>
<td>130.46</td>
<td>12.26%</td>
<td>125.13</td>
</tr>
<tr>
<td>Equal Amount of Classes on Both Campuses</td>
<td>7</td>
<td>0.59%</td>
<td>0</td>
<td>0.00%</td>
<td>5.33</td>
<td>0.31%</td>
<td>9.26</td>
<td>0.67%</td>
<td>11.33</td>
</tr>
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<td>100.00%</td>
<td>1268.8</td>
<td>100.00%</td>
<td>1335.05</td>
<td>100.00%</td>
<td>1251.39</td>
<td>100.00%</td>
<td>1302.91</td>
</tr>
</tbody>
</table>
**Space Utilization per Student (FTE)**

<table>
<thead>
<tr>
<th></th>
<th>South Charleston</th>
<th>Montgomery</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Based Upon Current Enrollment:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>259 SF/Student</td>
<td>1,677 SF/Student</td>
</tr>
<tr>
<td><strong>At Maximum Recent Enrollment:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>149 SF/Student</td>
<td>988 SF/Student</td>
</tr>
<tr>
<td><strong>What is Reasonable?</strong></td>
<td>National AVG*</td>
<td>WVCTC</td>
</tr>
<tr>
<td></td>
<td>135-140 SF/FTE</td>
<td>+/- 200 SF/FTE</td>
</tr>
</tbody>
</table>

*Varies Based Upon Programs, Size of Institution, etc.*

---

**South Charleston Facility Information**

- Building 2000
- Building 704
- Toyota Hall (ATC)
Building 2000

- Building 2000 was recently renovated to serve as the administrative headquarters for BridgeValley Community and Technical College in South Charleston.
- Building 2000 Contains 196,800 SF of Space, BridgeValley Leases 85,127 SF
- Cost: $53,559.07/month; $642,708.84/year
- BridgeValley Occupies the South and West Wings on Levels G, 1, 2, 3
- Potential Improvements: Wet Labs, Itinerant Space for Adjunct Faculty (5-10 at a time)
- Recommendation: Continue to Occupy, Expand Nursing Program into North Wing of Third Floor

Building 2000: Nursing Program Expansion
Building 704
- Annex/Industrial Tech Center was originally built as a boiler house and machine shop (Building 704) by Union Carbide in the late 1940’s. There was an addition in 1978.
- One and Two-story 23,465 SF Steel-Framed Building, BridgeValley Leases 15,929 SF
- Cost: $8,840.60/month; $106,087.20/year
- Currently Houses Welding and Machine/Tool
- Significant Renovation in 2012 for BridgeValley
- Recommendation: Continue to Occupy, Improvements: Elevator, Accessible Toilets

Toyota Hall (ATC)
- This 53,621 SF technology facility that houses community and technical college and workforce development programs was completed in 2014.
- Operated by BridgeValley with Regional Training Function
- Cost: $25,023.13/month; $300,277.56/year
- At Maximum Capacity
- Recommendation: Continue to Occupy, No Major Improvements Anticipated
Total Cost of South Charleston Campus Facilities per Year

- Building 2000 $642,708.84
- Building 704 $106,087.20
- Toyota Hall (ATC) $300,277.56
- Custodial $125,776.98
Total: $1,174,850.58

Montgomery Campus Facility Information

- Davis Hall
- Westmoreland Hall
- GRID (Engineering Lab Building)
- Pathfinder (Engineering Classroom Building)
- Workforce (Maintenance Building)
- Ratliff Hall
- Printing Innovation Center
- Diesel (Brown Chevrolet)
- House
- Morris Creek Watershed Building
**Davis Hall**

- Davis Hall serves as an educational classroom building for BridgeValley Community and Technical College at the Montgomery campus.
- 6-story, 77,215 SF Classroom Building Constructed in 1970
- Cost (Utilities): $10,313.17/month; $123,758.04/year
- Maintenance @ $1.00/SF = $77,215.00
- Total: $200,973.04
- Significant Renovation in 2012
- Recommendation: Continue to Occupy, Elevator Improvement Project Anticipated, Stair Rail Improvement is Ongoing

**WESTMORELAND HALL**

- 2-story, 10,800 SF Metal Building Constructed in 1978
- Cost (Utilities): $886.65/month; $10,639.80/Year
- Maintenance @ $1.00/SF = $10,800.00, Total: $21,439.80
- Poor Condition, Not Accessible
- Multiple Renovations Have Been Planned – Not Financially Viable
- Recommendation: Demolition
WESTMORELAND HALL:
- Recommendation: Demolition in Fiscal Year 2023
- Current Cost/Year: $21,439.80
- Anticipated Demolition Cost: $64,000.00
- Create Campus Green Space in this Location

GRID (Engineering Lab Building)
- The GRID (formerly Engineering Lab) at WVU Tech was built in two phases.
- One and Two-Story Building, 80,656 SF, Constructed in 1940s/1984
- Cost (Utilities): $5,813.77/month; $69,765.24/year
- Maintenance @ $1.00/SF = $80,656.00
  Total: $150,421.24
- Recommendation: Make Available for Alternate Use, Demolition in Fiscal Year 2024
GRID (Engineering Lab Building):

- Recommendation: Make Available for Alternate Use, Demolition In Fiscal Year 2024
- Current Cost/Year: $150,421.24
- Mothball (Winterize):
  - Sprinkler Must be Maintained or the System Fully Removed (Per State Fire Marshal)*
  - Anticipated Energy Cost: $28,229.60/Year ($0.35/SF)
  - One Boiler Has Failed, Estimated Repair Cost: $75,000.00
- Anticipated Demolition Cost: $350,000.00
- Other Options: Sell to State Agency, Sell to Public
- Appraised Cost: $220K

*The sprinkler system could be fully removed for approximately $1/SF, or $80K. This is essentially demolishing the building since repairing the damage caused by removal and installation of a new system would cost $10/SF or $800K before the building could be occupied in the future.

PATHFINDER (Engineering Classroom Building)

- Pathfinder Hall (formerly Engineering Classroom Building) at WVU Tech is 45,575 SF and was constructed in 1965.
- Cost (Utilities): $8,524.93/month; $102,299.16/year
- $1.00/SF = $45,575.00
  - Total: $147,874.16
- Contains a Large 300 seat Tiered Floor Auditorium
- Mezzanine Contains Administrative Space
- Pathfinder Hall is Connected to the E-Lab Building with an Enclosed Walkway
- Recommendation: Make Available for Alternate Use, Demolition in Fiscal Year 2024

(Pathfinder and Workforce Share Electric Acc't)
(Pathfinder and GRID Share Water/Sewer Acc't)
Total Utility Costs were Segregated/SF
**PATHFINDER:**

- Recommendation: Make Available for Alternate Use, Demolition in Fiscal Year 2024
- Current Cost/Year: $147,874.16
- Mothball (Winterize):
  - Sprinkler Must be Maintained or the System Fully Demolished (Per State Fire Marshal)*
  - Anticipated Energy Cost: $15,951.25/Year ($0.35/SF)
  - Anticipated Demolition Cost: $525,000.00 (More Expensive Due to Height)
- Other Options: Sell to State Agency, Sell to Public
- Appraised Cost: $225K

*The sprinkler system could be fully removed for approximately $1/SF, or $45K. This is essentially demolishing the building since repairing the damage caused by removal and installation of a new system would cost $10/SF or $450K before the building could be occupied in the future.

**WORKFORCE** (Maintenance Building)

- Workforce/Maintenance Building is 16,139 SF and was constructed in 1978.
- Cost (Utilities): $3,387.51/month; $40,650.12/year
- Maintenance @ $1.00/SF = $16,139.00
  - Total: $56,789.12
- Load Bearing Masonry Building with Brick Veneer
- Roof has Recently Been Replaces
- 3 Areas: Garage, Administrative, and Storage
- Significant Accessibility Issues
- Recommendation: Renovate and Move Lineman Program Back Into Building, Potentially Move Diesel Program
- Appraised Cost: $350K
RATLIFF HALL

- Three-Story, 51,969 SF Residence Hall
- Cost (Utilities): $2,248.68/month (no power bill); $26,984.16/year
- Maintenance @ $1.00/SF = $51,969.00
  Total: $78,953.16
- Recommendation: Make Available for Alternate Use, Demolition in Fiscal Year 2025

RATLIFF HALL:

- Recommendation: Make Available for Alternate Use, Demolition in Fiscal Year 2025
- Current Cost/Year: $78,953.16
- Mothball (Winterize):
  Sprinkler Must be Maintained or the System Fully Demolished (Per State Fire Marshal)*
  Anticipated Energy Cost: $18,189.15/Year ($0.35/SF)
  Anticipated Demolition Cost: $380,000.00
- Other Options: Sell to State Agency, Sell to Public
- Appraised Cost: $170K

*The sprinkler system could be fully removed for approximately $1/SF, or $52K. This is essentially demolishing the building since repairing the damage caused by removal and installation of a new system would cost $10/SF or $520K before the building could be occupied in the future.
PRINTING INNOVATION CENTER

- In 2003, the Upper Kanawha Valley Economic Development Corporation built the Technology Community on the site of the old G.C. Murphy department store on Third Avenue in downtown Montgomery.
- 3-story, 35,600 SF Building with a Partial Basement, 10,534 SF Occupied by BridgeValley
- Cost (Utilities): $1,500.00/month; $18,000.00/year
- Intended as Business Incubator that did not Materialize
- 2007 Renovation for Printing Department, other Uses
- Rent was Front-Loaded, Currently $1 per Year Until 2030
- Recommendation: Immediately Vacate the Building

DIESEL (Brown Chevrolet)

- Leased Facility Houses Diesel Program
- Leased Through 2029
- Intent to Transition to Electric Engine Focus
- Cost: $4,000/month; $48,000/year
  Utilities: $932.35/month; $11,188.14/year
  Total: $59,188.14
- Recommendation: Relocate to Workforce Building Once Improvements Have Been Made
HOUSE

- No longer utilized.
- Cost (Utilities): $249.38/month; $2,992.61/year
  Total: $2,992.61
- Recommendation: Board voted to sell as soon as WVU resolves ownership issues.

WATERSHED BUILDING

- Lineman Program relocated to this location due to an issue with a neighbor in Montgomery.
- Total Cost: $1/year
- Entire Building and Site Are Located in the 100-Year Flood Plain
- Recommendation: Vacate Facility, Relocate Program to Workforce Building
## TOTAL COST OF MONTGOMERY CAMPUS FACILITIES PER YEAR

<table>
<thead>
<tr>
<th>Facility</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Davis Hall</td>
<td>$200,973.04</td>
</tr>
<tr>
<td>Westmoreland Hall</td>
<td>$21,439.80</td>
</tr>
<tr>
<td>GRID (Engineering Lab Building)</td>
<td>$150,421.24</td>
</tr>
<tr>
<td>Pathfinder (Engineering Classroom Building)</td>
<td>$147,874.16</td>
</tr>
<tr>
<td>Workforce (Maintenance Building)</td>
<td>$56,789.12</td>
</tr>
<tr>
<td>Ratliff Hall</td>
<td>$78,953.16</td>
</tr>
<tr>
<td>Printing Innovation Center</td>
<td>$18,000.00</td>
</tr>
<tr>
<td>Diesel (Brown Chevrolet)</td>
<td>$59,188.14</td>
</tr>
<tr>
<td>House</td>
<td>$2,992.61</td>
</tr>
<tr>
<td>Morris Creek Watershed Building</td>
<td>$1</td>
</tr>
<tr>
<td>Custodial</td>
<td>$142,081.39</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$878,713.66</strong></td>
</tr>
</tbody>
</table>

**Other:**
- Tri-State Fire Academy: $251.30 (Weekly As Needed)
- CDL Training Center (Redhouse): $2,615.00 (Lease Expires December 15, 2022)
TOTAL FACILITY COST

South Charleston $1,049,073.60
Montgomery $878,713.66
Total $1,927,787.26

Eliminating Westmoreland, Grid (E-Lab), Pathfinder (E-Classroom), Ratliff Hall, PIC, Watershed, Brown Chevrolet and House Saves Over $475K/year + Custodial Costs; $290K in Utility and Rent Costs Alone

Total Number of Regularly Occupied Facilities Would be Reduced from 13 to 5

Montgomery SF/FTE Would Be Reduced from 1,677 to 524

OPTIONS

- Demolition (Cost Estimates Provided by Rodney Loftis)
- Sell to Another State Agency
  Transferring or selling property to another state agency or public entity is usually not a problem. A deed of transfer needs to be drawn up and the transfer needs approval of the Board of Public Works. Another agency or public entity may accept the property, but probably will not pay for it.

- Sell to a Private Buyer (State Code §135-12-11. Authorization to Sell Property; Use of Proceeds.)
  11.1.a. Providing for property appraisal by two independent licensed appraisers. The property may not be sold for less than the average of the two appraisals;
  11.1.b. Providing notice to the public in the county in which the real property is located by a Class II legal advertisement pursuant to West Virginia Code §59-3-2;
  11.1.c. Holding a public hearing on the issue in the county in which the real property is located;
  11.3. The Council, Commission or a governing board shall deposit the net proceeds from the sale, lease, conveyance or other disposal of real property into a special revenue account in the State Treasury to be appropriated by the Legislature in the annual budget bill for the purchase of additional real property, equipment or technology, or for capital improvements or maintenance at the institution that sold the surplus real property.
OTHER ISSUES

- Projects Currently Planned:
  - Davis Hall: Elevator Improvement
  - Building 704: Elevator, Accessible Toilets
  - Building 2000: Carpet and Paint
  - Diesel: Accessible Toilets - This money will be utilized for the Workforce Building.

- Additional 8,000 SF Nursing Program Expansion will Cost $60,400.00/year

- Property Acquisition
  - Future Property Acquisition will be Limited to the 1 Block Around Davis Hall

- Appraisals: Completed by Goldman Associates

- Schedule: Completion of Plan by End of March

QUESTIONS?

THANK YOU!
Pathfinder Appraisal
APPRAISAL OF
MONTGOMERY CAMPUS - PATHFINDER HALL
800 2ND AVENUE, MONTGOMERY,
KANAWHA COUNTY, WEST VIRGINIA 25136

Prepared For:

BRIDGE VALLEY COMMUNITY & TECHNICAL COLLEGE
c/o Adam Krason, AIA, NCARB, LEED-AP, Principal
ZMM Architects & Engineers

Prepared By:

Todd Goldman, Vice President
GOLDMAN ASSOCIATES, INC.
1014 Bridge Road
Charleston, West Virginia 25314
(304) 343-5695

P.O. Box 271
Charleston, West Virginia 25321
Fax (304) 343-5694

www.goldmanassociates.org
February 23, 2022

BridgeValley Community & Technical College
c/o Adam R. Krason, AIA, NCARB, LEED-AP, Principal
ZMM Architects & Engineers
222 Lee Street West
Charleston, WV 25302

Re: BridgeValley Community & Technical College
Montgomery Campus – Pathfinder Hall
800 2nd Avenue, Montgomery,
Kanawha County, West Virginia 25136

Dear Mr. Krason:

At your request and on behalf of our common client, BridgeValley Community & Technical College, I have observed the above-referenced property for the purpose of completing an appraisal and providing an opinion of the current market value. The subject property is Pathfinder Hall located at 800 2nd Avenue, Montgomery, Kanawha County, West Virginia 25136. It is owned by BridgeValley Community & Technical College and located in the Montgomery Corporation Tax District on Map 1 as Parcels 94, 95, 96, 97, 139, 140, 141 and includes an abandoned alley. The building is a 6-story office and classroom tower consisting of 44,750 square feet and situated on a 32,765 square foot site. The purpose of this appraisal is to provide an opinion of the current market value of the fee simple estate of the subject property. The intended use is to assist representatives of BridgeValley Community & Technical College, as well as ZMM Architects & Engineers with long range planning regarding the ownership of this asset.

The date of the site observation and the effective date of the appraisal was January 28, 2022.

Market value is defined within the body of this report. The report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice.
It is my opinion that the current market value of the fee simple estate of the subject property, as of the effective date of the appraisal of January 28, 2022, was:

**Two Hundred Twenty-Five Thousand Dollars**
($225,000.00)

Attached to this letter of transmittal is a narrative appraisal report, which includes information on the property and its surroundings, limiting conditions and certifications, qualifications, and other pertinent data.

This letter must remain attached to the report, which contains 96 pages plus related exhibits, in order for the value opinions set forth to be considered valid.

Sincerely,

**GOLDMAN ASSOCIATES, INC.**

Todd Goldman, Vice President
WV State Certification #CG255
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CONTINGENT & LIMITING CONDITIONS

This appraisal report and the certification are made expressly subject to the following assumptions and limiting conditions and any special limiting conditions contained in the report which are incorporated by reference.

The legal description furnished is assumed to be correct. I assume no responsibility for matters legal in character nor do I render my opinion as to the title, which is assumed to be good. All existing liens and encumbrances, if any, have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.

The user of this report may wish to have legal, engineering, or physical component inspections made by qualified experts in those fields to determine the suitability of the property for the proposed or present use. The appraiser has not conducted these types of inspections.

The sketch in this report is included to assist the reader in visualizing the property. I have made no survey of the property and assume no responsibility in connection with such matters. If a survey has not been provided or obtained, it may not be possible to identify encroachments, right-of-ways or rights reserved by other property owners that impact the value of the property. A current survey should be obtained.

I believe to be reliable the information which was furnished by others, but assume no responsibility for its accuracy.

Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may it be used for any purpose by any but the applicant without the previous written consent of the appraiser or the applicant and then only with proper qualifications.

I am not required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless arrangements have been previously made therefore.

The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

The land, and particularly the soil, of the area under appraisement appears firm and solid. Subsidence in the area is unknown or uncommon, but this appraiser does not warrant against this condition or occurrence.

Subsurface rights (minerals and oil) were not considered in making this appraisal.

The appraiser observed the buildings involved in this appraisal report, and damage, if any, by termites, dry rot, wet rot, or other manifestations, was reported as a matter of information by your appraiser, and I do not guarantee the amount or degree of damage, if any.

All furnishings and equipment, except those specifically indicated and typically considered as a part of real estate, have been disregarded by this appraiser. Only the real estate has been considered.

The comparable sales data relied upon in this appraisal is believed to be from reliable sources. However, it was not possible to inspect the comparable sales completely,
and it was necessary to rely on information furnished by others as to said data. Therefore, the value conclusions are subject to the correctness and verification of said data.

I am not qualified to make an analysis of environmental conditions relating to the property other than referring the reader to common sources of environmental concerns found in properties of similar age and construction type. An Environmental Audit is an important part of analyzing the suitability of real property and should be conducted by a properly licensed professional.

I am not qualified to opine on compliance with specific federal guidelines regarding access required by the Americans With Disabilities Act of 1990 (ADA). This type of analysis must be conducted by an architect or engineer and may be an important part of evaluating the suitability of the improved property under existing or proposed uses.

I have observed, as far as possible, the land and the improvements thereon. However, it was not possible to personally observe conditions beneath the soil or hidden structural components within the improvements. Therefore, no representations are made herein as to these matters and, unless specifically considered in the report, the value opinion is subject to any such conditions that could cause a loss in value. Condition of heating, cooling, ventilating, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is consequently connected) shall be disseminated to the public through advertising media, news media, sales media or any other public means of communication without the prior written consent and approval of the undersigned.

Appraiser’s Certification – Effective USPAP Date January 1, 2020

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
• My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

• My analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

• My analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

• The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

• I have made a personal inspection of the property that is the subject of this report on January 28, 2022, which serves as the effective date of the appraisal.

• No one provided significant real property appraisal assistance to the person signing this certification.

• As of the date of this report, Todd Goldman has completed the continuing education program of the Appraisal Institute.

• I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three year period immediately preceding the agreement to perform this assignment.

Respectfully submitted,

Todd Goldman
WV State Certification #CG255
Expiration 9/30/2022
SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Location: Pathfinder Hall – 800 2nd Avenue, Montgomery, Kanawha County, West Virginia 25136

Tax District: Montgomery Corporation

Map/Parcel: 1/94, 95, 96, 97, 139, 140, 141 & Abandoned Alley

Client: BridgeValley Community & Technical College
c/o Adam Krason, AIA, NCARB, LEED-AP, Principal
ZMM Architects & Engineers

Owner: BridgeValley Community & Technical College

Purpose of Appraisal: Provide an Opinion of the Current Market Value

Scope of Work: Sales Comparison Approach - Improvements

Rights Appraised: Fee Simple Estate

Type of Improvements: 6-Story College Office & Classroom Tower

Building Size: 44,750 Square Feet

Land Area: 32,765 Square Feet

Zoning: General Purpose

Highest and Best Use: Housing Redevelopment (Most likely by Non-Profit)

Current Year Taxes: 2021 – Tax Exempt

Effective Date: January 28, 2022

Report Date: February 23, 2022

Market Value Opinion: $225,000.00
Subject Property

The subject property is the Pathfinder Building, an office and classroom tower associated with BridgeValley Community & Technical College located at 800 2nd Avenue, Montgomery, Kanawha County, West Virginia 25136. This is a six-story structure consisting of 44,750 square feet and situated on a 32,765 square foot site. The site and improvements will be described in their respective sections of the appraisal and photographs are located throughout the report for the reader’s review.

Pathfinder Hall Building

Purpose and Intended Use of Appraisal

The purpose of this appraisal is to provide an opinion of the current market value of the fee simple estate of the subject property. The intended use of the appraisal is to assist ZMM Architects & Engineers and their client, BridgeValley Community & Technical College with business decisions regarding the value and ownership of this asset. The opinions in this appraisal will be used to assist the BridgeValley Board of Governors in determining a value of the property so that it can either be put back to a productive use or sold to a third party.

The information and opinions contained in this appraisal set forth the appraiser’s best judgment in light of the information available at the time of the
preparation of this report. Any use of this appraisal by any other person or entity, or any reliance or decisions based upon this appraisal are the sole responsibility and at the sole risk of the third party. The appraiser accepts no responsibility for damages suffered by any third party as a result of a reliance on, decisions made, or actions taken based on this report. The appraiser reserves the right to modify this appraisal report in the event that newly discovered information should become available.

**Hypothetical Conditions/Extraordinary Assumptions**

In virtually every appraisal assignment, an appraiser is asked to value properties without perfect information. To have perfect information would mean that the appraiser knows every legal, physical and economic characteristic of the property pertaining to boundaries, legal descriptions, surveys, soil conditions, environmental conditions, etc.

The Uniform Standards of Professional Appraisal Practice provides for the appraiser to make certain extraordinary assumptions or assume hypothetical conditions as identified in Standard Rules 1-2(f) and (g). The definitions for extraordinary assumptions and hypothetical conditions, based on the Uniform Standards of Professional Appraisal Practice, 2020-2022 Edition, are shown as follows:

**Extraordinary Assumption** – An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.

**Comment:** Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis.

**Hypothetical Condition** – A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

**Comment:** Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

A prime example of a typical hypothetical condition is conducting an appraisal on a building that has not yet been built. Typically, the effective date of the appraisal will be the date that the site was observed and the improvements are appraised based on the information as of that date and
assuming that they existed. An example of an extraordinary assumption is that a site is served with adequate infrastructure to develop a certain use when that data cannot be confirmed until an engineer conducts an analysis to determine the capacity required to support that type of development. Frequently, an appraiser is called into an assignment long before engineering and feasibility studies are completed, so the appraiser is working without perfect information.

There were no hypothetical conditions or extraordinary assumptions used in the development of this appraisal.

Report Type

This is an Appraisal Report intended to be in compliance with the Uniform Standards of Professional Appraisal Practice, as amended January 1, 2020. The report will summarize the property characteristics and analysis. The appraiser frequently appraises similar properties in the market area and is competent to appraise this type of property.

Definition of Market Value

The definition of market value is defined by the Office of the Comptroller of the Currency under 12CFR, Part 34, Subpart C-Appraisals, 34.42 Definitions[f] as follows:

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto;
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."
Scope of Work/Extent of Data Collection

The scope of the assignment is to formulate the appraiser’s opinion of the current market value of the fee simple estate of the subject property. The property was observed on January 28, 2022. The appraiser has attempted to use all three approaches to value to determine a value opinion. These approaches include the Sales Comparison, Cost and Income Approaches.

The Novel Coronavirus (COVID-19) was classified as a worldwide pandemic on March 11, 2020 and immediately created substantial uncertainty in the worldwide financial markets. There were portions of the international, national and local economies that were shut down temporarily. Due to the potential for massive economic duress, the United States government, through the Federal Reserve and legislative action, contributed massive stimulus to the United States economy and directly to businesses and individuals, which was intended to bolster the economy with personal consumption and infrastructure expansion projects. This allowed for infrastructure projects and substantial investment with money flowing through private sector businesses and directly to individuals. It has generally enhanced the real estate economy in West Virginia, although some sectors have performed better than others and the influence will continue to be monitored. There will certainly be sectors that do not recover to pre-pandemic levels but, as a whole, the influence on the real estate markets can be measured through recent market activity. The appraiser will continue to apply the most relevant data with an awareness that there may continue to be major changes in how various segments of the market behave.

The scope of work for this assignment was determined by the appraiser based on the intended use and intended users of the appraisal report. It is also based on the type of asset that is being appraised and the type of analysis that would be conducted by other real estate appraisers when valuing this type of property in this market area. The property is a 6-story office and classroom structure that was constructed circa 1965. It was originally constructed for West Virginia Tech and associated with that campus until 2017 when West Virginia University moved the campus from Montgomery to Beckley. According to staff at the site, Bridge Valley relocated personnel to another building and only small section is being used for the bookstore. The mezzanine and floors two through size are idle. George Hypes was the staff member that escorted the appraiser through the property and provided this historical perspective. Mr. Hypes reports that maintenance is still being conducted at the facility to maintain the mechanical and structural components to the extent that minimal repairs can be made. It is known that the roof is in poor condition and needs to be replaced. Due to the age of the building, the Cost Approach is not an applicable
valuation method. Market participants would not use that as a method of comparison when evaluating this facility compared to alternatives. They would use comparable sale data for large older facilities in small communities. Market data supports that this property would be acquired by an owner/user that is prepared to invest heavily in capital improvements to reposition the property for some future use. At a minimum, this includes major upgrades to cosmetic finishes, the roof and stabilizing any mechanical and structural systems. This may include a major redesign to the interior configuration of the property and will most likely involve an entity that has access to public grant funding rather than a private investor. It is unlikely that an investor would be interested in acquiring the property without a specific use and user in mind along with a long-term lease commitment from a creditworthy tenant. That is an unlikely scenario so the Income Approach is not applicable. Based on the physical and economic characteristics associated with the subject property, the scope of work includes the development of the Sales Comparison Approach for Improvements.

Information in this appraisal has come from a variety of sources. The appraiser was first contacted and engaged for this assignment by Adam Krason, Principal of ZMM Architects & Engineers. Mr. Krason provided a limited scope of work and defined the purpose of the appraisal assignment. The client for this work is BridgeValley Community & Technical College, but the work is being tied to a Master Planning Project conducted by ZMM Architects & Engineers. Mr. Krason put the appraiser in contact with Jason Stark of BridgeValley. Mr. Stark provided contact information for George Bossie, a facilities manager that oversees these properties. Mr. Bossie arranged for George Hypes to escort the appraiser through the properties. Some floor plans and older feasibility studies were provided, but most of the property specific information used in the development of the appraisal was created by the appraiser. This included a walk-through with Mr. Hypes, at which time access was available throughout mechanical rooms, offices, classrooms and on the roof. Mr. Hypes has been employed at this facility for approximately 10 years and is in the building on a regular basis to oversee its general condition. Other factual information regarding this property was obtained from public records in the Kanawha County Clerk’s and Assessor’s Offices and zoning was confirmed with the City of Montgomery. Montgomery is split between Fayette and Kanawha Counties. While the subject property is in Kanawha County, there is vital information from Fayette County because they are so closely related in this location.

Market information used in the analysis was derived from conversations with real estate professionals, reviewing documents recorded at the local Courthouse and information derived from a sale database maintained by the appraiser. Sale transactions are typically the easiest
to identify because they are memorialized with Deeds recorded in the local Courthouse. The Deeds indicate the basic sale terms, including grantor, grantee, sale date, property description and sale price. These are further researched with parties to the transaction, when possible. Ultimately, a set of data is selected and summarized to be included in the appraisal for contrast and comparison to the subject property.

**Effective Date of Appraisal**

The date of the observation and the effective date of the appraisal was January 28, 2022.

**Rights Appraised**

The rights appraised were the fee simple interest, subject to any easements, right-of-ways or leases discovered in a thorough title examination or survey. Surveys of the subject property are not available, but there were no visual indications of adverse easements of right-of-ways identified during the site observation. There are expected to be typical utility easements around the perimeter of the site along with dedicated utility connections that service the site. Those do not interfere with the value or use of the property.

**Environmental Conditions**

The assumption is made that there are no adverse environmental conditions affecting the property caused by the previous ownership of the property that may adversely impact the value. It is always prudent to obtain An All Appropriate Inquiry (Environmental Audit) to make a final determination of any environmental conditions.

Some specific areas of concern are summarized as follows:

- **Storage Tanks:** There are no indications of storage tanks located on the property.
- **Collection Sites:** There are storm water drains on the surface parking lot between the buildings, but there is no debris or storage materials around the site.
- **Drums/Containers/Pesticides:** Most of the contents of the building have been removed except for furniture and materials required to support the mechanical systems.
Asbestos: An asbestos study has not been completed, but there is a high probability of asbestos throughout the buildings. Likely sources include pipe insulation and floor tiles, but other possible sources include plaster, floor mastics and roofing materials.

Miscellaneous: The most significant environmental concern associated with the subject property is the possibility of a massive asbestos abatement project. This could become significant in the event there is a major redesign of the building or if it is ultimately determined that the building should be demolished.

No environmental reports were submitted for the appraiser’s review, so the existence of environmental concerns is unknown. If any adverse environmental conditions are discovered within the property, this could affect the indicated value.

**Legal Description**

The subject property was conveyed from the West Virginia University Board of Governors, on behalf of West Virginia University to BridgeValley Community & Technical College Board of Governors, on behalf of BridgeValley Community & Technical College on September 13, 2018. The transfer document is recorded in the Kanawha County Clerk’s Office in Deed Book 3012 at Page 697 and there was no stated consideration since this is a conveyance between tax-exempt entities that are governed by the West Virginia Higher Education Policy Commission. Several properties were conveyed through this Deed and the subject property is referenced in the attached Exhibit A as Tracts 1, 2, 3, 4, 5, 6 and 7. A copy of the Deed, which includes the legal description, is located on the following pages:
THIS DEED, made this 15th day of September, 2018, by and between the WEST VIRGINIA UNIVERSITY BOARD OF GOVERNORS, on behalf of WEST VIRGINIA UNIVERSITY, an agency and higher education institution of the State of West Virginia, party of the first part (hereinafter “Grantor”), and the BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE BOARD OF GOVERNORS, on behalf of BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE, an agency and higher education institution of the State of West Virginia, party of the second part (hereinafter “Grantee”).

WHEREAS, Grantor owns property located along First Avenue and Second Avenue in the City of Montgomery in Kanawha County, West Virginia, formerly used as part of the West Virginia University Institute of Technology Montgomery Campus, commonly known as the Engineering Classroom Building, the Engineering Laboratory Building and the Lanham Maintenance Facility (“WVU Tech Buildings”); and

WHEREAS, Grantee has a campus in Montgomery, West Virginia, located adjacent to the WVU Tech Buildings and, for a period of years, has benefited from the use of portions of the WVU Tech Buildings; and

WHEREAS, Grantor intends to transfer the WVU Tech Buildings to the Grantee for its future use and benefit.

WITNESSETH:

That for and in consideration of the sum of Ten Dollars ($10.00), cash in hand paid, and other good and valuable consideration hereinafter set forth, the receipt and sufficiency of all of which are hereby acknowledged, the said Grantor does hereby GRANT and CONVEY, with covenants of SPECIAL WARRANTY, unto the said Grantee all those certain lots or parcels of land, together with the improvements thereon and the appurtenances thereunto belonging, situate in Montgomery Corporation District, Kanawha County, West Virginia, identified on Tax Map 1, as Parcels 93, 94, 95, 96, 97, 139, 140, 141, 145, 146, 147, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, and 160.1, and being more particularly described in Exhibit A, attached hereto.
All of the parcels listed above are part of the same property conveyed by the Higher Education Policy Commission to the West Virginia University Board of Governors, on behalf of West Virginia University, by deed dated April 25, 2003, of record in the Office of the Clerk of the County Commission of Kanawha County, West Virginia in Deed Book 2604, at page 445.

Grantor also hereby REMISES, RELEASES and QUITCLAIMS all of its rights, title and interest in and to any abandoned streets or alleys located in Block No. 5 and Block No. 6 that are included within Tax Map Parcel 93.

This conveyance is also specifically made subject to any and all terms, conditions, provisions, restrictions, exceptions, limitations, covenants, rights, powers, duties, rights-of-way, easements, licenses, severances, uses, estates, servitudes, and limitations as made and imposed upon the subject real estate by the Grantor, its predecessors in title, any duly-authorized governmental agency or authority, or any other instrument, plat or survey of record in the Office of the Clerk of the County Commission of Kanawha County pertaining to or effecting said real estate.

Per the provisions of the West Virginia Underground Storage Tank Act, W.Va. Code §22-17-19, the Grantor hereby discloses that the subject property contains an underground storage tank.

DECLARATION OF CONSIDERATION OR VALUE

In compliance with Article 22, Chapter II of the Code of West Virginia, the undersigned hereby declares that this is a conveyance from an instrumentality of the State of West Virginia and is therefore exempt from the payment of the excise tax on the privilege of transferring real property.

[Signature page follows]
WITNESS the following signature and seal:

WEST VIRGINIA UNIVERSITY BOARD OF GOVERNORS, ON BEHALF OF WEST VIRGINIA UNIVERSITY

[Signature]
James Robert Alsop
Vice President for Strategic Initiatives

STATE OF WEST VIRGINIA, COUNTY OF MONONGALIA, to wit:

The foregoing instrument was acknowledged before me this 5th day of September, 2018, by James Robert Alsop, the duly authorized Vice President for Strategic Initiatives of West Virginia University, for and on behalf of the West Virginia Board of Governors, on behalf of West Virginia University, an agency and higher education institution of the State of West Virginia, by authority duly given.

[Signature]
Notary Public

My commission expires: March 17, 2019

This instrument was prepared by:
Scott E. Barnette
Attorney at Law
Bowles Rice LLP
P. O. Box 1386
Charleston, WV 25325-1386

Approved as to form prior to acknowledgment thereof
the 5th day of September, 2018

[Signature]
Patrick Morrisey, Attorney General

[Stamp]
RESOLUTION

Ordered: That pursuant to Chapter 1, Article 5, Section 3, Code of West Virginia, 1931, as amended, the West Virginia Board of Public Works does hereby approve the sale and/or transfer of a certain lot or parcel of real estate, more specifically described in a deed, by and between the West Virginia University Board of Governors, on behalf of West Virginia University and the BridgeValley Community and Technical College Board of Governors, on behalf of BridgeValley Community and Technical College in the amount of ten dollars ($10.00).

* * * * * * * *

State of West Virginia,
Office of the Secretary of State,
Charleston

I, Mac Warner, Secretary of State and Ex-Officio Secretary of the West Virginia Board of Public Works, do hereby certify that the foregoing is a true and correct copy of an Order made and entered by a majority vote of said Board of Public Works in open session on the 6th day of April, 2017.

Given under my hand this sixth day of April, Two Thousand Seventeen.

Mac Warner
Secretary of State and
Ex officio Secretary of The
West Virginia Board of
Public Works
EXHIBIT A
PROPERTY DESCRIPTION

TRACT ONE
TAX MAP PARCEL 94
LOT 7, BLOCK 5

Beginning on Second Avenue on the line between Lots Nos. 6 and 7 in Block No. 5 and running East with the said Second Avenue 40 feet to the line of Lot No. 8 in said block; thence at right angles and in a Southerly [sic] direction with the line of said Lot No. 8, 94 feet to an alley; thence at right angles and with line of said alley Westward 40 feet to the line of Lot No. 6; thence at right angles and with line of Lot No. 6, 94 feet to the place of beginning, and being all of Lot No. 7 in Block No. 5 as laid down on a map of the said Town of Montgomery (formerly called Coal Valley) as prepared by the late I. J. Settle and of record in the office of the Clerk of the County Court of Kanawha County, West Virginia, and being the same property conveyed as was to the West Virginia Board of Education by Albert Nunley, Inc. by deed dated February 26, 1964, of record in Deed Book 1406, page 13.

TRACT TWO
TAX MAP PARCEL 95
LOT 6, BLOCK 5

Beginning on Second Avenue on the line between Lots 5 and 6 in Block No. 5 and running with said Avenue east 40 feet to the line of Lot No. 7 in said block; thence at right angles and with the line of said Lot No. 7 southwardly 94 feet to the alley; thence at right angles, and with the line of said alley westwardly [sic] 40 feet to the line of said Lot No. 5; thence at right angles and with the line of said Lot No. 5 northwardly 94 feet to the point of beginning. It being all of Lot No. 6 in Block No. 5 as laid down on a map of the said Town of Montgomery, then called Coal Valley, as prepared by the late I. J. Settle. Being the same property conveyed to the West Virginia Board of Education by Thomas A. Jacobs and Sally A. Jacobs, his wife, by deed dated April 21, 1964, of record in Deed Book 1410, page 9.

TRACT THREE
TAX MAP PARCEL 96
LOT 5, BLOCK 5

All that certain lot of land, together with all the appurtenances thereunto belonging, or in any wise appertaining, on the south side
of the C & O Railway Company right of way, fronting 40 feet on Second Avenue and extending back between perpendicular parallel lines 94 feet to an alley, being all of Lot No. 5 in Block 5, being shown and designated on that certain map by I. J. Settle of the City of Montgomery, and the additions thereto which said map and its additions are of record in the Office of the County Court Clerk’s Office of Kanawha County, West Virginia, and being the same property was conveyed to the West Virginia Board of Education by Helen M. Vickers by deed dated April 27, 1964, of record in Deed Book 1410, page 91.

TRACT FOUR
TAX MAP PARCEL 97
P/O LOT 3 & ALL OF LOT 4, BLOCK 5

That certain lot, together with all the appurtenances thereunto belonging or in any wise appertaining, situate on the southeast corner of the intersection of Second Avenue and Jackson Street, fronting 51.19 feet on Second Avenue and extending back between converging straight lines to a width of 45.82 feet on an alley, being part Lot 3 and all of Lot 4 in Block 5.

The parcel being as shown on the I. J. Settle Map of the City of Montgomery, and additions thereto, which said map and its additions are of record in the Office of the Clerk of the County Court of Kanawha County, West Virginia.

Being identified as PARCEL NO. I conveyed to West Virginia Board of Education by William L. Montgomery, by deed dated June 20, 1964, of record in Deed Book 1421, page 485.

TRACT FIVE
TAX MAP PARCEL 139
P/O LOT 13 & ALL OF LOT 14, BLOCK 5

That certain lot, together with all the appurtenances thereunto belonging or in anywise appertaining, situate northeast corner intersection First Avenue and Jackson Street, fronting on said First Avenue 40 feet, extending back along said Jackson Street at a width of 45.24 feet on an alley, being part Lot 13 and all Lot 14 in Block 5.

Map references herein are to the I. J. Settle map of the City of Montgomery, and additions thereto, which said map and its additions are of record in the office of the Clerk of the County
Court of Kanawha County, to which said maps reference is here had and the same made part hereof for purpose of description.

Being the same property conveyed to West Virginia Board of Education, by Alice M. Carson, by deed dated June 1, 1964, of record in Deed Book 1413, page 301.

**TRACT SIX**
**TAX MAP PARCEL 140**
**LOT 15, BLOCK 5**

All that certain place, parcel or lot of real estate, situate lying and being in the town of Montgomery, Cabin Creek District, Kanawha County, West Virginia, known and designated as lot No. 15, in Block No. 5, as shown on the official map of said city and of record in the Office of the County Clerk of Kanawha County, West Virginia, reference to which is here made and said lot being more particularly described as follows, that is to say:

BEGINNING on First Avenue at the corner of Lot No. 16; thence running West 40 feet to the corner of Lot No. 14; thence at right angles with line of said lot 14 North 94 feet to an alley; thence East 40 feet with said alley to the corner of Lot No. 16; thence South 94 feet with the line of Lot No. 16 to the place of beginning, being the same property conveyed to West Virginia Board of Education, by T. G. McClellan and Madeline McClellan, his wife, by deed dated December 19, 1963, of record in Deed Book 1401, page 421.

**TRACT SEVEN**
**TAX MAP PARCEL 141**
**LOTS 16 & 17, BLOCK 5**

LOT 16 - That certain lot, together with all the appurtenances thereto belonging or in anywise appertaining, fronting 40 feet on First Avenue, between Jefferson and Jackson Streets, and extending back between perpendicular parallel lines 94 feet to an alley, being all of Lot 16 in Block 5.

LOT 17 - That certain lot, together with all the appurtenances thereto belonging or in anywise appertaining, fronting 40 feet on First Avenue, between Jefferson and Jackson Streets, and extending back between perpendicular parallel lines 94 feet to an alley, being 'all of Lot 17 in Block 5.

Both parcels being as shown on the I. J. Settle Map of the City of Montgomery, and additions thereto, which said map and its
additions are of record in the Office of the Clerk of the County Court of Kanawha County, West Virginia.

Being identified as PARCEL NO. II and PARCEL NO. III conveyed to West Virginia Board of Education, by William L. Montgomery, by deed dated June 20, 1964, of record in Deed Book 1421, page 485.

TRACT EIGHT
TAX MAP PARCEL 93

LOT 8, BLOCK 5

Beginning at a point on the Southern side of Second Avenue 120 feet west of the intersection of Jefferson Street and Second Avenue; thence, in a general Southerly direction along the divide line between Lots 7 and 8, in Block 5, a distance of 94 feet to an alley; thence, at right angles and in a general Easterly direction along said alley, a distance of 40 feet to a point; thence at right angles and in a general Northerly direction at the divide line between Lots 8 and 9, in Block 5, a distance of 94 feet to a point on the Southern edge of Second Avenue; thence, at right angles and in a general Westerly direction along Second Avenue a distance of 40 feet to the point of beginning, and being all of Lot 8, in Block 5, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by E. P. Champe and Bertha Hoodlett Champe, his wife, by deed dated January 4, 1941, of record in Deed Book 561, page 421.

LOTS 9 & 10, BLOCK 5

Beginning at a point on the Southern side of Second Avenue, 80 feet West of the intersection of Jefferson Street and Second Avenue; thence, in a general Southerly direction along the divide line between Lots 8 and 9, in Block 5, a distance of 94 feet to an alley; thence, at right angles and in a general Easterly direction along said alley, a distance of 80 feet to a point on the Western side of Jefferson Street; thence, at right angles and in a general Northerly direction a distance of 94 feet to a point at the Southwestern intersection of Second Avenue and Jefferson Street; thence, at right angles and in a general Westerly direction along Second Avenue, a distance of 80 feet to the point of beginning, and being all of Lots 9 and 10, in Block 5, as shown on the I. J. Settle
Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a “Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia”, and being the same property conveyed to the West Virginia Board of Control, by William Giles, by deed dated December 18, 1940, of record in Deed Book 559, page 343.

LOT 18, BLOCK 5

Beginning at a point on the Northern side of First Avenue, 120 feet West of the intersection of Jefferson Street and First Avenue; thence, in a general Northerly direction along the divide line between Lots 17 and 18, in Block 5, a distance of 94 feet to an alley; thence, at right angles and in a general Easterly direction along said alley, a distance of 40 feet to a point; thence, at right angles and in a general Southerly direction along the divide line between Lots 18 and 19, in Block 5, a distance of 94 feet to a point on the Northern edge of First Avenue; thence, at right angles and in a general Westerly direction along First Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 18, in Block 5, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a “Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia”, and being the same property conveyed to the West Virginia Board of Control, by Alice M. Carson and L. W. Carson, her husband, by deed dated December 17, 1940, of record in Deed Book 559, page 345.

LOT 19, BLOCK 5

Beginning at a point on the Northern side of First Avenue, 80 feet West of the intersection of Jefferson Street and First Avenue; thence in a general Northerly direction, along the divide line between Lots 18 and 19 in Block 5, a distance of 94 feet to an alley; thence, at right angles and in a general Easterly direction along said alley, a distance of 40 feet to a point; thence, at right angles and in a general Southerly direction along the divide line between Lots 19 and 20, in Block 5, a distance of 94 feet to a point on the Northern edge of First Avenue; thence, at right angles and in a general Westerly direction along First Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 19, in Block 5, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown an “Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia”, and being the same property conveyed to West Virginia Board of Control, by The Elk
Furniture Company, by deed dated December 17, 1940, of record in Deed Book 559, page 341.

**LOT 20, BLOCK 5**

Beginning at a point on the Northern side of First Avenue, 40 feet West of the intersection of Jefferson Street and First Avenue; thence, in a general Northernly direction along the divide line between Lots 19 and 20, in Block 5, a distance of 94 feet to an alley; thence, at right angles and in a general Easterly direction along said alley, a distance of 40 feet to a point on the Western edge of Jefferson Street; thence, at right angles and in a general Southerly direction along Jefferson Street a distance of 94 feet to a point on the Northwestern intersection of said Jefferson Street and First Avenue; thence, at right angles and in a general Westerly direction a distance of 40 feet to the point of beginning; and being all of Lot 20, in Block 5, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a “Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia”, and being the same property conveyed to the West Virginia Board of Control, by Alice M. Carson and L. W. Carson, her husband, by deed dated December 17, 1940, of record in Deed Book 559, page 345.

**LOT 1, BLOCK 6**

Beginning at a point at the Southeastern intersection of Jefferson Street and Second Avenue, and running in a general Southerly direction along Jefferson Street a distance of 94 feet to a point on an alley; thence, at right angles and in a general Easterly direction along said alley, a distance of 40 feet to a point; thence, at right angles and in a general Northerly direction along the divide line between Lots 1 and 2, a distance of 94 feet to a point on the Southern side of Second Avenue; thence, at right angles in a general Westerly direction a distance of 40 feet along Second Avenue to the point of beginning, and being all of Lot 1, in Block 6, as it is shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a “Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia”, being the same property conveyed to the West Virginia Board of Control, by Helen M. Vickers, by deed dated December 18, 1940, of record in Deed Book 559, page 349.
LOT 2, BLOCK 6

Beginning at a point on the Southern side of Second Avenue, 80 feet East of the intersection of Jefferson Street and Second Avenue; thence, in a general Southerly direction along the divide line between Lots 2 and 3, in Block 6, a distance of 94 feet to an alley; thence at right angles and in a general Westerly direction along said alley, a distance of 40 feet to a point; thence, at right angles and in a general Northerly direction along the divide line between Lots 1 and 2, in Block 6, a distance of 94 feet to a point on the Southern edge of Second Avenue; thence, at right angles and in a general Easterly direction along Second Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 2, in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by Alice M. Carson and L. W. Carson, her husband, by deed dated December 17, 1940, of record in Deed Book 559, page 345.

LOT 3, BLOCK 6

Beginning at a point on the South side of Second Avenue 120 feet East of the intersection of Jefferson Street and Second Avenue; thence, in a general Southerly direction along the divide line between Lots 3 and 4, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Westerly direction along said alley, a distance of 40 feet to a point; thence, at right angles and in a general Northerly direction along the divide line between Lots 2 and 3, in Block 6, a distance of 94 feet, to a point on the Southern edge of Second Avenue; thence at right angles and in a general Easterly direction along said Second Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 3, in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by William L. Montgomery, by deed dated December 17, 1940, of record in Deed Book 559, page 355.
LOT 4, BLOCK 6

Beginning at a point on the Southern side of Second Avenue 160 feet East of the intersection of Jefferson Street and Second Avenue; thence, in a general Southerly direction along the divide line between Lots 4 and 5, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Westerly direction along said alley a distance of 40 feet to a point; thence, at right angles and in a general Northerly direction along the divide line between Lots 3 and 4, in Block 6, a distance of 94 feet to a point on the Southern edge of Second Avenue; thence, at right angles and in a general Easterly direction along Second Avenue a distance of 40 feet to the point of beginning, and being all of Lot 4, in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by Alice M. Carson and L. W. Carson, her husband, by deed dated December 17, 1940, of record in Deed Book 559, page 345.

LOT 11, BLOCK 6

Beginning at a point on the Northern side of First Avenue, 40 feet East of the intersection of Jefferson Street and First Avenue; thence, in a general Northerly direction along the divide line between Lots 11 and 12, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Westerly direction along said alley a distance of 40 feet to a point on the Eastern side of Jefferson Street; thence, at right angles and in a general Southerly direction along Jefferson Street a distance of 94 feet to a point on the Northeastern intersection of Jefferson Street and First Avenue; thence, at right angles and in a general Easterly direction along First Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 11 in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by Dorothy Kandel and Jacob Kandel, her husband, by deed dated December 18, 1940, of record in Deed Book 559, page 352.
LOT 12, BLOCK 6

Beginning at a point on the Northern side of First Avenue, 80 feet East of the intersection of Jefferson Street and First Avenue; thence, in a general Northerly direction along the divide line between Lots 12 and 13, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Easterly direction along said alley a distance of 40 feet to a point; thence, at right angles and in a general Southerly direction along the divide line between Lots 11 and 12, in Block 6, a distance of 94 feet to a point on the Northern edge of First Avenue; thence, at right angles and in a general Easterly direction along First Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 12, in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by Dorothy Kandel and Jacob Kandel, her husband, by deed dated December 18, 1940, of record in Deed Book 559, page 352.

LOT 13, BLOCK 6

Beginning at a point on the North side of First Avenue, 120 feet East of the intersection of Jefferson Street and First Avenue; thence, in a general Northerly direction along the divide line between Lots 13 and 14, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Westerly direction along said alley a distance of 40 feet to a point; thence, at right angles and in a general Southerly direction along the divide line between Lots 12 and 13, in Block 6, a distance of 94 feet to a point on the Northern edge of First Avenue; thence, at right angles and in a general Easterly direction along First Avenue a distance of 40 feet to the point of beginning, and being all of Lot 13, of Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by William L. Montgomery, by deed dated December 17, 1940, of record in Deed Book 559, page 355.
LOT 14, BLOCK 6

Beginning at a point on the Northern side of First Avenue, 160 feet East of the intersection of Jefferson Street and First Avenue; thence, in a general Northerly direction from the divide line between Lots 14 and 15, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Westerly direction along said alley a distance of 40 feet to a point; thence, at right angles and in a general Southerly direction along the divide line between Lots 13 and 14, in Block 6, a distance of 94 feet to a point on the Northern edge of First Avenue; thence, at right angles and in a general Easterly direction along First Avenue a distance of 40 feet to the point of beginning, and being all of Lot 14, in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", being the same property conveyed to the West Virginia Board of Control, by Helen M. Vickers, by deed dated December 18, 1940, of record in Deed Book 559, page 349.

TRACT NINE
TAX MAP PARCEL 151
P/O LOT 9, BLOCK 1

A certain lot or parcel of land being part of the northern one half of Lot 9, Block 1, in the City of Montgomery, West Virginia, said Lot 9, Block 1, being shown on a certain map of said City of Montgomery, with additions as prepared by I. J. Settle under date of February 7, 1939, which said map is of record in the office of the Clerk of the County Court of Kanawha County, West Virginia, said part Lot 9, Block 1, beginning at an iron pin on the north eastern corner of said part lot being near the intersection of Jefferson Street and First Avenue, thence S-2-20 E 62.48 feet along Jefferson Street to an iron pin, thence S 88-18 W 40 feet to a point which is the common boundary line between Lot 9 and Lot 8 in said Block 1, thence N 2-20 W 62.03 feet, more or less, along said common boundary line between said Lot 8 and Lot 9, to a point, thence N 87-40 E 40 feet, more or less, along First Avenue to the point of beginning, being the northern part of Lot 9, Block 1, in the City of Montgomery, Kanawha County West Virginia.

This is the same part of Lot 9, Block 1, which is part of the Lot C described on that certain map styled, (Map of Subdivision of Lots 8 and 9 Block 1, in the City of Montgomery, West Virginia), prepared by W. R. Wise, R.P.E. on August 26, 1955, and which
said map is of record in the office of the Clerk of the County Court of Kanawha County, West Virginia.

Being the same property conveyed to West Virginia Board of Regents by Jimmie Lucci and Bethel Lucci, his wife, by deed dated October 14, 1975, of record in Deed Book 1780, page 24.

TRACT TEN
TAX MAP PARCEL 152
P/O LOT 9, BLOCK 1

A certain lot or parcel of land being part of the southern one-half of Lot 9, Block 1, in the City of Montgomery, West Virginia, said Lot 9, Block 1, being shown on a certain map of said City of Montgomery, with additions, as prepared by J. I. Jett, under date of February 7, 1939, which said map is of record in the office of the Clerk of the County Court of Kanawha County, West Virginia, said part Lot 9, Block 1, beginning at an iron pin on the northern right of way line of Fayette Pike, said pin being N. 88° 56' E., 1.50 feet from the common corner of Lot 9, and Lot 8; thence along said parallel with the common boundary line between Lot 9 and Lot 8, N. 2° 20' W., 62.04 feet to an iron pin lying 1.50 feet from said common boundary line; thence N. 88° 18' E., 38.50 feet to an iron pin in the eastern boundary line of said Lot 9; thence along and with said eastern boundary line of Lot 9, S. 2° 20' E., 62.48 feet to an iron pin on said northern right of way line of Fayette Pike; thence along and with said northern right of way of Fayette Pike, S. 88° 56' W., 38.51 feet to the beginning, being part of Lot 9, Block 1, in the City of Montgomery, Kanawha County, West Virginia.

This is the same part of Lot 9, Block 1, which is described as Lot A on that certain map styled “Map of Subdivision of Lot 8 and 9, Block 1, in the City of Montgomery, West Virginia” prepared by W. R. Wise, R.P.E. on August 26, 1955, and which said map is of record in the office of the Clerk of the County Court of Kanawha County.

Being the same property conveyed to West Virginia Board of Regents, by Darrel Strickland and Mildred Strickland, his wife; Bethel Strickland Lucci and Jimmie Lucci, her husband, by deed dated January 16, 1976, of record in Deed Book 1785, page 412.
TRACT ELEVEN
TAX MAP PARCEL 153
P/O LOT 8, BLOCK 1

Beginning at a pin in the North right of way line of Fayette Pike, a common corner to Lot No. 8 and Lot No. 9, Block 1, thence with the line of Fayette Pike S. 88° 56' W. 40.01 feet to a pin 7 inches east of an iron post to a new fence; thence N. 2° 20' W. 61.59 feet to a pin under the wire of said new fence; thence N. 88° 18' E. 40.00 feet to a pin on the boundary line between Lot No. 9 in Block 1; thence S. 2° 20' E. 62.04 feet to the beginning and being the southern half of Lot No. 8 in Block 1, as shown on a Map of the Town of Montgomery (formerly Coal Valley), as prepared by the late I. J. Settle “Final corrected I. J. Settle’s Map of Coal Valley now Montgomery, W. Va.”, recorded in the office of the Clerk of County Court of Kanawha County, West Virginia in Map Book 7, at page 12, and being that portion of Lot B lying West of the original lot line between Lot No. 8 and Lot No. 9, Block 1, as shown on a map entitled “Map of a Subdivision of Lots 8 and 9 in the City of Montgomery, W. Va.” Prepared by W. R. Wise, R.P.E. under date of August 26, 1955, and being the same property conveyed to West Virginia Board of Regents, by Mamie E. Fink, by deed dated October 21, 1975, of record in Deed Book 1776, page 357.

TRACT TWELVE
TAX MAP PARCEL 154
P/O LOT 8, BLOCK 1

A certain lot or parcel of land being the northern part of Lot 8, Block 1, in the City of Montgomery, West Virginia, said Lot 8, Block 1, being shown on a certain map of said City of Montgomery, with additions as prepared by I. J. Settle under date of February 7, 1939, which said map is of record in the office of the Clerk of the County Court of Kanawha County, West Virginia, said part Lot 8, Block 1, beginning at a point which is on the common boundary line between Lots 8 and 9, Block 1, as shown on said map at a point where said common boundary line adjoins First Avenue; thence along the common boundary line between said Lots 8 and 9, S. 2° 20' E. 62.03 feet to a point in the said line; thence across Lot 8, S. 88° 18' W., 40 feet to a point on the common boundary line between Lots 7 and 8 in said Block 1; thence N. 2° 20' W., 61.59 feet along said line between Lots 7 and 8 to a point on First Avenue to the point of beginning, being the northern part of Lot 8, Block 1, which is part of the Lot C described on that certain map styled (Map of Subdivision of Lots 8
and 9 Block 1, in the City of Montgomery, West Virginia), prepared by W. R. Wise, R.P.E. on August 26, 1955, and which said map is of record in the office of the Clerk of the County Court of Kanawha County, West Virginia.

Being the same property conveyed to West Virginia Board of Regents, by Darrel Strickland and Mildred Strickland, his wife; Bethel Strickland Lucci and Jimmie Lucci, her husband, by deed dated January 16, 1976, of record in Deed Book 1785, page 409.

TRACT THIRTEEN
TAX MAP PARCEL 155
P/O LOT 7, BLOCK 1

Beginning on First Avenue at the northeast corner of Lot No. 6 in Block "1" and running with the line of said Lot No. 6 South a distance of 60 feet toward Giles Fayette and Kanawha Turnpike to a point in said line; thence at right angles and on a line parallel with said First Avenue in easterly direction to the line of Lot No. 8 in said Block; thence at right angles and with the west line of said Lot No. 8 northerly a distance of 60 feet to said First Avenue; thence at right angles and long said Avenue in a westerly direction to the point of beginning, it being the intention of said party of the first part to convey that part of Lot No. 7 in Block No. "1" fronting on First Avenue and extending back from said Avenue a distance of 60 feet between parallel lines, being part of Lot No. 7 in Block No. "1", as laid down on a map entitled, "Final Corrected L. J. Settle's Map of Coal Valley City Now Montgomery, W. Va." Recorded in the office of the Clerk of the County Court of Kanawha County, West Virginia in Map Book 7, page 12, and being the same property conveyed to West Virginia Board of Regents, by Donald Joseph Riggio and Suzanne M. Riggio, his wife, by deed dated May 21, 1975, of record in Deed Book 1762, page 463.

TRACT FOURTEEN
TAX MAP PARCEL 156
P/O LOT 7, BLOCK 1

Beginning at a point where the eastern line of Lot No. 6, in Block No. 1, intersects with the Northern side of Fayette Pike and running in a northerly direction along the divide line between Lots Nos. 6 and 7, a distance of 45' 8" to a point; thence, at right angles and across Lots No. 7, and in an easterly direction 40 feet to the divide line between Lots Nos. 7 and 8, to the northern line of Fayette Pike; thence, at right angles in a southerly direction along...
the divide line between Lots Nos. 7 and 8 to the northern line of Fayette Pike; thence, along said northern line of Fayette Pike in a westerly direction a distance of approximately 40 feet to the point of beginning, this being the southern half of Lot No. 7, in Block No. 1, as laid down on the Map of the town Montgomery (formerly Coal Valley), as prepared by the late I. J. Settle, "[Handwritten] Final corrected I. J. Settle's Map of Coal Valley now Montgomery, W. Va." Recorded in the office of the Clerk of the County Court of Kanawha County, West Virginia in Map Book 7, at page 12, and being the same property conveyed to West Virginia Board of Regents, by Macil L. Null, formerly Macil L. Jeffery, and Melvin Lee Null, her husband, by deed dated September 11, 1975 of record in Deed Book 1774, page 564.

**TRACT FIFTEEN**
**TAX MAP PARCEL 157**
**P/O LOT 6, BLOCK 1**

Being the Southerly portion of Lot #6, of Block One (1), of Coal Valley City, (now Montgomery), a map of same being of record in the Office of the Clerk of the County Court of Kanawha County, West Virginia, in Map Book 7, at page 12, and being more particularly bounded and described as follows:

Beginning at an old wood post in the northerly line of Fayette Pike, marking the common corner of Lots Nos. 5 and 6 of said Block One (1); thence leaving Fayette Pike and with the common dividing line between the last named Lots, N. 1° 27' W., a distances of 63.0 feet to an iron pin; thence crossing said Lot #6, N. 87° 30' E., a distance of 40.1 feet to a point in the common dividing line of Lots Nos. 6 and 7, which said point is 0.3 feet distant from a steel fence corner post; thence with the common dividing line between Lots Nos. 6 and 7, S. 2° 30' E., a distance of 60.5 feet to a one inch pipe in the said northerly line of Fayette Pike; thence with the said Fayette Pike, S. 84° 04' W., a distance of 41.3 feet to the place of beginning.

Being the same property conveyed to West Virginia Board of Regents, by Julia M. Carpenter and Brown B. Carpenter, her husband, and Sammy J. Frangale and Mildred Fragale, his wife, by deed dated July 25, 1975, of record in Deed Book 1770, page 772.
TRACT SIXTEEN
TAX MAP PARCELS 158, 159, 160
P/O LOT 6, ALL OF LOT 5, P/O LOTS 3 AND 4, BLOCK 1

BEGINNING at a two inch pipe, in the southerly line of First Avenue, in the said City of Montgomery; common front corner of Lot No. 6 and Lot No. 7 of said Block One (1); thence leaving said First Avenue, and with the common dividing line between said Lots, S. 2° 30' E., a distance of 60.4 feet, to a point in said line, which said point is S. 87° 30' W., a distance of 0.3 feet from a steel fence corner post, common corner to the parcel conveyed unto said second party by the deed last hereinbefore mentioned; thence leaving said common dividing line and with the northerly line of said last mentioned parcel, S. 87° 30' W., a distance of 40.1 feet to an iron pin in the common dividing line of Lots Nos. 5 and 6; thence S. 1° 27' E., a distance of 63.0 feet to an old wood post in the northerly line of Fayette Pike; thence with said northerly line of Fayette Pike, S. 80° 59' W., a distance of 40.5 feet to a 1.5 inch pipe, common corner of Lot No. 4 and said Lot No. 5; thence continuing with said northerly line of said Fayette Pike, S. 62° 50' W., a distance of 77.2 feet to a wood post, marking the intersection of said Fayette Pike and Jackson Street, N. 5° 50' W., a distance of 119.4 feet (passing a rock wall at 81.9 feet), to a fence post, common corner to said Fannin parcel; thence leaving said line of Jackson Street, N. 86° 56' E., crossing Lot No. 3 and said Lot No. 4, a distance of 77.1 feet to a point in the common dividing line of said Lots Nos. 4 and 5; thence with said common dividing, N. 2° 30' W., a distance of 40.3 feet to a fence post in the said southerly line of First Avenue; thence with the same and with the northerly lines of said Lots Nos., 5 and 6, N. 87° 30' E., a distance of 81.8 feet to the place of beginning, all as shown and described upon a map of the western part of said Block One (1) made by S. E. Thornton, P.E., dated June 11, 1973, which is attached hereto and made a part hereof;

Being the same property conveyed to West Virginia Board of Regents, by Julia M. Carpenter and Brown B. Carpenter, her husband, by deed dated July 25, 1975, of record in Deed Book 1776, page 784.

TRACT SEVENTEEN
TAX MAP PARCEL 160.1
P/O LOTS 3 & 4, BLOCK 1

Beginning at a pin corner to Jackson Street, and First Avenue; thence N. 87° 40' E., a distance of 79.50 feet to a pin; thence S. 2°
20' E. a distance of 40.30 feet to a pin; thence S. 87° 06' W. a distance of 77.11 feet to a pin; thence N. 5° 40' W. a distance of 41.14 feet to a pin, the place of beginning; and being the same property conveyed to West Virginia Board of Regents, by Roy Fannin and Ethel Fannin, his wife, by deed dated October 10, 1975, of record in Deed Book 1776, page 310.

**TRACT EIGHTEEN**

**TAX MAP PARCEL 145**

**LOT 5, BLOCK 2**

All of Lot Five (5) of Block Two (2) of the City of Montgomery, all as shown, mentioned and described upon the map of the same, made by Dunn Engineers, Inc., dated September 18, 1979, which said map is of record in the office of the Clerk of the County Commission of Kanawha County, West Virginia in Deed Book 2279, page 375.

Being the same property conveyed to The Board of Directors of the College System, a governmental instrumentality of the State of West Virginia, for and on behalf of West Virginia Institute of Technology, by Charles R. Dotson and Vickie G. Dotson, his wife, by deed dated July 20, 1991, of record in Deed Book 2279, page 375.

**TRACT NINETEEN**

**TAX MAP PARCEL 146**

**LOT 4, BLOCK 2**

All that certain lot or parcel of land, together with the improvements thereon and appurtenances thereunto belonging or in any wise appertaining, situate in the City of Montgomery, Cabin Creek, Kanawha County, West Virginia, being on the south side of the C & O Railway right of way, fronting forty feet on First Avenue and extending back between perpendicular parallel lines to Fayette Pike, and being all of Lot No. 4 in Block 2.

TRACT TWENTY
TAX MAP PARCEL 147
LOT 3, BLOCK 2

Beginning on First Avenue at corner of Lot No. 2, running east 40 feet with said First Avenue to Lot No. 4; thence at right angles and with line of Lot No. 4 south to the Giles Fayette and Kanawha Turnpike; thence west with said Turnpike to the corner of Lot No. 2; thence north with line of said Lot No. 2 to the beginning, this being all of Lot No. 3 in Block No. 2 Montgomery, Kanawha County, West Virginia, as shown on map of Coal Valley, Now Montgomery, West Virginia, made by J. J. Settle, and of record in Deed Book 364, at Page 498.

Being the same property conveyed to the State College and University System of West Virginia, by Agreed Order dated December 8, 1995, filed on December 8, 1995 with the Circuit Court of Kanawha County, West Virginia.
Tax Data

The subject property is assessed in the name of BridgeValley Community & Technical College Board of Governors in the Kanawha County Assessor’s Office in the Montgomery Corporation Tax District on Map 1 as Parcels 94, 95, 96, 97, 139, 140 and 141, as well as an abandoned alley that is not assigned a parcel number. The 2020 tax assessment for each parcel has been summarized in a chart and the properties are tax-exempt. The tax summary is shown as follows:

<table>
<thead>
<tr>
<th>Map</th>
<th>Parcel</th>
<th>Land Assessment</th>
<th>Building Assessment</th>
<th>Total Assessment</th>
<th>Appraised</th>
<th>Taxes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>94</td>
<td>$5,460.00</td>
<td>$1,200,000.00</td>
<td>$1,205,460.00</td>
<td>$2,009,100.00</td>
<td>Exempt</td>
</tr>
<tr>
<td>1</td>
<td>95</td>
<td>$5,460.00</td>
<td>$</td>
<td>$5,460.00</td>
<td>$9,100.00</td>
<td>Exempt</td>
</tr>
<tr>
<td>1</td>
<td>96</td>
<td>$5,520.00</td>
<td>$</td>
<td>$5,520.00</td>
<td>$9,200.00</td>
<td>Exempt</td>
</tr>
<tr>
<td>1</td>
<td>97</td>
<td>$5,880.00</td>
<td>$</td>
<td>$5,880.00</td>
<td>$9,800.00</td>
<td>Exempt</td>
</tr>
<tr>
<td>1</td>
<td>139</td>
<td>$5,580.00</td>
<td>$3,000.00</td>
<td>$8,580.00</td>
<td>$14,300.00</td>
<td>Exempt</td>
</tr>
<tr>
<td>1</td>
<td>140</td>
<td>$5,460.00</td>
<td>$3,000.00</td>
<td>$8,460.00</td>
<td>$14,100.00</td>
<td>Exempt</td>
</tr>
<tr>
<td>1</td>
<td>141</td>
<td>$7,860.00</td>
<td>$6,000.00</td>
<td>$13,860.00</td>
<td>$23,100.00</td>
<td>Exempt</td>
</tr>
<tr>
<td>Alley</td>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Class IV Tax Rate 0.032696 Total Appraisal $2,088,700.00 $ -

The property is appraised for $2,088,700.00, but it is unlikely that this has changed because there are no taxes due and no incentive for the Assessor to revalue the property. If the property were subject to taxes based on the current valuation, the annual taxes would be in the range of $41,000.00.

Area Data

West Virginia is geographically located in the mid-Atlantic region which extends as far north as Pittsburgh, Pennsylvania; as far west as Columbus, Ohio; as far east as Washington D. C.; and as far south as Richmond, Virginia. According to the 2020 Census, within this state there are approximately 1.793 million people, which is a decrease of approximately 3.2% from 2010.

The property is located in the community of Montgomery an incorporated town at the eastern end of the Kanawha Valley and the western end of the valley area of Fayette County. Montgomery is actually split by the Fayette and Kanawha County line and the subject property is located in Kanawha County. That places Montgomery approximately 40 minutes east of Charleston and 30 minutes west of Fayetteville. Residents in this area will commute to both locations but Charleston offers a larger employment base and better shopping opportunities for durable goods. The closest interstate system is the West Virginia Turnpike at Chelmon but there is a four lane US Highway traveling north and south through Fayette County. This description references the fact that the
subject property is somewhat isolated from major transportation routes and large population centers. The historical reliance on the coal and energy markets, and the subsequent designs in those activities has defined the current economic status for the immediate area.

Charleston is the State Capitol and the County Seat of Kanawha County. The Charleston Standard Metropolitan Statistical Area includes a civilian labor force of approximately 90,700 (as of December 2021) and intersects with the Huntington Standard Metropolitan Statistical Area, which has a civilian labor force of approximately 144,400 as of December 2021. These two combined areas have slightly less than one third of the state's total population. Charleston and Huntington are located approximately fifty miles apart. The trade area encompasses portions of Ohio and Kentucky. Charleston has the heaviest concentration of governmental offices and is the financial and professional center of the state.

As of June 2013, the Federal Office of Management and Budget revised the Metropolitan Statistical Area for Charleston and Huntington-Ashland. In this revision, it was determined that Lincoln and Putnam Counties were more closely correlated with the Huntington-Ashland SMSA. The Charleston SMSA had an estimated civilian labor force of approximately 90,700 as of December 2021. Until several years of data is generated, comparison of changes in the SMSA will not be relevant.

### Population

According to the United States Census Bureau and estimates by the City of Charleston, population figures for Charleston and Kanawha County since 1990 are shown below:

<table>
<thead>
<tr>
<th></th>
<th>1990</th>
<th>2000</th>
<th>2010</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charleston</td>
<td>57,287</td>
<td>53,421</td>
<td>51,400</td>
<td>48,864</td>
</tr>
<tr>
<td>Kanawha Co</td>
<td>207,619</td>
<td>200,073</td>
<td>193,063</td>
<td>180,745</td>
</tr>
</tbody>
</table>

As shown above, the population of the City of Charleston has decreased overall since 1980. The population of Kanawha County has also decreased overall since 1970. The population for Kanawha County for the 2020 Census was 180,745. Although the population has decreased in Charleston and Kanawha County, Charleston continues to serve a much larger area with daytime employment. The SMSA has been expanded and includes a civilian labor force of 90,700 (December 2021).

### Employment

The unemployment rate in December 2021 was 2.9%, which compares to 7.4% one year earlier. West Virginia's unemployment rate in December 2021 was 2.9%.
following summarizes employment for the county and state:

<table>
<thead>
<tr>
<th>Entity</th>
<th>LF</th>
<th>E</th>
<th>UE</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kanawha Co.</td>
<td>80,550</td>
<td>78,210</td>
<td>2,320</td>
<td>2.9%</td>
</tr>
<tr>
<td>WV</td>
<td>782,700</td>
<td>759,800</td>
<td>22,900</td>
<td>2.9%</td>
</tr>
</tbody>
</table>

U.S. Unemployment Rate 3.7%

*All rates are unadjusted. January 25, 2022

LF – Labor Force; E – Employed; UE – Unemployed

The following table summarizes and displays the 2019 per capita income figures on a county, state, and national level:

<table>
<thead>
<tr>
<th>2019 PER CAPITA ANNUAL INCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charleston</td>
</tr>
<tr>
<td>Kanawha County</td>
</tr>
<tr>
<td>West Virginia</td>
</tr>
<tr>
<td>United States</td>
</tr>
</tbody>
</table>

Bureau of Economic Analysis

The ten largest employers in Kanawha County are summarized as follows:

<table>
<thead>
<tr>
<th>Employer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. CAMC Health System</td>
</tr>
<tr>
<td>2. Kanawha County Board of Education</td>
</tr>
<tr>
<td>3. WV Department Health &amp; Human Resources</td>
</tr>
<tr>
<td>4. Thomas Health System</td>
</tr>
<tr>
<td>5. Walmart</td>
</tr>
<tr>
<td>6. WV Department of Highways</td>
</tr>
<tr>
<td>7. US Postal Service</td>
</tr>
<tr>
<td>8. Kroger</td>
</tr>
<tr>
<td>9. City of Charleston</td>
</tr>
<tr>
<td>10. WV Department of Administration</td>
</tr>
</tbody>
</table>

*March 2021 workforcewv.org

The labor participation is approximately 50%, which is one of the lowest in the nation.
Services

The following entities provide public services for the county:

<table>
<thead>
<tr>
<th>Service</th>
<th>Provider</th>
</tr>
</thead>
<tbody>
<tr>
<td>School</td>
<td>Kanawha County</td>
</tr>
<tr>
<td>Electric</td>
<td>American Electric Power</td>
</tr>
<tr>
<td>Gas</td>
<td>Allegheny Power/Mountaineer Gas</td>
</tr>
<tr>
<td>Water/Sewer</td>
<td>Municipal/WVAWC/Local PSDs</td>
</tr>
<tr>
<td>Telephone</td>
<td>Frontier/Lumos/Suddenlink</td>
</tr>
<tr>
<td>Cable/TV</td>
<td>Suddenlink/DirectTV/Dish</td>
</tr>
</tbody>
</table>

Transportation

Charleston is served with Interstates 64 and 77 (also known as the West Virginia Turnpike, a toll road from Charleston to Bluefield), Interstate 79, and Appalachian Corridor G (U.S. Route 119) that connects Charleston with the Kentucky border through the southwestern portion of the state. There are several major federal and state highways.

Charleston is served with Yeager International Airport, which has direct flights to major connecting hubs such as Washington, DC, Atlanta, Chicago, Houston, Charlotte, Orlando, Philadelphia and Myrtle Beach.

Passenger rail service is provided by Amtrak, while CSX and Kanawha River Railroad (formerly Norfolk Southern) are responsible for cargo traffic. Much of the cargo originating in the State is coal and is now being transported to a worldwide market.

The Kanawha River is a heavily used industrial waterway that maintains a 9' channel depth. Recent upgrades have been made to the Winfield and Marmet Locks and Dams. The Marmet Locks, according to the US Corps of Engineers, are the busiest in the Ohio River System. These systems, along with upstream dams at Bluestone and Summersville, assist in flood control efforts.

Retail Sector

The largest retail center in downtown Charleston is the Charleston Town Center, which at one time was 1,000,000 square foot mall containing approximately 130 store fronts. The project was completed in 1983, and it had a stabilizing effect in downtown Charleston. The Town Center Mall had a successful tenure until shopping trends were significantly changed by local demographics and the impact of online shopping. Sears closed in 2017 and Macy's closed in March 2019. JC Penny is the other anchor and their corporate structure and performance has been weak for years. In late 2017, the mall ownership was placed in receivership due to default of a $94,000,000.00 loan. Foot traffic at the mall is significantly reduced and there are monthly announcements of closures of more stores. This is a significant issue that is being addressed by local business interest and political figures but the mall’s future will be based on its ability to be converted to a multi-use facility. In January 2019, the lienholder bid in the property at a public auction at $35,000,000.00. In the second quarter of 2021, the property resold to a private developer for $7,500,000.00. The private developer is a known mall operator that
plans to attract new tenants and focus on the retail design with opportunities for mixed use development.

Southridge Centre, another major retail development, is located approximately 6 miles south of Charleston on Corridor G. Southridge includes big-box tenants such as Sam’s, Wal-Mart and Home Depot, along with the accompanying fast food restaurants and specialty stores such as Panera Bread, Honey Baked Ham, Olive Garden, Red Lobster and Quaker Steak N’ Lube. There is also a Hampton Inn located in this area. Cabela’s opened an 80,000 square foot retail store in August 2012.

In addition, there are two other significant developments in this area known as Dudley Farms and The Shoppes at Trace Fork. These include stores such as Target, Marshalls, Books-A-Million, Dick’s Sporting Goods, Bath & Body Works, Home Goods, Pier One, Lowe’s and Target. There are also locally owned retailers and several restaurants and a convenience store, as well as a Holiday Inn Express. This area is not immune to retail changes that have also affected the Town Center Mall. Gander Mountain closed in 2017 and it is being converted to a Hobby Lobby, but there is still a significant traffic draw to this area so there continues to be new announcements. For example, Bojangles opened a facility in 2017 and Starbucks was announced in 2018. This area has created significant activity in the southern part of Charleston and South Charleston and draw retail traffic from a broad geographic area. It appears that each retail area has sustained itself and there has been a dramatic impact on the Town Center Mall.

Hotel Sector

Charleston is fortunate to have major hotels located in the downtown area and at interstate interchanges. The major hotels in downtown include the following:

<table>
<thead>
<tr>
<th>Hotel</th>
<th># of Rooms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marriott Hotel</td>
<td>352 Rooms</td>
</tr>
<tr>
<td>Embassy Suites</td>
<td>252 Rooms</td>
</tr>
<tr>
<td>Four Points by Sheraton</td>
<td>200 Rooms</td>
</tr>
<tr>
<td>Civic Center Holiday Inn</td>
<td>200 Rooms</td>
</tr>
<tr>
<td>Quality Inn &amp; Suites</td>
<td>160 Rooms</td>
</tr>
<tr>
<td>Best Western</td>
<td>136 Rooms</td>
</tr>
<tr>
<td>Courtyard by Marriott</td>
<td>119 Rooms</td>
</tr>
<tr>
<td>Hampton Inn</td>
<td>113 Rooms</td>
</tr>
</tbody>
</table>

The former Charleston House Holiday Inn underwent a major renovation and has been converted to a Four Points by Sheraton. A former restaurant space on the top floor was converted to individually owned residential condominiums. A Courtyard by Marriott was completed in February of 2015 along the Kanawha Boulevard at the intersection of the Elk and Kanawha Rivers. It boasts 110 guest rooms and 9
suites. The Super 8 and Charleston Capital Hotel just filed for bankruptcy.

**Office Space**

Charleston is a compact office market, which includes several office towers and a host of low-rise office buildings built around downtown and in several suburban locations. The office towers create the majority of the Class A space and are shown as follows:

<table>
<thead>
<tr>
<th>Building</th>
<th># of Sq. Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laidley (Huntington) Tower</td>
<td>215,162 sq. ft.</td>
</tr>
<tr>
<td>Chase Tower</td>
<td>273,000 sq. ft.</td>
</tr>
<tr>
<td>Truist Building</td>
<td>250,429 sq. ft.</td>
</tr>
<tr>
<td>United Bank</td>
<td>151,102 sq. ft.</td>
</tr>
</tbody>
</table>

There are other mid-rise buildings in the Charleston market, and a number of older office buildings, which have been renovated in the village district. The Federal Courthouse is one of the largest buildings in Charleston.

The former Diamond Department Store renovations were completed in 1999 and this added approximately 1,000 people to downtown each day. A new office building was completed in the spring of 2012 for the Federal Bureau of Investigations and is located in the 100 block of Virginia Street, East.

**Education**

Charleston is served by the following colleges and universities:

- University of Charleston
- West Virginia University Medical Center
- West Virginia State University
- Marshall University & College of Graduate Studies
- BridgeValley Community & Technical College

**Public Facilities**

The Clay Center for the Arts & Sciences opened in June of 2003 after four years of construction. It is located just outside of the Central Business District of Charleston in a block surrounded by Lee Street, Washington Street, Leon Sullivan Way and Brooks Street. In 2008, the Kanawha County Public Library announced the launch of the Open a Modern Classic Capital Campaign to build a state-of-the-art main library in downtown Charleston. This was a difficult time to raise funds for a new library, even though a site was selected. In 2018, the library board announced that the current facility will be redesigned with a new entrance on Summers Street and major mechanical and cosmetic improvements to their existing facility. This is the best solution for preserving an important public facility that contributes to a healthy downtown business district.

The Charleston Coliseum and Convention Center provides an arena for sports, conventions and trade shows. The State Capitol Complex is also a
major tourist attraction. In October of 2014, major renovations were announced for the Charleston Coliseum and Convention Center. It was estimated to cost in the range of $70 million dollars and the initial plan was to expand and renovate the building by upgrading outdated technology, adding an outdoor plaza and an additional pedestrian entrance across from the Charleston Town Center Mall. The budget for this project has been significantly enhanced and is closer to $100,000,000.00. The initial plans include a 10,000 square foot kitchen, new food court for coliseum events and a ballroom facing the river. The design team was selected in May 2015. A groundbreaking ceremony occurred in June 2015 and the grand opening was October 2018.

Appalachian Power Park is a minor league baseball facility that was constructed in the East End of Charleston in 2003. At the time, it was viewed as a significant economic development project that would draw traffic to an area of town that needed to be redeveloped. There are examples of commercial and residential redevelopment projects that have been created in this area, but the baseball theme has not continued to attract the same volume of patrons. In 2020, the MLB discontinued their relationship with this franchise. In February 2021, the West Virginia Power announced that the club joined the Atlantic League of Professional Baseball, an independent league. That will allow the team to recruit local talent that has former MLB experience.

Construction on a new canopy at Haddad Riverfront Park was completed in June 2010. This outdoor venue hosts many special events and concerts throughout the year and a covered stage and seating area offered more flexibility for how this is used. The construction of the canopy provided a better venue for Live on the Levee, a Friday night concert series that occurs throughout the summer.
Neighborhood Data

A neighborhood is a portion of a larger community in which there is a homogenous grouping of inhabitants, buildings, or business enterprises. Neighborhood boundaries may consist of well-defined natural or manmade barriers or they may be more or less well defined by distinct changes in land use or in the character of the inhabitants. In evaluating a neighborhood, the appraiser must consider physical boundaries, legal boundaries, use patterns, and the availability of services.

The market area of the subject property is considered to be the downtown portion of Montgomery, which is essentially located between Jefferson Street to the west, the mountains to the south, the bridge to the east and the Kanawha River to the north. The majority of this area is used for commercial purposes and is zoned CBD, Central Business District, or General Purpose by the City of Montgomery. It is designed around several important physical features including the railroad, hillside and the river. There is a wide range of commercial and residential uses in the immediate vicinity. Much of this area was heavily developed before land use regulations were imposed and the area needed a lot of housing to accommodate the mineral extraction businesses and West Virginia University of Technology.

WVU Tech operated a large higher education campus in downtown Montgomery due to the size and stature of the buildings. Since West Virginia University relocated the school to Beckley in 2017, many of these buildings have been minimally occupied. Particularly the dormitories or special use buildings. The initial concept was for the KVC Health Systems to take over the entire campus to provide an educational facility for foster, adoption and behavioral health care. This was expected to peak at 500 students. That plan never materialized and the WVU Tech campus has been sold piece-meal fashion for a wide range of projects. BridgeValley gained ownership of five buildings and has consumed other space within Montgomery such as the diesel repair shop located in the former Brown Chevrolet but has mostly expanded services and operations in connection with their South Charleston campus. BridgeValley has reduced their footprint in Montgomery and several of the former WVU Tech buildings are idle. BridgeValley does not have the same volume of students as West Virginia Tech did and no traditional students requiring housing. These are all commuter and non-traditional students that may travel from 30 to 60 minutes away for educational opportunities. After a change in leadership at BridgeValley, there was a focus on limiting the real estate ownership in Montgomery and liquidating up to 5 buildings.

West Virginia Governor Jim Justice announced that Mountaineer ChalleNGe Academy Southern Campus in the 2020 State of the State Address. The Mountaineer ChalleNGe Academy
is a program operated through the West Virginia National Guard for at-risk youths from ages 16 to 18. That places the students in a 22 week, quasi-military residential program with eight core programs including the ability for students to obtain GED’s (Graduate Equivalency Diploma) through their home high school. Renovations were made to former Maclin Hall, the student union and the Baisi Athletic Center. Those facilities represent some of the core components from the former WVU Tech Campus. This also created 60 full-time equivalent jobs and headed an inaugural class of 72 cadets (students). This is the type of public outreach that has the ability to secure government funding to support programs that can compete this type of market because they are providing a public service that does not require an economic return to an investor.

A private developer, using favorable public financing, is renovating the former COBE Building into 28 senior housing units. This requires major renovations to a 35,100 square foot classroom building. Without favorable financing, this project would not be feasible. Other buildings, such as the Vining Library have been sold to the City of Montgomery. There has definitely been a concerted effort to repurpose many of the former campus buildings for the benefit of the community.

In December 2021, The City of Montgomery announced plans to take over remaining WVU Tech facilities, including the Neal Baisi Athletic Center. This is proposed as a community building, athletic facility and emergency shelter. The project is in need of $1.6 million of State funding to resolve deferred maintenance and overhaul the building, including upgrades to provide ADA access. Other assets targeted by the City of Montgomery include the football field and vacant sites where old buildings were demolished.

Montgomery is unique because part of it is located in Kanawha County and a larger portion is located in Fayette County. In fact, several of the properties are split between the two counties. The main access to the area is from Route 60, which travels east and west from Charleston to Lewisburg on the north side of the river. It is also served by an Amtrak station as the rail line goes directly through town. The Amtrak station was rebuilt in 2019. The traffic on Route 60 is now destination oriented rather than through traffic. Other than the school and the hospital, the major employers are typically mineral extraction companies or vendors for those types of operations. Service industry jobs are very prevalent in West Virginia and particularly in these areas where there is no manufacturing base. Ranger Scientific is one business that has relocated to Montgomery. Several years ago, this entity expressed interest in developing an ammunition factory on a former mine site in eastern Kanawha County. After years of no activity, they acquired a worship facility that had been fashioned out of an old school on 5th Avenue to commence manufacturing. This required demolishing the old three-
story schoolhouse, retrofitting two office wings and using the gymnasium for manufacturing. This is one of the largest private investments in the area.

The downtown area around the subject property has deteriorated over the last 30 years. There are several retail storefronts that are still vacant and there have not been any major discussions about potential employers. Most of the commercial activity in this area is now locating in Smithers, across the Kanawha River from Montgomery. Smithers has a Tudor’s Biscuit World, Taco Bell, Exxon and Grant’s Grocery Store. The Family Dollar and Dollar General are located in western end of Montgomery and another is in east Smithers.

The future for Montgomery would appear to be in a stagnant stage with the exception of small family operated businesses. The only new businesses that have opened in the area are fast food and convenience stores that do not offer good paying jobs. Discount stores are well represented and Grant’s (formerly Kroger) is the only full service grocery. The best hope for Montgomery is to help maintain the status of existing businesses, including Montgomery General Hospital. There is still a reasonable population base that needs good and services in the larger geographic area but the population of Montgomery has dwindled to the point that there is no viable pool of labor to support a significant business development and there are fewer and fewer reasons for the outside population to travel to or through Montgomery.
Site Data

A survey of the subject property was not available, so the Kanawha County GIS and satellite images were used to understand the basic design and configuration of the site. The parcels that are included in the analysis are shown in a map in this section of the report. Other physical characteristics were determined during the site observation and are summarized as follows:

Access: The property fronts on the south side of 2nd Avenue at its intersection with Jackson Street. This provides excellent visibility and access along three public roads. 2nd Avenue is the main thoroughfare through Montgomery and the property has a prominent location along that route.

Roads: 2nd Avenue is also WV Route 61 and is a two lane, asphalt paved, state maintained road. Jackson Street is a two lane, asphalt paved, city maintained street. 1st Avenue is westbound only but is asphalt paved and city maintained.

Interstate Access: Interstate 64/77 (West Virginia Turnpike) is available at the Chelyan Interchange approximately 12 miles west of the subject property. US Route 19 is the only four lane road traveling through Fayette County and it is located approximately 30 miles east at Oak Hill or Fayetteville.

Topography: Level

Configuration: Approximately rectangular

Site Size: 32,765 square feet

Lot Coverage Ratio: 25%

Utilities: All available and in use

Zoning: General Purpose; This classification is intended for a broad range of potential uses including commercial activities. The reality is that Montgomery is hopeful
of new investment and approved uses should be wide ranging.

Flood Map: Floodscape Flood Hazards Map
54039C 0637 E, dated September 3, 2010

Flood Determination: Low flood risk

Site Improvements: The primary site improvements include an asphalt paved parking area at the southwest corner of the site that has been fenced to convert it to basketball courts and recreational space. There are concrete walkways associated with building entrances and a private alley on the eastern edge of the site. The location of the alley relative to this is not known, but it has historically been used with the subject property and the building to the east.

Parking: The parking area has been converted to a recreational space so parking for this facility is on adjacent properties owned by BridgeValley and on public parking along 2nd Avenue. The old parking design appears to have space for 22 vehicles.

Landscaping: There are mature trees, shrubbery and some grassy areas around the building.

Public Improvements: Concrete sidewalks and street lights along 2nd Avenue

The site improvements are fairly minimal considering the size and stature of the building, but designed in this way due to the shared parking that was available to the subject property and adjoining buildings. There is also abundant free street parking that is frequently vacant. The building is situated on the northern half of the site with a 6-floor tower and a 1-story auditorium. The primary entrance is from the north side along 2nd Avenue and secondary entrances are available on the south side. The building design was in a period of time when it was accessed by pedestrian traffic rather than motor vehicles. As a standalone asset that is not affiliated with the larger educational campus, it would have to have more onsite parking to support a building of this size. That is one of the main factors that will influence the ability to redevelop this structure and may require some select demolition. The site improvements are in average condition, but there is functional obsolescence due to the lack of onsite parking. Maps, photographs and
satellite images illustrating the property configuration are shown as follows:

Pathfinder Hall

Front View

Side View

Rear View

Rear View

Rear Lot (Recreational Use)
2nd Avenue Looking West

1st Avenue Looking East
AERIAL PHOTOGRAPH
SITE PLAN

Pathfinder Building
WV Flood Map

User Notes

Flood Hazard Area
Location is WITHIN a moderate flood risk hazard such as a FEMA 500-year floodplain.

Flood Zone
Shaded X (500-YR Flood)

Stream
Kanawha River

Watershed (HUC8)
Upper Kanawha (5050006)

Flood Height
Flood Height 68 ft

Water Depth

Elevation
634.0 ft (Source: FEMA 2018-20) (NAVD88)

Community & ID
City of Montgomery (ID: 54029)

FEMA Map & Date
54030C0637E; Effective Date: 9/3/2010

Location (lat, long)
38.179639, -81.330562 (WGS84)

Parcel ID
20-07-0001-0141-0000

Download the full legend for all flood tool symbols

Disclaimer:
The online map is for use in administering the National Flood Insurance Program. It does not necessarily identify all areas subject to flooding, particularly from local drainage sources of small size. Refer to the official Flood Insurance Study (FIS) for detailed flood elevation data in flood prone areas and data tables. WV Flood Tool (https://www.MapWV.gov/flood) is supported by FEMA, WV NFIP Office, and WV QIS Technical Center.
Improvement Data

The property is improved with an office and classroom tower that was built in approximately 1965. It appears to have been all constructed in one timeframe and intended for a combination of administrative offices, professional offices, classrooms and a large, terraced auditorium. The basic building information was determined during the site observation and is summarized as follows:

Age: Approximately 60 years old

Purpose of Building: Administrative offices, classrooms and auditorium

Gross Area: 44,750 square feet

Construction Style: Masonry and steel frame structure with precast concrete curtain walls and poured concrete floors. There is no lower level and the building has a flat roof.

Exterior

Walls: Precast concrete panels

Roof: There is a rubber roof over the auditorium and rolled asphalt with tar on the office tower and both are leaking.

Doors: The main entry doors are metal with metal frames and entry lights. Secondary doors are metal but have smaller windows.

Windows: Fixed aluminum frame with single pane glass

Interior

Walls: Mostly drywall with some painted block

Ceilings: Mostly suspended tile

Floors: There is floor tile that is either vinyl composition tile and may be asbestos. This would need to be investigated.
### Doors:
Solid wood with metal frames

### Lighting:
Combination of recessed fluorescent and surface mounted fluorescent fixtures

### Mechanical

#### HVAC:
There is a central boiler with chiller system and two compressors to operate the central climate control systems. There are also electric duct heaters for local control. One of the compressors on the air conditioning system is not functioning properly. All of the heat is electric.

#### Plumbing:
The building has a wide range of plumbing with a set of men’s and women’s restrooms on the first floor and mezzanine. There is a women’s restroom on the third floor and a men’s restroom on the fifth floor with no bathrooms on floors two, four and six. There is a central electric hot water tank. There are sump pumps in the sections of the auditorium that is below grade.

#### Electrical:
There is a large electric closet with a three phase system, but unknown capacity. This is reportedly metered with the maintenance building. There is a backup generator, but the maintenance staff was not aware if it runs on a maintenance schedule, what it operates or if it is functional. It is fairly small.

#### Elevator:
There are two 3,500 pound Eastern Brand traction elevators. These were reportedly replaced around 2015 at a cost estimate of $600,000.00.

#### Life Safety Components:
Emergency and exit lighting, central sprinkler system and magnetic door locks on the perimeter doors with two stairwells.

The building has many of the original design and finish fixtures with modest improvements made to select portions of the building that were occupied on a more regular basis. There was a coffee shop created in the front section of the first floor, the bookstore has been recently updated and the mezzanine offices were most recently used for administrative offices.
According to maintenance staff, the building was used more heavily until 2021 and now the only remaining function is a bookstore in the lower level of the building. Some of the upper levels have clearly not been occupied for many years and are showing signs of wear and tear. For example, there is evidence of roof leaks on the upper levels and water penetrates the seams in the exterior stucco panels. This is a matter of replacing caulk around the panels to make the building watertight. There are also severe roof leaks over the auditorium and deficiencies in some of the mechanical systems. For example, one of the air conditioning compressors is not functioning properly. There is a good possibility that significant upgrades would be made to the mechanical system, replacing the roof and caulking and sealing the stucco panels to make the building more functional for a user that planned to occupy it on a regular basis. Overall, the building is considered to be in fair to average condition with a remaining economic life of 15 years. Photographs and example floor plans illustrating the property configuration and condition are shown as follows:

![Bookstore](image1.jpg)

![Former Coffee Shop](image2.jpg)

![1st Floor Entrance](image3.jpg)

![1st Floor Main Lobby](image4.jpg)
Unisex Restroom on 1st Floor

Auditorium

Roof Leak in Auditorium

Elevators

Bookstore

Old Executive Office
Heat System

Room 512

Typical Restroom

Local Thermostats Control Units

Room 611

Room 616
FLOOR PLAN – THIRD FLOOR
Highest and Best Use

Based on The Dictionary of Real Estate Appraisal, Seventh Edition, published by The Appraisal Institute, the definition of highest and best use is as follows:

1. “The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset’s existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (International Valuation Standards “IVS”)

3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)

4. [For fair value determination] The use of a nonfinancial asset by market participants that would maximize the value of the asset or the group of assets and liabilities (for example, a business) within which the asset would be used. (FASB Glossary). The highest and best use of a nonfinancial asset takes into account the use that is physically possible, legally permissible, and financially feasible. (FASB 820-10-35-10B). The highest and best use of a nonfinancial asset establishes the valuation premise used to measure the fair value of the asset, as follows: (a) The highest and best use of a nonfinancial asset might provide maximum value to market participants through its use in combination with other assets as a group (as installed or otherwise configured for use) or in combination with other assets and liabilities (for example, a business). (b) The highest and best use of the asset might provide maximum value to market participants on a standalone basis. (FASB 820-10-35-10E)

The subject property is zoned General Purpose, according to representatives of the City of Montgomery. This is a broad classification that allows for a wide range of uses. Examples include professional offices, service related businesses, educational facilities and single-family homes. All of those types of uses can be found in the immediate area, many of which were in place prior to the city ordinance being adopted in 1970. The reality is that the City of Montgomery would look favorably upon most types of investments in redeveloping portions of downtown. The subject zoning is not considered to be a significant impediment to the use of the property.
The physical characteristics of the site include a site that is nearly rectangular in shape with frontage along three public roads and access to all utility infrastructure. It is not located within a high risk flood hazard area and it is assumed to have sufficient soil bearing capacity to allow development. It has a prominent location along the south side of 2nd Avenue in downtown Montgomery, with street level access from three public roads. The site size is fairly common for this portion of downtown Montgomery and a new use would have to allow for the building site, as well as proper parking to support a potential use. There are few physical impediments to the use of the property while recognizing this size site would only support a building of approximately 5,000 to 10,000 square feet and still have sufficient onsite parking.

The best measure of the highest and best use of the site is by reviewing the use of similar sites that have been developed in the market area during the recent past. There has not been a lot of new construction in Montgomery, particularly of any significant size and there are plenty of opportunities to repurpose existing buildings. A retail store was repurposed for a medical office and an old school, previously converted to a worship facility, was purchased to be converted to an ammunition manufacturing facility. This required the oldest section of the school to be demolished and the gymnasium converted to manufacturing. This area is not expected to attract national investment unless it is a discount store such as Dollar General or Family Dollar, both of which are already represented in the immediate area but are in older buildings. Local businesses that are attracted to Montgomery will tend to repurpose existing structures as a less expensive alternative to new construction. Due to the physical characteristics of the site and the location along a prominent corridor, the potential use is expected to be commercial oriented. It could be for a business requiring retail exposure. The Family Dollar is in an undersized facility and would be an ideal use of this size site. Due to the lack of recent new construction projects in Montgomery, there is a strong possibility that a vacant site would remain vacant for an extended period of time but this site would be well suited for a commercial use.

The property is currently improved with a significant asset in a six-story structure containing 44,750 square feet that had a specific design as administrative offices and classrooms. The building has existed since 1965 with modest reinvestment during the last 10 to 15 years. The school population of West Virginia Tech was declining prior to relocating to Beckley so these large facilities have been underutilized for years. Once acquired by BridgeValley, it has maintained the basic building systems and identified periodic uses for the structure, but those have been limited. BridgeValley recently relocated staff to a consolidated building. This may be due to dysfunctional mechanical systems and recurring roof leaks. The
limited recent use, the lack of significant population in the area and the specific design are factors that influence the ability to identify a new use for the building.

Other factors that influence the future use of the property include the condition of the roof, the limited onsite parking, the shared utility systems with other buildings and the possibility of significant asbestos. Those concerns have been overcome in other redevelopment projects, but directly influence the property value. The land use regulations are not considered to be a significant impediment to the current or any proposed uses of the building as the City of Montgomery would look favorably on putting this property back into production. Physically, the building has remaining economic life, but it is somewhat limited by the condition of the mechanical and short-lived building systems. Those are all issues that can be corrected if a proper use can be identified. There are clearly large elements of functional and external obsolescence that influence the ability to repurpose the property in its current design. One of the sources of functional obsolescence is the lack of sufficient parking. This could be resolved by demolishing a portion of the property, the auditorium, and using that land for parking. This still would not provide sufficient parking for an intense use. It is possible to modify the basic configuration but this is still a large building with a lot of square footage that would be difficult to fill with the type of business that is interested in locating in Montgomery.

Unfortunately, the cost to demolish the building would most likely exceed the land value so that is not an economically viable alternative.

The comparable sale data illustrates similar buildings in small communities that have been purchased for redevelopment projects. In most cases, these are somewhat speculative purchasers that are willing to take on the risk of a project with anticipation of a mixture of uses ranging from commercial to residential and usually targeting some type of grant funding to help facilitate the renovations and holding costs associated with a large asset. The Mountaineer ChalleNGe Academy is the most obvious example of a use that can benefit from government funding sources. The Cavalier Heights project is an example of a conversion to senior housing that benefits from low-interest public financing sources to make it feasible. That project would not have worked if parking were not available. The Federal government has distributed massive stimulus funding and the possibility for communities to identify projects to help redevelop after COVID-19 may be an opportunity to redevelop buildings. These generally require ownership by non-profit entities and a specific plan to create a meaningful infrastructure investment project to provide services to a community. This is the best possibility of a public and private partnership that will rely on a non-profit entity that can take ownership of the property, apply for grant funding and redevelop the property with a use that will justify major reinvestments in
restoring the short-lived building components. It will most likely be for a business model that includes a housing component and possibly for income restricted housing that would be attractive to residents in the community. That is similar to the redevelopment of other large properties throughout West Virginia and gives the best near-term possibility of re-positioning this building in a way that it contributes to the local economy and community needs.

Appraisal Process

The appraisal process is the analysis of the various data to arrive at an estimate of market value. In order to express a reasonable opinion of the market value of the subject property, the appraiser has considered various valuation methods. The three approaches that are available include the Sales Comparison Approach, Cost Approach and the Income Approach. Information for each of these approaches comes from the market place and at times is interrelated.

Sales Comparison Approach

The Sales Comparison Approach is the most easily understood and probably the most widely used. It is most appropriate and applicable when similar types of improved properties are available for direct comparison. This approach involves analyzing key factors of similarity and dissimilarity of similar type properties that are located in the same or competing areas. The principle underlying this technique is that it is expressive of the value established by informed buyers and sellers in the market area. This approach also serves as a reliable indicator regarding the amount of market activity. Its limitations are lack of similar data, older data and sales, which lack comparability. It is also utilized when developing an opinion of value for the land, as vacant.

Cost Approach

The Cost Approach considers the current cost of reproducing or replacing the existing improvements with consideration for depreciation and obsolescence. Replacement costs are typically used because it allows for replacing the existing improvements with modern building materials that are common in the market at the time of the appraisal. The depreciation that is deducted can come from three sources including physical deterioration, functional obsolescence and external obsolescence. The value of the land, as though vacant, is added to the depreciated value of the improvements to indicate the market value from the Cost Approach. This approach is directly related to the principle of substitution, which states that no one is likely to pay more for an existing property than what it would cost to recreate it.
Income Approach

The measure of value in this approach is directly related to the net income that the subject can create during the remaining economic life of the improvements. The process includes estimating the gross income, vacancy and expenses that are incurred by the property owner from leasing the property. Several methods are available for this approach, including capitalization of the first year’s net operating income, as well as an analysis of the discounted cash flow over a forecasted holding period. The net income is capitalized to arrive at an indication of value from the standpoint of an investment. Competing investments may include real estate, securities or a variety of investment vehicles. All of the information in this procedure must be obtained from the market to use standards, which are accepted by investors in the area. The principle underlying this method is the present worth of anticipated future benefits (net income) derived from the property.

Conclusion

The appraiser, in applying the tools of analysis to the problem in question, seeks to simulate the thought process of a probable decision maker rather than a particular one with specific individual interests. The various approaches to valuation are merely a simulation of these alternative courses of action, potentially open to the decision maker. The appraiser’s judgment concerns the applicability of alternative tools of analysis to the facts of the problem, the data, information needed to apply these tools, and the selection of the most applicable approaches to solve the appraisal problem. Some appraisal problems will fully utilize each valuation procedure while others may lack enough data to develop each approach. In all assignments each approach will be considered.

Sales Comparison Approach - Improvements

The research for comparable building sales was conducted throughout West Virginia with an emphasis on large buildings in small communities that transition from their original intended uses and have numerous sources of functional and external obsolescence. Buildings in small communities is the preferred source of this data but with limited information available, there are also property transactions from larger cities to provide broad perspective regarding the ability to repurpose similar buildings. The eastern end of the Kanawha Valley has been under pressure due to changes in the energy markets and the relocation of West Virginia Tech. The research focused on large worship facilities, old schools or government installations that have similar age and quality components that are also in need of immediate renovation. The research sources included CoStar, various Multiple Listing Services and a database of
transactions developed and maintained by Goldman Associates, Inc. A large volume of data will be shown to help frame the general unit price range for large facilities and a smaller selection of comparable sales will be analyzed in an adjustment grid. While not all of the sale data is specifically relevant to the subject property, it does help relate the types of redevelopment projects that have been implemented. The comparable sale data is shown as follows:
COMPARABLE IMPROVED SALE ONE

Hyperlink: S:\Main\Comp Database\Comps\Schools\Comp-17.doc

Location: 550 5th Avenue, Montgomery, Fayette County, West Virginia 25136

Tax District: Montgomery Corp.  Map/Parcel: 1C/33

Sale Date: 10/7/2020  Recorded: 806/34

Grantor: Terrance Hamm, Angela Hamm, Samona Reynolds, Ray Johnson, Theresa Johnson & Alonza Goudy, Trustees and their Successor Trustees of Living Waters Christian Fellowship

Grantee: Ranger Scientific, LLC

Verified: KVMLS #212017, Courthouse, Assessor, Online Records

Building Size: 60,000 Square Feet  Site Size: 1.348 Acres  58,724 Square Feet

Description: This is a level site within downtown Montgomery that is improved with a former high school building. The building consists of a three-story segment that was constructed circa 1950 and two subsequent additions. The three-story former school building was razed by the purchaser, while the former gym and other addition were kept intact. Approximately 30,000 square feet remained.

Sale Price: $180,000.00  Unit Price: $3.00 Per Square Foot

Financing: North Avenue Capital, LLC – DOT 1037/98 - $7,500,000.00  
(Includes Multiple Properties in Other Tax Districts, Maps, Parcels)

Zoning: Variance for Commercial Use (Previously R-2, Residential District)

Utilities: All Available

Topography: Level

Intended Use: Owner Occupied Manufacturing Facility

Prior Sale Data: 3/30/2007 - DB 628/PG 619 - $132,000.00

Comments: The property was marketed through the Kanawha Valley MLS with an original asking price of $250,000.00. It was on the market for 1,035 days. The property has been operating as a church since it was acquired in 2007.
COMPARABLE IMPROVED SALE TWO

Hyperlink: S:\Main\Comp Database\Comps\Commercial Buildings\Comp-1474.doc
Location: COBE Building - 409A Fayette Pike, Montgomery, Fayette County, West Virginia 25136
Tax District: Montgomery Corp. Map/Parcel: 3A/72.9 & 79.1
Sale Date: 11/4/2020 Recorded: 806/474 & 469
Grantor: West Virginia Board of Governors
Grantee: Cavalier Heights, LP
Verified: Buyer (Doug Pauley), Site View, Newspaper Articles, Public Records
Building Size: 35,100 Square Feet Site Size: 1.80 Acres
6,500 Square Feet 78,243 Square Feet
Description: This includes the former College of Business building and a smaller security building. The larger building was planned for conversion to 31 senior housing units with funding provided by the WV Housing Development fund. The smaller building will be renovated into 6 or 7 market rent apartments. The main building had commingled heating, electric and water from a separate building that had to be separated by the buyer after the sale. The buyer conducted major demolition and renovations, including replacing the roof. There was minimal asbestos. Parking is on-site and sufficient
Sale Price: $230,000.00 Unit Price: $5.53 Per Square Foot
Financing: Poca Valley Bank - $270,000.00
7/2021 - $3.5MM WV Housing Development Fund
Zoning: General Purpose
Utilities: All Available
Topography: Cleared Level Area with Some Steep Hillside
Intended Use: Conversion to Senior Housing
Prior Sale Data: Greater Than 3 Years
Comments: The buyer entered into negotiations with KVC, an entity that was going to take over the entire WV Tech campus. When that transaction fell-through, the sale was completed with WVU.
COMPARABLE IMPROVED SALE THREE

Hyperlink: S:\Main\Comp Database\Comps\Commercial Buildings\Comp-1471.doc

Location: Former Mount Hope Federal Building – 100 Bluestone Road, Mount Hope, Fayette County, West Virginia 25880

Tax District: Mount Hope Corp. Map/Parcel: 5/61
Sale Date: 11/22/2021 Recorded: 819/549

Grantor: United States of America, Acting By & Through the Administrator of General Services (“GSA”)
Grantee: 100 Blue Stone Road, LLC
Verified: LoopNet, Courthouse, Assessor & Online Records

Building Size: 34,000 Square Feet Site Size: 0.96 Acres

Description: This property includes a commercial office building that was constructed circa 1950 and designed with a one-story section and three-story section. It is reported to have readily available office space and work area, as well as recently remodeled bathrooms. The main floor is designed with labs and work space, while the upper two floors are designed for office space.

Sale Price: $206,000.00 Unit Price: $6.06 Per Square Foot
Financing: None
Zoning: Civic
Utilities: All Available
Topography: Level to Gently Upward Sloping From South to North
Intended Use: Speculative Investment
Prior Sale Data: Greater Than 3 Years

Comments: The property was transferred by Quitclaim Deed and was sold “as-is”. It was sold by auction of a GSA Website. The Deed and exhibits indicated that the property had known asbestos materials in the building, as well as the potential presence of lead based paint due to the age of the structure. Exhibit B of the Deed identified a Historic Preservation Covenant as the property is on the National Register of Historic Places. The building is currently being marketed for lease by Quintie Smith of RealCorp with an asking lease rate of $6.50 per square foot.
COMPARABLE IMPROVED SALE FOUR

Hyperlink: S:\Main\Comp Database\Comps\Schools\Comp-14.doc

Location: Former Lewisburg Elementary School - 206 North Lee Street, Lewisburg, Greenbrier County, West Virginia

Tax District: Lewisburg Corporation  Map/Parcel: 20/169

Sale Date: 2/28/2017  Recorded: 588/162

Grantor: New River Community & Technical College Foundation

Grantee: Lee Street Partners, LLC

Verified: Courthouse & Kyle Fort, Chairman of the Board of Seller

Building Size: 7 Buildings  Site Size: 4.725 Acres
79,600 ± Gross SF

Description: The property is located on North Lee Street and Greenbrier Road. It is an irregular shaped parcel and is paved. The buildings range in age from 30 to 80 years old. They are typical of a school campus with classrooms, kitchen and activity areas.

Sale Price: $350,000.00  Unit Price: $4.40 Per Square Foot

Financing: Cash

Zoning: E-I, Education & Institutional District; Building E is in a Historic District

Utilities: All Available

Topography: Level

Intended Use: Community College

Prior Sale Data: 2014 – DB 586/PG 157 - $400,000.00

Comments: The property sold in 2014 but a Deed was not recorded until November of 2016. A map of the property can be located in the Greenbrier County Clerk’s Office in Map Book 7, File Rack E-18. See GAI appraisal file A-9685.
COMPARABLE IMPROVED SALE FIVE

Hyperlink: S:\Main\Comp Database\Comps\Schools\Comp-16.doc

Location: 230 Costello Street, Charleston, Kanawha County, West Virginia 25302

Tax District: Charleston West Map/Parcel 14/222

Sale Date: 1/30/2019 Recorded 3023/698

Grantor: Board of Education of the County of Kanawha

Grantee: Warrior Way, LLC

Verified: Deed, Courthouse and Seller Representatives

Building Size: 22,030 Square Feet Site Size 1.25 Acres

Description: This is a two-story masonry structure located on the west side of Charleston that had previously been used as the location for Watts Elementary. It contained a typical school building design and had been vacant and subject to many instances of vandalism at time of sale. It was originally constructed in 1924 and asbestos was present throughout the structure. The finishes and mechanicals were older and dated with numerous sources of deferred maintenance that needed addressed prior to any future use. Plenty of onsite parking is available.

Sale Price: $30,000.00 Unit Price $1.36 Per Square Foot

Financing: None

Zoning: R-4; Single Family Residential (Charleston Planning Commission is open to alter zoning and allow a Multi-Family use)

Utilities: All Available

Topography: Level

Intended Use: Mixed Use – Commercial and Residential

Prior Sale Data: More than three years

Comments: Property was auctioned by Goldman and Associates in 2016 and sold to an individual for a $20,000.00 purchase price. BOE opted not to approve the sale.
COMPARABLE IMPROVED SALE SIX

Hyperlink: \RDSI\Main\Comp Database\Comps\Commercial Buildings\Comp-1325.doc

Location: 1057 6th Avenue, Huntington, Cabell County, West Virginia 25701

Tax District: Huntington-Gideon  Map/Parcel: 30/44 & 44.1

Sale Date: 9/30/2019  Recorded: 1412/102

Grantor: Community Trust Bank, Inc.
Grantee: Helen Crutcher
Verified: CoStar, Courthouse, Assessor, Online Records, Appraiser

Building Size: 33,300 SF Above Grade  Site Size: 26,000 Square Feet
5,500 SF Basement

Description: This property was originally designed as a YMCA and in 2008 underwent significant renovations to be converted to a pharmacy school. The property has been vacant since 2013 and had substantial damage due to lack of climate control, vandalism and maintenance. It was in poor to fair condition at the time of sale.

Sale Price: $130,000.00  Unit Price: $3.90/SF Above Grade

Financing: None

Zoning: C-3, Central Business District

Utilities: All Available

Topography: Level

Intended Use: Convert to a drug Rehabilitation Facility

Prior Sale Data: 1/29/2014 - DB 1297/PG 306 - $504,000.00 (Foreclosure)

Comments: This property was marketed for sale for several years with asking prices in excess of $500,000.00. The building continued to deteriorate with major issues relating to roof damage, water infiltration and mechanical systems. The gymnasiums were the best features and were fully intact.
COMPARABLE IMPROVED SALE SEVEN

Hyperlink: S:\Main\Comp Database\Comps\Schools\Comp-18.doc

Location: Former McKinley Elementary School – 1130 19th Street, Parkersburg, Wood County, West Virginia 26101


Sale Date: 7/1/2021  Recorded: 1332/470

Grantor: Wood County Board of Education

Grantee: Summit Road, LLC

Verified: News Articles, Courthouse, Assessor & Online Records

Building Size: 46,810 Gross SF  Site Size: 1.9 Acres

Site Size: 82,765 Square Feet

Description: This property is located at the southwest corner of 19th Street and Mary’s Avenue within the corporate limits of Parkersburg. It consists of 5 tax parcels and a former two-story Elementary School with full lower level that was constructed circa 1904. The school was closed at the end of the 2019-2020 school year. It was one of the oldest operating schools in Wood County.

Sale Price: $165,000.00  Unit Price: $3.52 Per Square Foot

Financing: None

Zoning: R-3, Residence District

Utilities: All Available

Topography: Level

Intended Use:

Prior Sale Data: Greater Than 3 Years

Comments: This property was sold by public auction on April 30, 2021 through Rocky Peck Sales & Marketing, LLC. The Astorg Family acquired the property due to the historical significance of the building.
COMPARABLE IMPROVED SALE EIGHT

Hyperlink: S:\Main\Comp Database\Comps\Commercial Buildings\Comp-1472.doc

Location: 170 N 17th Street, Wheeling, Ohio County, West Virginia 26003

Tax District: Wheeling City Corp. Map/Parcel: W7/3

Sale Date: 2/17/2021 Recorded: 996/539

Grantor: Positech International, Inc.

Grantee: Warwood Riverfront Center, LLC

Verified: CoStar, Courthouse, Assessor & Online Records

Building Size: 69,000 Square Feet Site Size: 3.95 Acres

Description: The property is improved with a two-story building that was originally constructed circa 1917 with subsequent additions in 1995 and 1996. It has a combination of industrial/warehouse and office space. An Elevation Certificate is reportedly available showing it is outside the flood hazard area. A new roof was installed in March of 2021 and the building has three phase electric (480 and 220 volt), a sprinklered dry system, loading docks and freight elevator.

Sale Price: $300,000.00 Unit Price: $4.35 Per Square Foot

Financing: None

Zoning: I-2, General Industrial District

Utilities: All Available

Topography: Level Site; Sloping Riverbank Frontage

Intended Use: Light Industrial – Speculative Investor

Prior Sale Data: Greater Than 3 Years

Comments: The seller had filed for Chapter 11 Bankruptcy and the sale of this property was approved by the Bankruptcy Court. Previously, it had been sold at auction for $400,000.00 plus a 10% buyer’s premium, but the buyer refused to close and subsequently died. It is currently being offered for lease by Route 40 Realty through LoopNet with asking prices of $6.00 per square foot for the warehouse/industrial space and $12.00 per square foot for the office space.
COMPARABLE IMPROVED SALE NINE

Hyperlink: S:\Main\Comp Database\Comps\Commercial Buildings\Comp-1473.doc

Location: Former Nitro Moose – 101 1st Avenue, Nitro, Kanawha County, West Virginia 25143

Tax District: Nitro Corporation Map/Parcel: 9/121, 127 & 128

Sale Date: 2/4/2022 Recorded: 3119/914

Grantor: Moose Title Holding Company R. Douglas Calderwood, AIF

Grantee: Vance Realty

Verified: CoStar, Courthouse, Prior Appraisal, Assessor & Online Records

Building Size: 32,200 Square Feet Site Size: 5.17 Acres

Description: This is a three-story brick structure with steel frame that was constructed circa 1979 and designed specifically for the Moose Lodge. It was designed with commercial kitchen, bar, dance floor and stage, administrative offices, gym and catering facilities. There was onsite parking for approximately 100 vehicles.

Sale Price: $594,000.00 Unit Price: $18.45 Per Square Foot

Financing: Poca Valley Bank Credit Line; $1,708,667.00

Zoning: C-1, Heavy Business District

Utilities: All Available

Topography: Level at Road Frontage; Increasing in Elevation to Rear of Site

Intended Use: Climate Control Storage

Prior Sale Data: 8/31/2020 – DB 3074/PG 867 - $200,000.00 (Foreclosure)

Comments: The property has been marketed for sale for since 2018. It was subject to a foreclosure proceeding in August 2020 where it sold for $200,000.00. Most recently, it had been listed on January 22, 2020 through the Kanawha Valley MLS with an original asking price of $1,299,000.00, subsequently reduced to $799,000.00 and was on the market for 425 days.
COMPARABLE IMPROVED SALE TEN

Hyperlink: S:\Main\Comp Database\Comps\Commercial Buildings\Comp-1403.doc

Location: 216 Market Street, Spencer, Roane County, West Virginia

Tax District: Spencer Corporation Map/Parcel: 4/88

Sale Date: 6/26/2019 Recorded: 600/58

Grantor: First Neighborhood Bank

Grantee: ELM Holdings, LLC (Scott & Dave Freshwater)

Verified: Public Records, Buyer (Scott Freshwater) and Site View

Building Size: 25,900 Square Feet Site Size: 9,200 Square Feet

Description: This is a 1970 era main bank facility in the downtown area of a small county seat. There is 20,975 SF above grade. The building is masonry and steel frame construction with 3 floors, mezzanine and full basement. It is elevator serviced and was well maintained but no major recent renovations. The bank retained the first floor and basement and the buyer has since leased the upper floors for general office space. It has 4 parking spaces and relies on a surface lot owned by the Town of Spencer.

Sale Price: $250,000.00 Unit Price: $9.65 Per Square Foot

Financing: Conventional – First Neighborhood Bank

Zoning: C-1, Neighborhood Commercial District

Utilities: All Available

Topography: Level

Intended Use: Investment – Seller Retained the Bank Space

Prior Sale Data: Greater Than 3 Years; Merger

Comments: The buyer is also on the First Neighborhood Bank Board but the sale terms were based on the same terms negotiated with a prior interested buyer but never completed.
## Adjustment Table - Building Sales

<table>
<thead>
<tr>
<th>Comparable Sales:</th>
<th>One</th>
<th>Two</th>
<th>Three</th>
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<td>Nov-20</td>
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<td>Jun-19</td>
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### ITEMS OF ADJUSTMENT

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### Adjusted Price

| $3.00 | $5.53 | $6.06 | $7.24 |

### Other Adjustments

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<td>-30%</td>
<td>-25%</td>
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</table>

### Adjusted Unit Price

| $3.75 | $4.70 | $4.24 | $5.43 |

There are ten comparable sales that are summarized for examples of redevelopment projects of large facilities that will transition to second and third generation uses. Some sales will be used for specific comparison to the subject property but the entire data set is important because it captures the challenges associated with repurposing large buildings. The comparable sale data includes buildings ranging from 22,000 to 80,000 square feet, so it
brackets the size of the subject property. One of the transactions is from 2017 and is a combination of multiple buildings that constituted an educational campus. The unit prices from the comparable sales range from $1.36 to $19.00 per square foot. All but one of the comparable sales results in a unit price of less than $10.00 per square foot. This alludes to the challenges of repurposing an older building that has functional obsolescence and physical depreciation that have to be addressed as part of any redevelopment project.

Comparable Improved Sale One is one of two properties from Montgomery and is a good example of a large facility that had evolved into the most recent use and was purchased to be repurposed. This included an old school facility that was probably built in the early 1900’s with additions and a gymnasium that all connected to create a large, unified facility. It was converted to a worship facility in 2007 and the most recent sale represents a transaction for a manufacturing facility. The most recent buyer demolished the three-story building and an auditorium, while keeping the newer two-story office wings attached to the gymnasium. This company had expressed interest in opening an ammunition manufacturing facility in the upper end of the Kanawha Valley for many years this type of property allowed for a lower investment in a facility that suited their needs. The large open gym is the area of primary interest. There is currently a benefit to repurposing existing buildings as construction costs are so high that any usable existing structure could be a more economically feasible option.

Comparable Improved Sale Two was part of the West Virginia University Tech Campus and occupied by the College of Business. It is a multi-story structure with a separate detached security building that were collectively acquired by a private developer to convert the large building to senior housing. The housing project relies on favorable financing from the West Virginia Housing Development Fund, otherwise it would not be an economically feasible project. According to the developer, the building did not have much asbestos and the roof had remaining useful life, but the financing package for the project required that the roof be replaced. The original design included 31 senior housing units, which eventually reduced to 28 and the smaller building was going to be used for market rent housing. The developer believes there is an opportunity to develop market rent apartments due to Mountaineer ChalleNGe Academy and Ranger Scientific. One of the key factors of this property is the attached parking, which the subject property lacks. The developer reports that he analyzed multiple buildings on the West Virginia University Tech Campus and this was the best candidate for conversion due to the attached parking area. That is why the site size required a large adjustment.

Comparable Improved Sale Three is a former GSA Department of Labor Office Building located in Mt. Hope. This is a similar community to
Montgomery as it is in Fayette County and the community has had limited reinvestment during the recent past. Mt. Hope does have better access to US Route 19 and there is more excitement in that area due to the Boy Scout facility and the newly declare National Park. This building includes a three-story office section attached to a one-story office and laboratory section. It was reported to be well maintained, although older, and was sold as surplus property through a GSA Auction site. It appears to have been acquired by a speculative investor as it is currently being marketed for lease.

Comparable Improved Sale Four is a collection of seven buildings that were originally used by the Greenbrier County Board of Education for an elementary school and then sold to New River Community and Technical College. Eventually, it was transacted to local developers that converted a large portion into multi-family residential housing. There is good demand for housing in this area due to the West Virginia School of Osteopathic Medicine. The other buildings were a mixture of office uses. This represents a major redevelopment project of a large facility in a superior location.

Comparable Improved Sale Five is an abandoned elementary school located on the west side of Charleston. This property is in a densely developed residential area with an older facility that had been vandalized leading up to the transaction. The building was acquired by a developer that planned to secure government grants to operate a program for veterans. The building was in disrepair, on a small lot in a densely developed residential area and creates numerous challenges when determining a reasonable reuse.

Comparable Improved Sale Six is a mixed use facility located in downtown Huntington. This property was used as a YMCA until 2008 when that use was eventually abandoned due to the poor condition. It included a pool and two large gymnasiums. At that time, it was acquired by a local pharmacist that planned to rehabilitate the structure for a pharmacy school but that project was poorly capitalized. That included modest renovations to limited portions of the building but it included two stories of offices, an old pool and two large gymnasiums that had no immediate reuse plan. It was a massive facility and only a portion was targeted for redevelopment. The building was eventually abandoned in 2013, remaining vacant for several years and was subject to vandalism and long-term physical deterioration. Eventually, the lender identified a buyer after many years of marketing the property and the buyer used private funds to create a drug rehabilitation business that relies on federal funding. The buyer had to make major renovations to basic mechanical systems, paving the parking lot and replacing large sections of the roof.

Comparable Improved Sale Seven is an elementary school located in downtown Parkersburg. This is a large facility that was built in the early 1900’s and had many of the same physical
challenges associated with the subject property. It is on a reasonable size site with good on-site parking and along a commercial corridor that would allow for some commercial redevelopment options. The zoning is a challenge but this location in an urban area and superior market location would justify a residential redevelopment project. It was sold at public auction and reported to have multiple bidders at the sale. This is a superior location and a better opportunity to redevelop the property for a private residential development project that would be compatible with the environment.

Comparable Improved Sale Eight is a large industrial warehousing facility located in Wheeling. It was included due to the building age, large size and building condition. This property was sold after the owner filed bankruptcy and at public auction. The buyer appears to be a speculative purchaser that plans to subdivide the building and lease out segments of it. The building did require a roof immediately after the transaction so that is a significant investment that was made by the buyer.

Comparable Improved Sale Nine is a former Moose Lodge facility located in Nitro. Nitro is a superior location between Charleston and Huntington where there are a wide range of commercial and light industrial businesses that interact with the general region. This is a multi-level facility designed for a specific use but the membership was gradually declining to the point that the facility could not be sustained. It is a basic shell structure with three floors designed for entertaining spaces and administrative offices but the buyer planned to gut the entire building and convert it to a climate controlled storage facility. The buyer already operates similar facilities in Winfield and Hurricane. This is a better quality building in a superior location targeted for a specific privately funded redevelopment project.

Comparable Improved Sale Ten is a general office building located in downtown Spencer. This building sale is selected due to the location in a densely developed older community. It is a county seat but it does not have four lane access and has similar challenges associated with lack of growth and isolation from major corridors or business centers. The buyers are local investors that were willing to invest in the building with hopes of identifying tenants and creating a positive investment. The seller also agreed to retain use of part of the building, which probably contributed to the willingness for an investor to acquire the property. This is a better quality building, in usable condition and a rare example of local investors that are willing to take on a large facility as an investment. According to the buyers, they were successful at identifying tenants and leasing up large portions of the building after the sale.

Of the ten comparable sales, four have been specifically analyzed for comparison to the subject property. They include Comparable Sales One, Two, Three and Ten that have unadjusted unit prices between $3.00
and $6.06 per square foot. Comparable Improved Sales One and Two are important since they capture the location influence in Montgomery. Comparable Improved Sales Three and Ten illustrate usable office buildings and result in unit prices at the high end of the range. Comparable Improved Sale Ten required a negative property rights adjustment because the seller agreed to leaseback a portion of the property and that was a deciding factor for the investor to acquire the property. It still requires multiple negative adjustments to account for the size and condition but emphasizing these two properties assigns a unit value above the average for the subject property. Based on 44,750 square feet and $5.00 per square foot, the value conclusion is $225,000.00.

**Correlation and Final Opinion of Value**

The appraisal only included the Sales Comparison Approach for Improvements because that is the methodology that would be used by market participants that are seeking similar style properties for redevelopment projects. There could be an argument that the building could be demolished so that the land could be redeveloped, but with the cost of asbestos abatement, the demolition expense associated with the building, relatively low land value and no recently developed commercial projects in this area, this is not viewed as a viable redevelopment plan.

The comparable sale data includes a wide range of building styles with only a few selected for adjustment. The purpose of including this large volume of data is to illustrate the types of projects that have been proposed for similar properties and the challenges associated with implementing those projects. There is a strong expectation that any significant redevelopment project of this property, in this location, will require the involvement of an entity that is non-profit and has access to Federal grant funding to help support that investment. It is not likely that a privately funded investment project could generate sufficient returns to attract an investor. That is why the unit value conclusion appears to be so nominal considering the size and stature of the building. It is the appraiser’s opinion that the most reasonable redevelopment option is that a portion of the building is demolished to create more parking. This would be the best opportunity to repurpose the tower, possibility for housing.

Based on the information in this appraisal, it is the appraiser’s opinion that the current market value of the fee simple estate of the subject property, as of the effective date of the appraisal of January 28, 2022, was:

**Two Hundred Twenty-Five Thousand Dollars**

($225,000.00)
Exposure Time

The reasonable exposure time is an opinion of the length of time the property would have been exposed to the market, prior to the effective date of the appraisal, to achieve a sale at the concluded market value and as of the effective date of the report.

The only source of information regarding an estimated marketing time is the Kanawha Valley Multiple Listing Service. The problems with using this source of data is that it only tracks a handful of sales each year and does not account for properties that have been listed with several brokers. The following data was derived from the past several years regarding commercial property sales.

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<tr>
<td>2013</td>
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<td>2014</td>
<td>41</td>
<td>$203,526.00</td>
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<td>2015</td>
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<td>$267,490.00</td>
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<td>2016</td>
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<td>2021</td>
<td>96</td>
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It is obvious that there is not enough information from that source to derive an accurate marketing time. Most of commercial real estate brokers in the market area do not participate with the local MLS. There are also many sales that are conducted through private transactions and do not involve brokers.

The appraiser is involved in the brokerage business and discusses real estate trends on a daily basis with other real estate brokers and appraisers in the area. The exposure and marketing time estimate is a judgment based on the appraiser’s knowledge of the area, rather than from data that tracks this type of information. The market value opinion is based on exposure time between 6 and 12 months. This is based on the property being priced appropriately and marketed through a real estate broker.

One of the purposes of this appraisal is to assist ZMM Architects & Engineers, as well as BridgeValley Community & Technical College in developing a Master Plan for this property. There is no doubt that part of that plan is the possibility of liquidating the ownership of this property. While the property is not currently marketed for sale, it is possible that it will be made available for sale in the foreseeable future. If there is no near-term need for large segments of the building, this would eliminate a building that consumes precious resources simply to preserve an asset that has minimal value.
Todd Goldman
Goldman Associates, Inc.

1014 Bridge Road
Charleston, WV 25314

CURRICULUM VITAE

Education

BS Degree in Finance - Virginia Polytechnic Institute and State University (1995)
MBA – Marshall University (1999)

Professional Memberships

Member - Local, State, and National Board of Realtors (1995 – Present)
CCIM - Certified Commercial Investment Member (REALTORS) (1999 – Present)
SIOR - Member, Society of Industrial and Office REALTORS (2006 – Present)
MAI – Member, Appraisal Institute (2012 - Present)

Teaching Experience

Adjunct Faculty Member – The College of West Virginia (2000-2001)

Licenses and Certifications

West Virginia #WV0015391 - Real Estate Associate Broker License (1995 – Present)
Virginia #0225037927 - Real Estate Sales License (2015 - Present)
West Virginia #CG255 - State Certified General Real Estate Appraiser (1996 – Present)
Virginia #4001017254 - Certified General Real Estate Appraiser (2015 – Present)

Real Estate and Appraisal Courses


Previous Clients

American Electric Power JPMorgan Chase Bank, NA WesBanco
City National Bank National Park Service Summit Bank
Huntington National Bank United Bank CAMC
Other Banks, Attorneys, Companies, and Individuals

Testimony

Qualified as an expert witness: Putnam, Lincoln, Upshur & Kanawha Circuit Courts; Kanawha and Raleigh County Family Law Courts; Federal Bankruptcy and Federal District Courts, Southern District, West Virginia

Volunteer/Community Service

Board Member - Central West Virginia Regional Airport Authority (2012 – Present)
Board Member - West Virginia Chapter, Appraisal Institute (2017 – 2019)
Chairman – Kanawha Valley Regional Transportation Authority (2009 – Present)
Member & Past President - Rotary Club of Charleston (2008 - 2009)
Past Member - Salvation Army Advisory Board (2003 – 2005)
Vestry Member and Treasurer - St. Matthews Church, Charleston, West Virginia (2004 – 2006)
State of West Virginia
WV Real Estate Appraiser Licensing & Certification Board
This is to certify that

Certified General  CG255
Expiration: 9/30/2022
Todd Goldman
1014 Bridge Road
CHARLESTON, WV 25314

has met the requirements of the law, and is authorized to appraise real estate and real property in the State of West Virginia.

[Signature]
Executive Director
GRID Appraisal
APPRAISAL OF
MONTGOMERY CAMPUS – E-LABS (THE GRID)
807 2ND AVENUE, MONTGOMERY,
KANAWHA COUNTY, WEST VIRGINIA 25136

Prepared For:

BRIDGE VALLEY COMMUNITY & TECHNICAL COLLEGE
c/o Adam Krason, AIA, NCARB, LEED-AP, Principal
ZMM Architects & Engineers

Prepared By:

Todd Goldman, Vice President
GOLDMAN ASSOCIATES, INC.
1014 Bridge Road
Charleston, West Virginia 25314
(304) 343-5695

P.O. Box 271
Charleston, West Virginia 25321
Fax (304) 343-5694

www.goldmanassociates.org
February 23, 2022

BridgeValley Community & Technical College  
c/o Adam R. Krason, AIA, NCARB, LEED-AP, Principal  
ZMM Architects & Engineers  
222 Lee Street West  
Charleston, WV 25302

Re: BridgeValley Community & Technical College  
Montgomery Campus – E-Labs (The GRID)  
807 2nd Avenue, Montgomery,  
Kanawha County, West Virginia 25136

Dear Mr. Krason:

At your request and on behalf of our common client, BridgeValley Community & Technical College, I have observed the above-referenced property for the purpose of completing an appraisal and providing an opinion of the current market value. The subject property is the E-Labs Building (The GRID) located at 807 2nd Avenue, Montgomery, Kanawha County, West Virginia 25136. It is owned by BridgeValley Community & Technical College and located in the Montgomery Corporation Tax District on Map 1 as Parcel 93. The building is a two-story office, classroom and laboratory building consisting of 72,700 square feet and situated on a 64,000 square foot site. The purpose of this appraisal is to provide an opinion of the current market value of the fee simple estate of the subject property. The intended use is to assist representatives of BridgeValley Community & Technical College, as well as ZMM Architects & Engineers with long range planning regarding the ownership of this asset.

The date of the site observation and the effective date of the appraisal was January 28, 2022.

Market value is defined within the body of this report. The report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice.
It is my opinion that the current market value of the fee simple estate of the subject property, as of the effective date of the appraisal of January 28, 2022, was:

**Two Hundred Twenty Thousand Dollars**
($220,000.00)

Attached to this letter of transmittal is a narrative appraisal report, which includes information on the property and its surroundings, limiting conditions and certifications, qualifications, and other pertinent data.

This letter must remain attached to the report, which contains 96 pages plus related exhibits, in order for the value opinions set forth to be considered valid.

Sincerely,

GOLDMAN ASSOCIATES, INC.

Todd Goldman, Vice President
WV State Certification #CG255

TG:csmj lg
Attachments
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CONTINGENT & LIMITING CONDITIONS

This appraisal report and the certification are made expressly subject to the following assumptions and limiting conditions and any special limiting conditions contained in the report which are incorporated by reference.

The legal description furnished is assumed to be correct. I assume no responsibility for matters legal in character nor do I render my opinion as to the title, which is assumed to be good. All existing liens and encumbrances, if any, have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.

The user of this report may wish to have legal, engineering, or physical component inspections made by qualified experts in those fields to determine the suitability of the property for the proposed or present use. The appraiser has not conducted these types of inspections.

The sketch in this report is included to assist the reader in visualizing the property. I have made no survey of the property and assume no responsibility in connection with such matters. If a survey has not been provided or obtained, it may not be possible to identify encroachments, right-of-ways or rights reserved by other property owners that impact the value of the property. A current survey should be obtained.

I believe to be reliable the information which was furnished by others, but assume no responsibility for its accuracy.

Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may it be used for any purpose by any but the applicant without the previous written consent of the appraiser or the applicant and then only with proper qualifications.

I am not required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless arrangements have been previously made therefore.

The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

The land, and particularly the soil, of the area under appraisement appears firm and solid. Subsidence in the area is unknown or uncommon, but this appraiser does not warrant against this condition or occurrence.

Subsurface rights (minerals and oil) were not considered in making this appraisal.

The appraiser observed the buildings involved in this appraisal report, and damage, if any, by termites, dry rot, wet rot, or other manifestations, was reported as a matter of information by your appraiser, and I do not guarantee the amount or degree of damage, if any.

All furnishings and equipment, except those specifically indicated and typically considered as a part of real estate, have been disregarded by this appraiser. Only the real estate has been considered.

The comparable sales data relied upon in this appraisal is believed to be from reliable sources. However, it was not possible to inspect the comparable sales completely,
and it was necessary to rely on information furnished by others as to said data. Therefore, the value conclusions are subject to the correctness and verification of said data.

I am not qualified to make an analysis of environmental conditions relating to the property other than referring the reader to common sources of environmental concerns found in properties of similar age and construction type. An Environmental Audit is an important part of analyzing the suitability of real property and should be conducted by a properly licensed professional.

I am not qualified to opine on compliance with specific federal guidelines regarding access required by the Americans With Disabilities Act of 1990 (ADA). This type of analysis must be conducted by an architect or engineer and may be an important part of evaluating the suitability of the improved property under existing or proposed uses.

I have observed, as far as possible, the land and the improvements thereon. However, it was not possible to personally observe conditions beneath the soil or hidden structural components within the improvements. Therefore, no representations are made herein as to these matters and, unless specifically considered in the report, the value opinion is subject to any such conditions that could cause a loss in value. Condition of heating, cooling, ventilating, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is consequently connected) shall be disseminated to the public through advertising media, news media, sales media or any other public means of communication without the prior written consent and approval of the undersigned.

Appraiser’s Certification – Effective USPAP Date January 1, 2020

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.

- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

My analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

My analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

I have made a personal inspection of the property that is the subject of this report on January 28, 2022, which serves as the effective date of the appraisal.

No one provided significant real property appraisal assistance to the person signing this certification.

As of the date of this report, Todd Goldman has completed the continuing education program of the Appraisal Institute.

I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three year period immediately preceding the agreement to perform this assignment.

Respectfully submitted,

[Signature]

Todd Goldman
WV State Certification #CG255
Expiration 9/30/2022
SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Location: E-Labs (The GRID) – 807 2nd Avenue, Montgomery, Kanawha County, West Virginia 25136

Tax District: Montgomery Corporation

Map/Parcel: 1/93

Client: BridgeValley Community & Technical College
c/o Adam Kraso, AIA, NCARB, LEED-AP, Principal
ZMM Architects & Engineers

Owner: BridgeValley Community & Technical College

Purpose of Appraisal: Provide an Opinion of the Current Market Value

Scope of Work: Sales Comparison Approach - Improvements

Rights Appraised: Fee Simple Estate

Type of Improvements: Two-Story College Office, Classroom & Laboratory Building

Building Size: 72,700 Square Feet

Land Area: 64,000 Square Feet

Zoning: General Purpose

Highest and Best Use: Housing Redevelopment (Most likely by Non-Profit)

Current Year Taxes: 2021 – Tax Exempt

Effective Date: January 28, 2022

Report Date: February 23, 2022

Market Value Opinion: $220,000.00
Subject Property

The subject property is the E-Labs Building (The GRID), an office, classroom and laboratory building associated with BridgeValley Community & Technical College located at 807 2nd Avenue, Montgomery, Kanawha County, West Virginia 25136. This is a two-story structure consisting of 72,700 square feet and situated on a 64,000 square foot site. The site and improvements will be described in their respective sections of the appraisal and photographs are located throughout the report for the reader’s review.

Front View

Purpose and Intended Use of Appraisal

The purpose of this appraisal is to provide an opinion of the current market value of the fee simple estate of the subject property. The intended use of the appraisal is to assist ZMM Architects & Engineers and their client, BridgeValley Community & Technical College with business decisions regarding the value and ownership of this asset. The opinions in this appraisal will be used to assist the BridgeValley Board of Governors in determining a value of the property so that it can either be put back to a productive use or sold to a third party.

The information and opinions contained in this appraisal set forth the appraiser’s best judgment in light of the information available at the time of the
preparation of this report. Any use of this appraisal by any other person or entity, or any reliance or decisions based upon this appraisal are the sole responsibility and at the sole risk of the third party. The appraiser accepts no responsibility for damages suffered by any third party as a result of a reliance on, decisions made, or actions taken based on this report. The appraiser reserves the right to modify this appraisal report in the event that newly discovered information should become available.

Hypothetical Conditions/Extraordinary Assumptions

In virtually every appraisal assignment, an appraiser is asked to value properties without perfect information. To have perfect information would mean that the appraiser knows every legal, physical and economic characteristic of the property pertaining to boundaries, legal descriptions, surveys, soil conditions, environmental conditions, etc.

The Uniform Standards of Professional Appraisal Practice provides for the appraiser to make certain extraordinary assumptions or assume hypothetical conditions as identified in Standard Rules 1-2(f) and (g). The definitions for extraordinary assumptions and hypothetical conditions, based on the Uniform Standards of Professional Appraisal Practice, 2020-2022 Edition, are shown as follows:

**Extraordinary Assumption** – An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.

**Comment:** Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis.

**Hypothetical Condition** – A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

**Comment:** Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

A prime example of a typical hypothetical condition is conducting an appraisal on a building that has not yet been built. Typically, the effective date of the appraisal will be the date that the site was observed and the improvements are appraised based on the information as of that date and
assuming that they existed. An example of an extraordinary assumption is that a site is served with adequate infrastructure to develop a certain use when that data cannot be confirmed until an engineer conducts an analysis to determine the capacity required to support that type of development. Frequently, an appraiser is called into an assignment long before engineering and feasibility studies are completed, so the appraiser is working without perfect information.

There were no hypothetical conditions or extraordinary assumptions used in the development of this appraisal.

Report Type

This is an Appraisal Report intended to be in compliance with the Uniform Standards of Professional Appraisal Practice, as amended January 1, 2020. The report will summarize the property characteristics and analysis. The appraiser frequently appraises similar properties in the market area and is competent to appraise this type of property.

Definition of Market Value

The definition of market value is defined by the Office of the Comptroller of the Currency under 12CFR, Part 34, Subpart C-Appraisals, 34.42 Definitions [f] as follows:

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;

2. both parties are well informed or well advised, and acting in what they consider their best interests;

3. a reasonable time is allowed for exposure in the open market;

4. payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto;

5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."
Scope of Work/Extent of Data Collection

The scope of the assignment is to formulate the appraiser’s opinion of the current market value of the fee simple estate of the subject property. The property was observed on January 28, 2022. The appraiser has attempted to use all three approaches to value to determine a value opinion. These approaches include the Sales Comparison, Cost and Income Approaches.

The Novel Coronavirus (COVID-19) was classified as a worldwide pandemic on March 11, 2020 and immediately created substantial uncertainty in the worldwide financial markets. There were portions of the international, national and local economies that were shut down temporarily. Due to the potential for massive economic duress, the United States government, through the Federal Reserve and legislative action, contributed massive stimulus to the United States economy and directly to businesses and individuals, which was intended to bolster the economy with personal consumption and infrastructure expansion projects. This allowed for infrastructure projects and substantial investment with money flowing through private sector businesses and directly to individuals. It has generally enhanced the real estate economy in West Virginia, although some sectors have performed better than others and the influence will continue to be monitored. There will certainly be sectors that do not recover to pre-pandemic levels but, as a whole, the influence on the real estate markets can be measured through recent market activity. The appraiser will continue to apply the most relevant data with an awareness that there may continue to be major changes in how various segments of the market behave.

The scope of work for this assignment was determined by the appraiser based on the intended use and intended users of the appraisal report. It is also based on the type of asset that is being appraised and the type of analysis that would be conducted by other real estate appraisers when valuing this type of property in this market area. The property is a two-story office, classroom and laboratory building that is believed to have originally been constructed around 1940 with a major addition circa 1983. It was originally constructed for West Virginia Tech and associated with that campus until 2017 when West Virginia University moved the campus from Montgomery to Beckley. According to staff at the site, the building has not been in use for over a year. George Hypes was the staff member that escorted the appraiser through the property and provided this historical perspective. Mr. Hypes reports that maintenance is still being conducted at the facility to maintain the mechanical and structural components to the extent that minimal repairs can be made. It is known that the roof is in poor condition and needs to be replaced. Due to the age of the building, the Cost Approach is not an applicable valuation method.
Market participants would not use that as a method of comparison when evaluating this facility compared to alternatives. They would use comparable sale data for large older facilities in small communities. Market data supports that this property would be acquired by an owner/user that is prepared to invest heavily in capital improvements to reposition the property for some future use. At a minimum, this includes major upgrades to cosmetic finishes, the roof and stabilizing any mechanical and structural systems. This may include a major redesign to the interior configuration of the property and will most likely involve an entity that has access to public grant funding rather than a private investor. It is unlikely that an investor would be interested in acquiring the property without a specific use and user in mind along with a long-term lease commitment from a creditworthy tenant. That is an unlikely scenario so the Income Approach is not applicable. Based on the physical and economic characteristics associated with the subject property, the scope of work includes the development of the Sales Comparison Approach for Improvements.

Information in this appraisal has come from a variety of sources. The appraiser was first contacted and engaged for this assignment by Adam Krason, Principal of ZMM Architects & Engineers. Mr. Krason provided a limited scope of work and defined the purpose of the appraisal assignment. The client for this work is BridgeValley Community & Technical College, but the work is being tied to a Master Planning Project conducted by ZMM Architects & Engineers. Mr. Krason put the appraiser in contact with Jason Stark of BridgeValley. Mr. Stark provided contact information for George Bossie, a facilities manager that oversees these properties. Mr. Bossie arranged for George Hypes to escort the appraiser through the properties. Some floor plans and older feasibility studies were provided, but most of the property specific information used in the development of the appraisal was created by the appraiser. This included a walk-through with Mr. Hypes, at which time access was available throughout mechanical rooms, offices, classrooms and on the roof. Mr. Hypes has been employed at this facility for approximately 10 years and is in the building on a regular basis to oversee its general condition. Other factual information regarding this property was obtained from public records in the Kanawha County Clerk’s and Assessor’s Offices and zoning was confirmed with the City of Montgomery. Montgomery is split between Fayette and Kanawha Counties. While the subject property is in Kanawha County, there is vital information from Fayette County because they are so closely related in this location.

Market information used in the analysis was derived from conversations with real estate professionals, reviewing documents recorded at the local Courthouse and information derived from a sale database maintained by the appraiser. Sale transactions are typically the easiest
to identify because they are memorialized with Deeds recorded in the local Courthouse. The Deeds indicate the basic sale terms, including grantor, grantee, sale date, property description and sale price. These are further researched with parties to the transaction, when possible. Ultimately, a set of data is selected and summarized to be included in the appraisal for contrast and comparison to the subject property.

Effective Date of Appraisal

The date of the observation and the effective date of the appraisal was January 28, 2022.

Rights Appraised

The rights appraised were the fee simple interest, subject to any easements, right-of-ways or leases discovered in a thorough title examination or survey. Surveys of the subject property are not available, but there were no visual indications of adverse easements of right-of-ways identified during the site observation. There are expected to be typical utility easements around the perimeter of the site along with dedicated utility connections that service the site. Those do not interfere with the value or use of the property.

Environmental Conditions

The assumption is made that there are no adverse environmental conditions affecting the property caused by the previous ownership of the property that may adversely impact the value. It is always prudent to obtain An All Appropriate Inquiry (Environmental Audit) to make a final determination of any environmental conditions.

Some specific areas of concern are summarized as follows:

Storage Tanks: There are no indications of storage tanks located on the property.

Collection Sites: There are storm water drains on the surface parking lot between the buildings, but there is no debris or storage materials around the site.

Drums/Containers/ Pesticides: Most of the contents of the building have been removed except for furniture and materials required to support the mechanical systems.
Asbestos: An asbestos study has not been completed, but there is a high probability of asbestos throughout the buildings. Mr. Hypes reports that two classrooms are locked due to asbestos concerns. Likely sources include pipe insulation and floor tiles, but other possible sources include plaster, floor mastics and roofing materials.

Miscellaneous: The most significant environmental concern associated with the subject property is the possibility of a massive asbestos abatement project. This could be significant in the event there is a major redesign of the building or if it is ultimately determined that the building should be demolished.

No environmental reports were submitted for the appraiser’s review, so the existence of environmental concerns is unknown. If any adverse environmental conditions are discovered within the property, this could affect the indicated value.

Legal Description

The subject property was conveyed from the West Virginia University Board of Governors, on behalf of West Virginia University to BridgeValley Community & Technical College Board of Governors, on behalf of BridgeValley Community & Technical College on September 13, 2018. The transfer document is recorded in the Kanawha County Clerk’s Office in Deed Book 3012 at Page 697 and there was no stated consideration since this is a conveyance between tax-exempt entities that are governed by the West Virginia Higher Education Policy Commission. Several properties were conveyed through this Deed and the subject property is referenced in the attached Exhibit A as Tract 8. A copy of the Deed, which includes the legal description, is located on the following pages:
THIS DEED, made this 15th day of September, 2018, by and between the WEST VIRGINIA UNIVERSITY BOARD OF GOVERNORS, ON BEHALF OF WEST VIRGINIA UNIVERSITY, an agency and higher education institution of the State of West Virginia, party of the first part (hereinafter “Grantor”), and the BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE BOARD OF GOVERNORS, ON BEHALF OF BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE, an agency and higher education institution of the State of West Virginia, party of the second part (hereinafter “Grantee”).

WHEREAS, Grantor owns property located along First Avenue and Second Avenue in the City of Montgomery in Kanawha County, West Virginia, formerly used as part of the West Virginia University Institute of Technology Montgomery Campus, commonly known as the Engineering Classroom Building, the Engineering Laboratory Building and the Lanham Maintenance Facility (“WVU Tech Buildings”); and

WHEREAS, Grantee has a campus in Montgomery, West Virginia, located adjacent to the WVU Tech Buildings and, for a period of years, has benefited from the use of portions of the WVU Tech Buildings; and

WHEREAS, Grantor intends to transfer the WVU Tech Buildings to the Grantee for its future use and benefit.

WITNESSETH:

That for and in consideration of the sum of Ten Dollars ($10.00), cash in hand paid, and other good and valuable consideration hereinafter set forth, the receipt and sufficiency of all of which are hereby acknowledged, the said Grantor does hereby GRANT and CONVEY, with covenants of SPECIAL WARRANTY, unto the said Grantee all those certain lots or parcels of land, together with the improvements thereon and the appurtenances thereunto belonging, situate in Montgomery Corporation District, Kanawha County, West Virginia, identified on Tax Map 1, as Parcels 93, 94, 95, 96, 97, 139, 140, 141, 145, 146, 147, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, and 160.1, and being more particularly described in Exhibit A, attached hereto.
All of the parcels listed above are part of the same property conveyed by the Higher Education Policy Commission to the West Virginia University Board of Governors, on behalf of West Virginia University, by deed dated April 25, 2003, of record in the Office of the Clerk of the County Commission of Kanawha County, West Virginia in Deed Book 2604, at page 445.

Grantor also hereby REMISES, RELEASES and QUITCLAIMS all of its rights, title and interest in and to any abandoned streets or alleys located in Block No. 5 and Block No. 6 that are included within Tax Map Parcel 93.

This conveyance is also specifically made subject to any and all terms, conditions, provisions, restrictions, exceptions, limitations, covenants, rights, powers, duties, rights-of-way, easements, licenses, severances, uses, estates, servitudes, and limitations as made and imposed upon the subject real estate by the Grantor, its predecessors in title, any duly-authorized governmental agency or authority, or any other instrument, plat or survey of record in the Office of the Clerk of the County Commission of Kanawha County pertaining to or affecting said real estate.

Per the provisions of the West Virginia Underground Storage Tank Act, W.Va. Code §22-17-19, the Grantor hereby discloses that the subject property contains an underground storage tank.

DECLARATION OF CONSIDERATION OR VALUE

In compliance with Article 22, Chapter 11 of the Code of West Virginia, the undersigned hereby declares that this is a conveyance from an instrumentality of the State of West Virginia and is therefore exempt from the payment of the excise tax on the privilege of transferring real property.

[Signature page follows]
WITNESS the following signature and seal:

WEST VIRGINIA UNIVERSITY BOARD OF
GOVERNORS, ON BEHALF OF WEST
VIRGINIA UNIVERSITY

James Robert Alsop
Vice President for Strategic Initiatives

STATE OF WEST VIRGINIA,
COUNTY OF MONONGALIA, to-
it:

The foregoing instrument was acknowledged before me this 13th day of September, 2018,
by James Robert Alsop, the duly authorized Vice President for Strategic Initiatives of West
Virginia University, for and on behalf of the West Virginia Board of Governors, on behalf
of West Virginia University, an agency and higher education institution of the State of
West Virginia, by authority duly given.

Notary Public

My commission expires: March 17, 2019

This instrument was prepared by:
Scott E. Barrette
Attorney at Law
Bowles Rice LLP
P. O. Box 1386
Charleston, WV 25325-1386

Approved as to form prior to acknowledgment thereof
the 16th day of Sept. 2018

Patrick Morrisey, Attorney General

[Stamp]
RESOLUTION

Ordered: That pursuant to Chapter 1, Article 5, Section 3, Code of West Virginia, 1931, as amended, the West Virginia Board of Public Works does hereby approve the sale and/or transfer of a certain lot or parcel of real estate, more specifically described in a deed, by and between the West Virginia University Board of Governors, on behalf of West Virginia University and the BridgeValley Community and Technical College Board of Governors, on behalf of BridgeValley Community and Technical College in the amount of ten dollars ($10.00).

* * * * * * * * *

State of West Virginia,
Office of the Secretary of State,
Charleston

I, Mac Warner, Secretary of State and Ex-Officio Secretary of the West Virginia Board of Public Works, do hereby certify that the foregoing is a true and correct copy of an Order made and entered by a majority vote of said Board of Public Works in open session on the 6th day of April, 2017.

Given under my hand this sixth day of April, Two Thousand Seventeen.

Mac Warner
Secretary of State and
Ex officio Secretary of The
West Virginia Board of
Public Works
EXHIBIT A
PROPERTY DESCRIPTION

TRACT ONE
TAX MAP PARCEL 94
LOT 7, BLOCK 5

Beginning on Second Avenue on the line between Lots Nos. 6 and 7 in Block No. 5 and running East with the said Second Avenue 40 feet to the line of Lot No. 8 in said block; thence at right angles and in a Southerly [sic] direction with the line of said Lot No. 8, 94 feet to an alley; thence at right angles and with line of said alley Westward 40 feet to the line of Lot No. 6; thence at right angles and with line of Lot No. 6, 94 feet to the place of beginning, and being all of Lot No. 7 in Block No. 5 as laid down on a map of the said Town of Montgomery (formerly called Coal Valley) as prepared by the late I. J. Settle and of record in the office of the Clerk of the County Court of Kanawha County, West Virginia, and being the same property conveyed as was to the West Virginia Board of Education by Albert Nunley, Inc. by deed dated February 26, 1964, of record in Deed Book 1406, page 13.

TRACT TWO
TAX MAP PARCEL 95
LOT 6, BLOCK 5

Beginning on Second Avenue on the line between Lots 5 and 6 in Block No. 5 and running with said Avenue east 40 feet to the line of Lot No. 7 in said block; thence at right angles and with the line of said Lot No. 7 southwardly 94 feet to the alley; thence at right angles, and with the line of said alley westwardly [sic] 40 feet to the line of said Lot No. 5; thence at right angles and with the line of said Lot No. 5 northwardly 94 feet to the point of beginning. It being all of Lot No. 6 in Block No. 5 as laid down on a map of the said Town of Montgomery, then called Coal Valley, as prepared by the late I. J. Settle. Being the same property conveyed to the West Virginia Board of Education by Thomas A. Jacobs and Sally A. Jacobs, his wife, by deed dated April 21, 1964, of record in Deed Book 1410, page 9.

TRACT THREE
TAX MAP PARCEL 96
LOT 5, BLOCK 5

All that certain lot of land, together with all the appurtenances thereunto belonging, or in any wise appertaining, on the south side
of the C & O Railway Company right of way, fronting 40 feet on Second Avenue and extending back between perpendicular parallel lines 94 feet to an alley, being all of Lot No. 5 in Block 5, being shown and designated on that certain map by I. J. Settle of the City of Montgomery, and the additions thereto which said map and its additions are of record in the Office of the County Court Clerk’s Office of Kanawha County, West Virginia, and being the same property was conveyed to the West Virginia Board of Education by Helen M. Vickers by deed dated April 27, 1964, of record in Deed Book 1410, page 91.

TRACT FOUR
TAX MAP PARCEL 97
P/O LOT 3 & ALL OF LOT 4, BLOCK 5

That certain lot, together with all the appurtenances thereunto belonging or in any wise appertaining, situate on the southeast corner of the intersection of Second Avenue and Jackson Street, fronting 51.19 feet on Second Avenue and extending back between converging straight lines to a width of 45.82 feet on an alley, being part Lot 3 and all of Lot 4 in Block 5.

The parcel being as shown on the I. J. Settle Map of the City of Montgomery, and additions thereto, which said map and its additions are of record in the Office of the Clerk of the County Court of Kanawha County, West Virginia.

Being identified as PARCEL NO. I conveyed to West Virginia Board of Education by William L. Montgomery, by deed dated June 20, 1964, of record in Deed Book 1421, page 485.

TRACT FIVE
TAX MAP PARCEL 139
P/O LOT 13 & ALL OF LOT 14, BLOCK 5

That certain lot, together with all the appurtenances thereunto belonging or in anywise appertaining, situate northeast corner intersection First Avenue and Jackson Street, fronting on said First Avenue 40 feet, extending back along said Jackson Street at a width of 45.24 feet on an alley, being part Lot 13 and all Lot 14 in Block 5.

Map references herein are to the I. J. Settle map of the City of Montgomery, and additions thereto, which said map and its additions are on record in the office of the Clerk of the County
Court of Kanawha County, to which said maps reference is here had and the same made part hereof for purpose of description.

Being the same property conveyed to West Virginia Board of Education, by Alice M. Carson, by deed dated June 1, 1964, of record in Deed Book 1413, page 301.

TRACT SIX
TAX MAP PARCEL 140
LOT 15, BLOCK 5

All that certain place, parcel or lot of real estate, situate lying and being in the town of Montgomery, Cabin Creek District, Kanawha County, West Virginia, known and designated as lot No. 15, in Block No. 5, as shown on the official map of said city and of record in the Office of the County Clerk of Kanawha County, West Virginia, reference to which is here made and said lot being more particularly described as follows, that is to say:

BEGINNING on First Avenue at the corner of Lot No. 16; thence running West 40 feet to the corner of Lot No. 14; thence at right angles with line of said lot 14 North 94 feet to an alley; thence East 40 feet with said alley to the corner of Lot No. 16; thence South 94 feet with the line of Lot No. 16 to the place of beginning, being the same property conveyed to West Virginia Board of Education, by T. G. McClellan and Madeline McClellan, his wife, by deed dated December 19, 1963, of record in Deed Book 1401, page 421.

TRACT SEVEN
TAX MAP PARCEL 141
LOTS 16 & 17, BLOCK 5

LOT 16 - That certain lot, together with all the appurtenances thereunto belonging or in anywise appertaining, fronting 40 feet on First Avenue, between Jefferson and Jackson Streets, and extending back between perpendicular parallel lines 94' feet to an alley, being all of Lot 16 in Block 5.

LOT 17 - That certain lot, together with all the appurtenances thereunto belonging or in anywise appertaining, fronting 40 feet on First Avenue, between Jefferson and Jackson Streets, and extending back between perpendicular parallel lines 94 feet to an alley, being 'all of Lot 17 in Block 5.

Both parcels being as shown on the I. J. Settle Map of the City of Montgomery, and additions thereto, which said map and its
additions are of record in the Office of the Clerk of the County Court of Kanawha County, West Virginia.

Being identified as PARCEL NO. II and PARCEL NO. III conveyed to West Virginia Board of Education, by William L. Montgomery, by deed dated June 20, 1964, of record in Deed Book 1421, page 485.

TRACT EIGHT
TAX MAP PARCEL 93

LOT 8, BLOCK 5

Beginning at a point on the Southern side of Second Avenue 120 feet west of the intersection of Jefferson Street and Second Avenue; thence, in a general Southerly direction along the divide line between Lots 7 and 8, in Block 5, a distance of 94 feet to an alley; thence, at right angles and in a general Easterly direction along said alley, a distance of 40 feet to a point; thence at right angles and in a general Northerly direction at the divide line between Lots 8 and 9, in Block 5, a distance of 94 feet to a point on the Southern edge of Second Avenue; thence, at right angles and in a general Westerly direction along Second Avenue a distance of 40 feet to the point of beginning, and being all of Lot 8, in Block 5, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a “Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia”, and being the same property conveyed to the West Virginia Board of Control, by E. P. Champe and Bertha Hoodlett Champe, his wife, by deed dated January 4, 1941, of record in Deed Book 561, page 421.

LOTS 9 & 10, BLOCK 5

Beginning at a point on the Southern side of Second Avenue, 80 feet West of the intersection of Jefferson Street and Second Avenue; thence, in a general Southerly direction along the divide line between Lots 8 and 9, in Block 5, a distance of 94 feet to an alley; thence, at right angles and in a general Easterly direction along said alley, a distance of 80 feet to a point on the Western side of Jefferson Street; thence, at right angles and in a general Northerly direction a distance of 94 feet to a point at the Southwestern intersection of Second Avenue and Jefferson Street; thence, at right angles and in a general Westerly direction along Second Avenue, a distance of 80 feet to the point of beginning, and being all of Lots 9 and 10, in Block 5, as shown on the I. J. Settle
Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by William Giles, by deed dated December 18, 1940, of record in Deed Book 559, page 343.

LOT 18, BLOCK 5

Beginning at a point on the Northern side of First Avenue, 120 feet West of the intersection of Jefferson Street and First Avenue; thence, in a general Northerly direction along the divide line between Lots 17 and 18, in Block 5, a distance of 94 feet to an alley; thence, at right angles and in a general Easterly direction along said alley, a distance of 40 feet to a point; thence, at right angles and in a general Southerly direction along the divide line between Lots 18 and 19, in Block 5, a distance of 94 feet to a point on the Northern edge of First Avenue; thence, at right angles and in a general Westerly direction along First Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 18, in Block 5, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by Alice M. Carson and L. W. Carson, her husband, by deed dated December 17, 1940, of record in Deed Book 559, page 345.

LOT 19, BLOCK 5

Beginning at a point on the Northern side of First Avenue, 80 feet West of the intersection of Jefferson Street and First Avenue; thence in a general Northerly direction, along the divide line between Lots 18 and 19 in Block 5, a distance of 94 feet to an alley; thence, at right angles and in a general Easterly direction along said alley, a distance of 40 feet to a point; thence, at right angles and in a general Southerly direction along the divide line between Lots 19 and 20, in Block 5, a distance of 94 feet to a point on the Northern edge of First Avenue; thence, at right angles and in a general Westerly direction along First Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 19, in Block 5, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown an "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to West Virginia Board of Control, by The Elk
Furniture Company, by deed dated December 17, 1940, of record in Deed Book 559, page 341.

LOT 20, BLOCK 5

Beginning at a point on the Northern side of First Avenue, 40 feet West of the intersection of Jefferson Street and First Avenue; thence, in a general Northerly direction along the divide line between Lots 19 and 20, in Block 5, a distance of 94 feet to an alley; thence, at right angles and in a general Easterly direction along said alley, a distance of 40 feet to a point on the Western edge of Jefferson Street; thence, at right angles and in a general Southerly direction along Jefferson Street a distance of 94 feet to a point on the Northwestern intersection of said Jefferson Street and First Avenue; thence, at right angles and in a general Westerly direction a distance of 40 feet to the point of beginning; and being all of Lot 20, in Block 5, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by Alice M. Carson and L. W. Carson, her husband, by deed dated December 17, 1940, of record in Deed Book 559, page 345.

LOT 1, BLOCK 6

Beginning at a point at the Southeastern intersection of Jefferson Street and Second Avenue, and running in a general Southerly direction along Jefferson Street a distance of 94 feet to a point on an alley; thence, at right angles and in a general Easterly direction along said alley, a distance of 40 feet to a point; thence, at right angles and in a general Northerly direction along the divide line between Lots 1 and 2, a distance of 94 feet to a point on the Southern side of Second Avenue; thence, at right angles in a general Westerly direction a distance of 40 feet along Second Avenue to the point of beginning, and being all of Lot 1, in Block 6, as it is shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", being the same property conveyed to the West Virginia Board of Control, by Helen M. Vickers, by deed dated December 18, 1940, of record in Deed Book 559, page 349.
LOT 2, BLOCK 6

Beginning at a point on the Southern side of Second Avenue, 80 feet East of the intersection of Jefferson Street and Second Avenue; thence, in a general Southerly direction along the divide line between Lots 2 and 3, in Block 6, a distance of 94 feet to an alley; thence at right angles and in a general Westerly direction along said alley, a distance of 40 feet to a point; thence, at right angles and in a general Northerly direction along the divide line between Lots 1 and 2, in Block 6, a distance of 94 feet to a point on the Southern edge of Second Avenue; thence, at right angles and in a general Easterly direction along Second Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 2, in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by Alice M. Carson and L. W. Carson, her husband, by deed dated December 17, 1940, of record in Deed Book 559, page 345.

LOT 3, BLOCK 6

Beginning at a point on the South side of Second Avenue 120 feet East of the intersection of Jefferson Street and Second Avenue; thence, in a general Southerly direction along the divide line between Lots 3 and 4, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Westerly direction along said alley, a distance of 40 feet to a point; thence, at right angles and in a general Northerly direction along the divide line between Lots 2 and 3, in Block 6, a distance of 94 feet, to a point on the Southern edge of Second Avenue; thence at right angles and in a general Easterly direction along said Second Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 3, in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by William L. Montgomery, by deed dated December 17, 1940, of record in Deed Book 559, page 355.
LOT 4, BLOCK 6

Beginning at a point on the Southern side of Second Avenue 160 feet East of the intersection of Jefferson Street and Second Avenue; thence, in a general Southerly direction along the divide line between Lots 4 and 5, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Westerly direction along said alley a distance of 40 feet to a point; thence, at right angles and in a general Northerly direction along the divide line between Lots 3 and 4, in Block 6, a distance of 94 feet to a point on the Southern edge of Second Avenue; thence, at right angles and in a general Easterly direction along Second Avenue a distance of 40 feet to the point of beginning, and being all of Lot 4, in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by Alice M. Carson and L. W. Carson, her husband, by deed dated December 17, 1940, of record in Deed Book 559, page 345.

LOT 11, BLOCK 6

Beginning at a point on the Northern side of First Avenue, 40 feet East of the intersection of Jefferson Street and First Avenue; thence, in a general Northerly direction along the divide line between Lots 11 and 12, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Westerly direction along said alley a distance of 40 feet to a point on the Eastern side of Jefferson Street; thence, at right angles and in a general Southerly direction along Jefferson Street a distance of 94 feet to a point on the Northeastern intersection of Jefferson Street and First Avenue; thence, at right angles and in a general Easterly direction along First Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 11 in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by Dorothy Kandel and Jacob Kandel, her husband, by deed dated December 18, 1940, of record in Deed Book 559, page 352.
LOT 12, BLOCK 6

Beginning at a point on the Northern side of First Avenue, 80 feet East of the intersection of Jefferson Street and First Avenue; thence, in a general Northerly direction along the divide line between Lots 12 and 13, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Easterly direction along said alley a distance of 40 feet to a point; thence, at right angles and in a general Southerly direction along the divide line between Lots 11 and 12, in Block 6, a distance of 94 feet to a point on the Northern edge of First Avenue; thence, at right angles and in a general Easterly direction along First Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 12, in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by Dorothy Kandel and Jacob Kandel, her husband, by deed dated December 18, 1940, of record in Deed Book 559, page 352.

LOT 13, BLOCK 6

Beginning at a point on the North side of First Avenue, 120 feet East of the intersection of Jefferson Street and First Avenue; thence, in a general Northerly direction along the divide line between Lots 13 and 14, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Westerly direction along said alley a distance of 40 feet to a point; thence, at right angles and in a general Southerly direction along the divide line between Lots 12 and 13, in Block 6, a distance of 94 feet to a point on the Northern edge of First Avenue; thence, at right angles and in a general Easterly direction along First Avenue a distance of 40 feet to the point of beginning, and being all of Lot 13, of Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by William L. Montgomery, by deed dated December 17, 1940, of record in Deed Book 559, page 355.
LOT 14, BLOCK 6

Beginning at a point on the Northern side of First Avenue, 160 feet East of the intersection of Jefferson Street and First Avenue; thence, in a general Northerly direction from the divide line between Lots 14 and 15, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Westerly direction along said alley a distance of 40 feet to a point; thence, at right angles and in a general Southerly direction along the divide line between Lots 13 and 14, in Block 6, a distance of 94 feet to a point on the Northern edge of First Avenue; thence, at right angles and in a general Easterly direction along First Avenue a distance of 40 feet to the point of beginning, and being all of Lot 14, in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a “Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia”, being the same property conveyed to the West Virginia Board of Control, by Helen M. Vickers, by deed dated December 18, 1940, of record in Deed Book 559, page 349.

TRACT NINE
TAX MAP PARCEL 151
P/O LOT 9, BLOCK 1

A certain lot or parcel of land being part of the northern one half of Lot 9, Block 1, in the City of Montgomery, West Virginia, said Lot 9, Block 1, being shown on a certain map of said City of Montgomery, with additions as prepared by I. J. Settle under date of February 7, 1939, which said map is of record in the office of the Clerk of the County Court of Kanawha County, West Virginia, said part Lot 9, Block 1, beginning at an iron pin on the north eastern corner of said part lot being near the intersection of Jefferson Street and First Avenue, thence S-2-20 E 62.48 feet along Jefferson Street to an iron pin, thence S 88-18 W 40 feet to a point which is the common boundary line between Lot 9 and Lot 8 in said Block 1, thence N 2-20 W 62.03 feet, more or less, along said common boundary line between said Lot 8 and Lot 9, to a point, thence N 87-40 E 40 feet, more or less, along First Avenue to the point of beginning, being the northern part of Lot 9, Block 1, in the City of Montgomery, Kanawha County West Virginia.

This is the same part of Lot 9, Block 1, which is part of the Lot C described on that certain map styled, (Map of Subdivision of Lots 8 and 9 Block 1, in the City of Montgomery, West Virginia), prepared by W. R. Wise, R.P.E. on August 26, 1955, and which
said map is of record in the office of the Clerk of the County Court of Kanawha County, West Virginia.

Being the same property conveyed to West Virginia Board of Regents by Jimmie Lucci and Bethel Lucci, his wife, by deed dated October 14, 1975, of record in Deed Book 1780, page 24.

**TRACT TEN**

**TAX MAP PARCEL 152**

**P/O LOT 9, BLOCK 1**

A certain lot or parcel of land being part of the southern one-half of Lot 9, Block 1, in the City of Montgomery, West Virginia, said Lot 9, Block 1, being shown on a certain map of said City of Montgomery, with additions, as prepared by I. J. Settle under date of February 7, 1939, which said map is of record in the office of the Clerk of the County Court of Kanawha County, West Virginia, said part Lot 9, Block 1, beginning at an iron pin on the northern right of way line of Fayette Pike, said pin being N. 88° 56' E., 1.50 feet from the common corner of Lot 9, and Lot 8; thence along said parallel with the common boundary line between Lot 9 and Lot 8, N. 2° 20' W., 62.04 feet to an iron pin lying 1.50 feet from said common boundary line; thence N. 88° 18' E., 38.50 feet to an iron pin in the eastern boundary line of said Lot 9; thence along and with said eastern boundary line of Lot 9, S. 2° 20' E., 62.48 feet to an iron pin on said northern right of way line of Fayette Pike; thence along and with said northern right of way line of Fayette Pike, S. 88° 56' W., 38.51 feet to the beginning, being part of Lot 9, Block 1, in the City of Montgomery, Kanawha County, West Virginia.

This is the same part of Lot 9, Block 1, which is described as Lot A on that certain map styled “Map of Subdivision of Lot 8 and 9, Block 1, in the City of Montgomery, West Virginia” prepared by W. R. Wise, R.P.E. on August 26, 1955, and which said map is of record in the office of the Clerk of the County Court of Kanawha County.

Being the same property conveyed to West Virginia Board of Regents, by Darrel Strickland and Mildred Strickland, his wife; Bethel Strickland Lucci and Jimmie Lucci, her husband, by deed dated January 16, 1976, of record in Deed Book 1785, page 412.
TRACT ELEVEN
TAX MAP PARCEL 153
P/O LOT 8, BLOCK 1

Beginning at a pin in the North right of way line of Fayette Pike, a common corner to Lot No. 8 and Lot No. 9, Block 1, thence with the line of Fayette Pike S. 88° 56’ E. 40.01 feet to a pin 7 inches east of an iron post to a new fence; thence N. 2° 20’ W. 61.59 feet to a pin under the wire of said new fence; thence N. 88° 18’ E. 40.00 feet to a pin on the boundary line between Lot No. 9 in Block 1; thence S. 2° 20’ E. 62.04 feet to the beginning and being the southern half of Lot No. 8 in Block 1, as shown on a Map of the Town of Montgomery (formerly Coal Valley), as prepared by the late I. J. Settle “Final corrected I. J. Settle’s Map of Coal Valley now Montgomery, W. Va.”, recorded in the office of the Clerk of County Court of Kanawha County, West Virginia in Map Book 7, at page 12, and being that portion of Lot B lying West of the original lot line between Lot No. 8 and Lot No. 9, Block 1, as shown on a map entitled “Map of a Subdivision of Lots 8 and 9 in the City of Montgomery, W. Va.” Prepared by W. R. Wise, R.P.E. under date of August 26, 1955, and being the same property conveyed to West Virginia Board of Regents, by Mamie E. Fink, by deed dated October 21, 1975, of record in Deed Book 1776, page 357.

TRACT TWELVE
TAX MAP PARCEL 154
P/O LOT 8, BLOCK 1

A certain lot or parcel of land being the northern part of Lot 8, Block 1, in the City of Montgomery, West Virginia, said Lot 8, Block 1, being shown on a certain map of said City of Montgomery, with additions as prepared by I. J. Settle under date of February 7, 1939, which said map is of record in the office of the Clerk of the County Court of Kanawha County, West Virginia, said part Lot 8, Block 1, beginning at a point which is on the common boundary line between Lots 8 and 9, Block 1, as shown on said map at a point where said common boundary line adjoins First Avenue; thence along the common boundary line between said Lots 8 and 9, S. 2° 20’ E. 62.03 feet to a point in the said line; thence across Lot 8, S. 88° 18’ W., 40 feet to a point on the common boundary line between Lots 7 and 8 in said Block 1; thence N. 2° 20’ W., 61.59 feet along said line between Lots 7 and 8 to a point on First Avenue to the point of beginning, being the northern part of Lot 8, Block 1, which is part of the Lot C described on that certain map styled (Map of Subdivision of Lots 8
DEED 3012 709

and 9 Block 1, in the City of Montgomery, West Virginia), prepared by W. R. Wise, R.P.E. on August 26, 1955, and which said map is of record in the office of the Clerk of the County Court of Kanawha County, West Virginia.

Being the same property conveyed to West Virginia Board of Regents, by Darrel Strickland and Mildred Strickland, his wife; Bethel Strickland Lucci and Jimmie Lucci, her husband, by deed dated January 16, 1976, of record in Deed Book 1785, page 409.

TRACT THIRTEEN
TAX MAP PARCEL 155
P/O LOT 7, BLOCK 1

Beginning on First Avenue at the northeast corner of Lot No. 6 in Block “1” and running with the line of said Lot No. 6 South a distance of 60 feet toward Giles Fayette and Kanawha Turnpike to a point in said line; thence at right angles and on a line parallel with said First Avenue in easterly direction to the line of Lot No. 8 in said Block; thence at right angles and with the west line of said Lot No. 8 northerly a distance of 60 feet to said First Avenue; thence at right angles and long said Avenue in a westerly direction to the point of beginning, it being the intention of said party of the first part to convey that part of Lot No. 7 in Block No. “1” fronting on First Avenue and extending back from said Avenue a distance of 60 feet between parallel lines, being part of Lot No. 7 in Block No. “1”, as laid down on a map entitled, “Final Corrected I. J. Settle’s Map of Coal Valley City Now Montgomery, W. Va.” Recorded in the office of the Clerk of the County Court of Kanawha County, West Virginia in Map Book 7, page 12, and being the same property conveyed to West Virginia Board of Regents, by Donald Joseph Riggio and Suzanne M. Riggio, his wife, by deed dated May 21, 1975, of record in Deed Book 1762, page 463.

TRACT FOURTEEN
TAX MAP PARCEL 156
P/O LOT 7, BLOCK 1

Beginning at a point where the eastern line of Lot No. 6, in Block No. 1, intersects with the Northern side of Fayette Pike and running in a northerly direction along the divide line between Lots Nos. 6 and 7, a distance of 45’ 8” to a point; thence, at right angles and across Lots No. 7, and in an easterly direction 40 feet to the divide line between Lots Nos. 7 and 8, to the northern line of Fayette Pike; thence, at right angles in a southerly direction along
the divide line between Lots Nos. 7 and 8 to the northern line of Fayette Pike; thence, along said northern line of Fayette Pike in a westerly direction a distance of approximately 40 feet to the point of beginning, this being the southern half of Lot No. 7, in Block No. 1, as laid down on the Map of the town Montgomery (formerly Coal Valley), as prepared by the late I. J. Settle, "Final corrected I. J. Settle's Map of Coal Valley now Montgomery, W. Va." Recorded in the office of the Clerk of the County Court of Kanawha County, West Virginia in Map Book 7, at page 12, and being the same property conveyed to West Virginia Board of Regents, by Macil L. Null, formerly Macil L. Jeffery, and Melvin Lee Null, her husband, by deed dated September 11, 1975 of record in Deed Book 1774, page 564.

TRACT FIFTEEN
TAX MAP PARCEL 157
P/O LOT 6, BLOCK 1

Being the Southerly portion of Lot #6, of Block One (1), of Coal Valley City, (now Montgomery), a map of same being of record in the Office of the Clerk of the County Court of Kanawha County, West Virginia, in Map Book 7, at page 12, and being more particularly bounded and described as follows:

Beginning at an old wood post in the northerly line of Fayette Pike, marking the common corner of Lots Nos. 5 and 6 of said Block One (1); thence leaving Fayette Pike and with the common dividing line between the last named Lots, N. 1° 27' W., a distances of 63.0 feet to an iron pin; thence crossing said Lot #6, N. 87° 30' E., a distance of 40.1 feet to a point in the common dividing line of Lots Nos. 6 and 7, which said point is 0.3 feet distant from a steel fence corner post; thence with the common dividing line between Lots Nos. 6 and 7, S. 2° 30' E., a distance of 60.5 feet to a one inch pipe in the said northerly line of Fayette Pike; thence with the said Fayette Pike, S. 84° 04' W., a distance of 41.3 feet to the place of beginning.

Being the same property conveyed to West Virginia Board of Regents, by Julia M. Carpenter and Brown B. Carpenter, her husband, and Sammy J. Fragale and Mildred Fragale, his wife, by deed dated July 25, 1975, of record in Deed Book 1770, page 772.
TRACT SIXTEEN
TAX MAP PARCELS 158, 159, 160
P/O LOT 6, ALL OF LOT 5, P/O LOTS 3 AND 4, BLOCK 1

BEGINNING at a two inch pipe, in the southerly line of First Avenue, in the said City of Montgomery; common front corner of Lot No. 6 and Lot No. 7 of said Block One (1); thence leaving said First Avenue, and with the common dividing line between said Lots, S. 2° 30' E., a distance of 60.4 feet, to a point in said line, which said point is S. 87° 30' W., a distance of 0.3 feet from a steel fence corner post, common corner to the parcel conveyed unto said second party by the deed last hereinbefore mentioned; thence leaving said common dividing line and with the northerly line of said last mentioned parcel, S. 87° 30' W., a distance of 40.1 feet to an iron pin in the common dividing line of Lots Nos. 5 and 6; thence S. 1° 27' E. a distance of 63.0 feet to an old wood post in the northerly line of Fayette Pike; thence with said northerly line of Fayette Pike, S. 80° 59' W., a distance of 40.5 feet to a 1.5 inch pipe, common corner of Lot No. 4 and said Lot No. 5; thence continuing with said northerly line of said Fayette Pike, S. 62° 50' W., a distance of 77.2 feet to a wood post, marking the intersection of said Fayette Pike and Jackson Street, N. 5° 50' W. a distance of 119.4 feet (passing a rock wall at 81.9 feet), to a fence post, common corner to said Fannin parcel; thence leaving said line of Jackson Street, N. 86° 56' E., crossing Lot No. 3 and said Lot No. 4, a distance of 77.1 feet to a point in the common dividing line of said Lots Nos. 4 and 5; thence with said common dividing, N. 2° 30' W., a distance of 40.3 feet to a fence post in the said southerly line of First Avenue; thence with the same and with the northerly lines of said Lots Nos., 5 and 6, N. 87° 30' E. a distance of 818 feet to the place of beginning, all as shown and described upon a map of the western part of said Block One (1) made by S. E. Thornton, P.E., dated June 11, 1973, which is attached hereto and made a part hereof;

Being the same property conveyed to West Virginia Board of Regents, by Julia M. Carpenter and Brown B. Carpenter, her husband, by deed dated July 25, 1975, of record in Deed Book 1776, page 784.

TRACT SEVENTEEN
TAX MAP PARCEL 160.1
P/O LOTS 3 & 4, BLOCK 1

Beginning at a pin corner to Jackson Street, and First Avenue; thence N. 87° 40' E. a distance of 79.50 feet to a pin; thence S. 2°
20' E. a distance of 40.30 feet to a pin; thence S. 87° 06' W. a distance of 77.11 feet to a pin; thence N. 5° 40' W. a distance of 41.14 feet to a pin, the place of beginning; and being the same property conveyed to West Virginia Board of Regents, by Roy Fannin and Ethel Fannin, his wife, by deed dated October 10, 1975, of record in Deed Book 1776, page 310.

TRACT EIGHTEEN
TAX MAP PARCEL 145
LOT 5, BLOCK 2

All of Lot Five (5) of Block Two (2) of the City of Montgomery, all as shown, mentioned and described upon the map of the same, made by Dunn Engineers, Inc., dated September 18, 1979, which said map is of record in the office of the Clerk of the County Commission of Kanawha County, West Virginia in Deed Book 2279, page 375.

Being the same property conveyed to The Board of Directors of the College System, a governmental instrumentality of the State of West Virginia, for and on behalf of West Virginia Institute of Technology, by Charles R. Dotson and Vickie G. Dotson, his wife, by deed dated July 20, 1991, of record in Deed Book 2279, page 375.

TRACT NINETEEN
TAX MAP PARCEL 146
LOT 4, BLOCK 2

All that certain lot or parcel of land, together with the improvements thereon and appurtenances thereunto belonging or in any wise appertaining, situate in the City of Montgomery, Cabin Creek, Kanawha County, West Virginia, being on the south side of the C & O Railway right of way, fronting forty feet on First Avenue and extending back between perpendicular parallel lines to Fayette Pike, and being all of Lot No. 4 in Block 2.

TRACT TWENTY
TAX MAP PARCEL 147
LOT 3, BLOCK 2

Beginning on First Avenue at corner of Lot No. 2, running east 40 feet with said First Avenue to Lot No. 4; thence at right angles and with line of Lot No. 4 south to the Giles Lafayette and Kanawha Turnpike; thence west with said Turnpike to the corner of Lot No. 2; thence north with line of said Lot No. 2 to the beginning, this being all of Lot No. 3 in Block No. 2 Montgomery, Kanawha County, West Virginia, as shown on map of Coal Valley, Now Montgomery, West Virginia, made by I. J. Settle, and of record in Deed Book 364, at Page 498.

Being the same property conveyed to the State College and University System of West Virginia, by Agreed Order dated December 8, 1995, filed on December 8, 1995 with the Circuit Court of Kanawha County, West Virginia.
Tax Data

The subject property is assessed in the name of BridgeValley Community & Technical College Board of Governors in the Kanawha County Assessor’s Office in the Montgomery Corporation Tax District on Map 1 as Parcel 93. The 2020 tax assessment for each parcel has been summarized in a chart and the properties are tax-exempt. The tax summary is shown as follows:

Map 1, Parcel 93

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
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<tbody>
<tr>
<td>Land</td>
<td>$127,260.00</td>
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<tr>
<td>Building</td>
<td>$1,200,000.00</td>
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<tr>
<td>Total</td>
<td>$1,327,260.00</td>
</tr>
</tbody>
</table>

Class IV Tax Rate 0.032696 Annual Taxes Tax-Exempt

The property is appraised for $2,212,100.00, but it is unlikely that this has changed because there are no taxes due and no incentive for the Assessor to revalue the property. If the property were subject to taxes based on the current valuation, the annual taxes would be in the range of $43,400.00.

Area Data

West Virginia is geographically located in the mid-Atlantic region which extends as far north as Pittsburgh, Pennsylvania; as far west as Columbus, Ohio; as far east as Washington D. C.; and as far south as Richmond, Virginia. According to the 2020 Census, within this state there are approximately 1.793 million people, which is a decrease of approximately 3.2% from 2010.

The property is located in the community of Montgomery an incorporated town at the eastern end of the Kanawha Valley and the western end of the valley area of Fayette County. Montgomery is actually split by the Fayette and Kanawha County line and the subject property is located in Kanawha County. That places Montgomery approximately 40 minutes east of Charleston and 30 minutes west of Fayetteville. Residents in this area will commute to both locations but Charleston offers a larger employment base and better shopping opportunities for durable goods. The closest interstate system is the West Virginia Turnpike at Chelyan but there is a four lane US Highway traveling north and south through Fayette County. This description references the fact that the subject property is somewhat isolated from major transportation routes and large population centers. The historical reliance on the coal and energy markets, and the subsequent designs in those...
activities has defined the current economic status for the immediate area.

Charleston is the State Capitol and the County Seat of Kanawha County. The Charleston Standard Metropolitan Statistical Area includes a civilian labor force of approximately 90,700 (as of December 2021) and intersects with the Huntington Standard Metropolitan Statistical Area, which has a civilian labor force of approximately 144,400 as of December 2021. These two combined areas have slightly less than one third of the state's total population. Charleston and Huntington are located approximately fifty miles apart. The trade area encompasses portions of Ohio and Kentucky. Charleston has the heaviest concentration of governmental offices and is the financial and professional center of the state.

As of June 2013, the Federal Office of Management and Budget revised the Metropolitan Statistical Area for Charleston and Huntington-Ashland. In this revision, it was determined that Lincoln and Putnam Counties were more closely correlated with the Huntington-Ashland SMSA. The Charleston SMSA had an estimated civilian labor force of approximately 90,700 as of December 2021. Until several years of data is generated, comparison of changes in the SMSA will not be relevant.

Population

According to the United States Census Bureau and estimates by the City of Charleston, population figures for Charleston and Kanawha County since 1990 are shown below:

<table>
<thead>
<tr>
<th></th>
<th>1990</th>
<th>2000</th>
<th>2010</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charleston</td>
<td>57,287</td>
<td>53,421</td>
<td>51,400</td>
<td>48,864</td>
</tr>
<tr>
<td>Kanawha Co</td>
<td>207,619</td>
<td>200,073</td>
<td>193,063</td>
<td>180,745</td>
</tr>
</tbody>
</table>

As shown above, the population of the City of Charleston has decreased overall since 1980. The population of Kanawha County has also decreased overall since 1970. The population for Kanawha County for the 2020 Census was 180,745. Although the population has decreased in Charleston and Kanawha County, Charleston continues to serve a much larger area with daytime employment. The SMSA has been expanded and includes a civilian labor force of 90,700 (December 2021).

Employment

The unemployment rate in December 2021 was 2.9%, which compares to 7.4% one year earlier. West Virginia's unemployment rate in December 2021 was 2.9%. The following summarizes employment for the county and state:
The following table summarizes and displays the 2019 per capita income figures on a county, state, and national level:

<table>
<thead>
<tr>
<th>2019 PER CAPITA ANNUAL INCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charleston</td>
</tr>
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Bureau of Economic Analysis

As of December 2021, the total nonfarm employment was 98,150 with service providing at 90,250 and goods producing at 7,900. The most current median household income estimate is 2019 and was estimated on a county, state and national level by the US Census Bureau and is shown as follows:

<table>
<thead>
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The ten largest employers in Kanawha County are summarized as follows:

1. CAMC Health System
2. Kanawha County Board of Education
3. WV Department Health & Human Resources
4. Thomas Health System
5. Walmart
6. WV Department of Highways
7. US Postal Service
8. Kroger
9. City of Charleston
10. WV Department of Administration

*March 2023 workforce.wv.org

The labor participation is approximately 50%, which is one of the lowest in the nation.

Services

The following entities provide public services for the county:

The following table summarizes and displays the 2019 per capita income figures on a county, state, and national level:

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*March 2023 workforce.wv.org

The labor participation is approximately 50%, which is one of the lowest in the nation.

Services

The following entities provide public services for the county:
Transportation

Charleston is served with Interstates 64 and 77 (also known as the West Virginia Turnpike, a toll road from Charleston to Bluefield), Interstate 79, and Appalachian Corridor G (U.S. Route 119) that connects Charleston with the Kentucky border through the southwestern portion of the state. There are several major federal and state highways.

Charleston is served with Yeager International Airport, which has direct flights to major connecting hubs such as Washington, DC, Atlanta, Chicago, Houston, Charlotte, Orlando, Philadelphia and Myrtle Beach.

Passenger rail service is provided by Amtrak, while CSX and Kanawha River Railroad (formerly Norfolk Southern) are responsible for cargo traffic. Much of the cargo originating in the State is coal and is now being transported to a worldwide market.

The Kanawha River is a heavily used industrial waterway that maintains a 9’ channel depth. Recent upgrades have been made to the Winfield and Marmet Locks and Dams. The Marmet Locks, according to the US Corps of Engineers, are the busiest in the Ohio River System. These systems, along with upstream dams at Bluestone and Summersville, assist in flood control efforts.

Retail Sector

The largest retail center in downtown Charleston is the Charleston Town Center, which at one time was 1,000,000 square foot mall containing approximately 130 store fronts. The project was completed in 1983, and it had a stabilizing effect in downtown Charleston. The Town Center Mall had a successful tenure until shopping trends were significantly changed by local demographics and the impact of online shopping. Sears closed in 2017 and Macy’s closed in March 2019. JC Penny is the other anchor and their corporate structure and performance has been weak for years. In late 2017, the mall ownership was placed in receivership due to default of a $94,000,000.00 loan. Foot traffic at the mall is significantly reduced and there are monthly announcements of closures of more stores. This is a significant issue that is being addressed by local business interest and political figures but the mall’s future will be based on its ability to be converted to a multi-use facility. In January 2019, the lienholder bid in the property at a public auction at $35,000,000.00. In the second quarter of 2021, the property resold to a private developer for $7,500,000.00. The private developer is a known mall operator that plans to attract new tenants and focus on the retail design with opportunities for mixed use development.
Southridge Centre, another major retail development, is located approximately 6 miles south of Charleston on Corridor G. Southridge includes big-box tenants such as Sam's, Wal-Mart and Home Depot, along with the accompanying fast food restaurants and specialty stores such as Panera Bread, Honey Baked Ham, Olive Garden, Red Lobster and Quaker Steak N' Lube. There is also a Hampton Inn located in this area. Cabela’s opened an 80,000 square foot retail store in August 2012.

In addition, there are two other significant developments in this area known as Dudley Farms and The Shoppes at Trace Fork. These include stores such as Target, Marshalls, Books-A-Million, Dick’s Sporting Goods, Bath & Body Works, Home Goods, Pier One, Lowe’s and Target. There are also locally owned retailers and several restaurants and a convenience store, as well as a Holiday Inn Express. This area is not immune to retail changes that have also affected the Town Center Mall. Gander Mountain closed in 2017 and it is being converted to a Hobby Lobby, but there is still a significant traffic draw to this area so there continues to be new announcements. For example, Bojangles opened a facility in 2017 and Starbucks was announced in 2018. This area has created significant activity in the southern part of Charleston and South Charleston and draw retail traffic from a broad geographic area. It appears that each retail area has sustained itself and there has been a dramatic impact on the Town Center Mall.

Hotel Sector

Charleston is fortunate to have major hotels located in the downtown area and at interstate interchanges. The major hotels in downtown include the following:

<table>
<thead>
<tr>
<th>Hotel</th>
<th># of Rooms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marriott Hotel</td>
<td>352 Rooms</td>
</tr>
<tr>
<td>Embassy Suites</td>
<td>252 Rooms</td>
</tr>
<tr>
<td>Four Points by Sheraton</td>
<td>200 Rooms</td>
</tr>
<tr>
<td>Civic Center Holiday Inn</td>
<td>200 Rooms</td>
</tr>
<tr>
<td>Quality Inn &amp; Suites</td>
<td>160 Rooms</td>
</tr>
<tr>
<td>Best Western</td>
<td>136 Rooms</td>
</tr>
<tr>
<td>Courtyard by Marriott</td>
<td>119 Rooms</td>
</tr>
<tr>
<td>Hampton Inn</td>
<td>113 Rooms</td>
</tr>
</tbody>
</table>

The former Charleston House Holiday Inn underwent a major renovation and has been converted to a Four Points by Sheraton. A former restaurant space on the top floor was converted to individually owned residential condominiums. A Courtyard by Marriott was completed in February of 2015 along the Kanawha Boulevard at the intersection of the Elk and Kanawha Rivers. It boasts 110 guest rooms and 9 suites. The Super 8 and Charleston Capital Hotel just filed for bankruptcy.
**Office Space**

Charleston is a compact office market, which includes several office towers and a host of low-rise office buildings built around downtown and in several suburban locations. The office towers create the majority of the Class A space and are shown as follows:

<table>
<thead>
<tr>
<th>Building</th>
<th># of Sq. Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laidley (Huntington) Tower</td>
<td>215,162 sq. ft.</td>
</tr>
<tr>
<td>Chase Tower</td>
<td>273,000 sq. ft.</td>
</tr>
<tr>
<td>Truist Building</td>
<td>250,429 sq. ft.</td>
</tr>
<tr>
<td>United Bank</td>
<td>151,102 sq. ft.</td>
</tr>
</tbody>
</table>

There are other mid-rise buildings in the Charleston market, and a number of older office buildings, which have been renovated in the village district. The Federal Courthouse is one of the largest buildings in Charleston.

The former Diamond Department Store renovations were completed in 1999 and this added approximately 1,000 people to downtown each day. A new office building was completed in the spring of 2012 for the Federal Bureau of Investigations and is located in the 100 block of Virginia Street, East.

**Education**

Charleston is served by the following colleges and universities:

- University of Charleston
- West Virginia University Medical Center
- West Virginia State University
- Marshall University & College of Graduate Studies
- BridgeValley Community & Technical College

**Public Facilities**

The Clay Center for the Arts & Sciences opened in June of 2003 after four years of construction. It is located just outside of the Central Business District of Charleston in a block surrounded by Lee Street, Washington Street, Leon Sullivan Way and Brooks Street. In 2008, the Kanawha County Public Library announced the launch of the Open a Modern Classic Capital Campaign to build a state-of-the-art main library in downtown Charleston. This was a difficult time to raise funds for a new library, even though a site was selected. In 2018, the library board announced that the current facility will be redesigned with a new entrance on Summers Street and major mechanical and cosmetic improvements to their existing facility. This is the best solution for preserving an important public facility that contributes to a healthy downtown business district.

The Charleston Coliseum and Convention Center provides an arena for sports, conventions and trade shows. The State Capitol Complex is also a major tourist attraction. In October of 2014, major renovations were announced for the Charleston Coliseum
and Convention Center. It was estimated to cost in the range of $70 million dollars and the initial plan was to expand and renovate the building by upgrading outdated technology, adding an outdoor plaza and an additional pedestrian entrance across from the Charleston Town Center Mall. The budget for this project has been significantly enhanced and is closer to $100,000,000.00. The initial plans include a 10,000 square foot kitchen, new food court for coliseum events and a ballroom facing the river. The design team was selected in May 2015. A groundbreaking ceremony occurred in June 2015 and the grand opening was October 2018.

Appalachian Power Park is a minor league baseball facility that was constructed in the East End of Charleston in 2003. At the time, it was viewed as a significant economic development project that would draw traffic to an area of town that needed to be redeveloped. There are examples of commercial and residential redevelopment projects that have been created in this area, but the baseball theme has not continued to attract the same volume of patrons. In 2020, the MLB discontinued their relationship with this franchise. In February 2021, the West Virginia Power announced that the club joined the Atlantic League of Professional Baseball, an independent league. That will allow the team to recruit local talent that has former MLB experience.

Construction on a new canopy at Haddad Riverfront Park was completed in June 2010. This outdoor venue hosts many special events and concerts throughout the year and a covered stage and seating area offered more flexibility for how this is used. The construction of the canopy provided a better venue for Live on the Levee, a Friday night concert series that occurs throughout the summer.
Neighborhood Data

A neighborhood is a portion of a larger community in which there is a homogenous grouping of inhabitants, buildings, or business enterprises. Neighborhood boundaries may consist of well-defined natural or manmade barriers or they may be more or less well defined by distinct changes in land use or in the character of the inhabitants. In evaluating a neighborhood, the appraiser must consider physical boundaries, legal boundaries, use patterns, and the availability of services.

The market area of the subject property is considered to be the downtown portion of Montgomery, which is essentially located between Jefferson Street to the west, the mountains to the south, the bridge to the east and the Kanawha River to the north. The majority of this area is used for commercial purposes and is zoned CBD, Central Business District, or General Purpose by the City of Montgomery. It is designed around several important physical features including the railroad, hillside and the river. There is a wide range of commercial and residential uses in the immediate vicinity. Much of this area was heavily developed before land use regulations were imposed and the area needed a lot of housing to accommodate the mineral extraction businesses and West Virginia University of Technology.

WVU Tech operated a large higher education campus in downtown Montgomery due to the size and stature of the buildings. Since West Virginia University relocated the school to Beckley in 2017, many of these buildings have been minimally occupied. Particularly the dormitories or special use buildings. The initial concept was for the KVC Health Systems to take over the entire campus to provide an educational facility for foster, adoption and behavioral health care. This was expected to peak at 500 students. That plan never materialized and the WVU Tech campus has been sold piece-meal fashion for a wide range of projects. BridgeValley gained ownership of five buildings and has consumed other space within Montgomery such as the diesel repair shop located in the former Brown Chevrolet but has mostly expanded services and operations in connection with their South Charleston campus. BridgeValley has reduced their footprint in Montgomery and several of the former WVU Tech buildings are idle. BridgeValley does not have the same volume of students as West Virginia Tech did and no traditional students requiring housing. These are all commuter and non-traditional students that may travel from 30 to 60 minutes away for educational opportunities. After a change in leadership at BridgeValley, there was a focus on limiting the real estate ownership in Montgomery and liquidating up to 5 buildings.

West Virginia Governor Jim Justice announced that Mountaineer ChalleNGe Academy Southern Campus in the 2020 State of the State Address. The Mountaineer ChalleNGe Academy
is a program operated through the West Virginia National Guard for at-risk youths from ages 16 to 18. That places the students in a 22 week, quasi-military residential program with eight core programs including the ability for students to obtain GED’s (Graduate Equivalency Diploma) through their home high school. Renovations were made to former Maclin Hall, the student union and the Baisi Athletic Center. Those facilities represent some of the core components from the former WVU Tech Campus. This also created 60 full-time equivalent jobs and headed an inaugural class of 72 cadets (students). This is the type of public outreach that has the ability to secure government funding to support programs that can compete this type of market because they are providing a public service that does not require an economic return to an investor.

A private developer, using favorable public financing, is renovating the former COBE Building into 28 senior housing units. This requires major renovations to a 35,100 square foot classroom building. Without favorable financing, this project would not be feasible. Other buildings, such as the Vining Library have been sold to the City of Montgomery. There has definitely been a concerted effort to re-purpose many of the former campus buildings for the benefit of the community.

In December 2021, The City of Montgomery announced plans to take over remaining WVU Tech facilities, including the Neal Baisi Athletic Center. This is proposed as a community building, athletic facility and emergency shelter. The project is in need of $1.6 million of State funding to resolve deferred maintenance and overhaul the building, including upgrades to provide ADA access. Other assets targeted by the City of Montgomery include the football field and vacant sites where old buildings were demolished.

Montgomery is unique because part of it is located in Kanawha County and a larger portion is located in Fayette County. In fact, several of the properties are split between the two counties. The main access to the area is from Route 60, which travels east and west from Charleston to Lewisburg on the north side of the river. It is also served by an Amtrak station as the rail line goes directly through town. The Amtrak station was rebuilt in 2019. The traffic on Route 60 is now destination oriented rather than through traffic. Other than the school and the hospital, the major employers are typically mineral extraction companies or vendors for those types of operations. Service industry jobs are very prevalent in West Virginia and particularly in these areas where there is no manufacturing base. Ranger Scientific is one business that has relocated to Montgomery. Several years ago, this entity expressed interest in developing an ammunition factory on a former mine site in eastern Kanawha County. After years of no activity, they acquired a worship facility that had been fashioned out of an old school on 5th Avenue to commence manufacturing. This required demolishing the old three-
story schoolhouse, retrofitting two office wings and using the gymnasium for manufacturing. This is one of the largest private investments in the area.

The downtown area around the subject property has deteriorated over the last 30 years. There are several retail storefronts that are still vacant and there have not been any major discussions about potential employers. Most of the commercial activity in this area is now locating in Smithers, across the Kanawha River from Montgomery. Smithers has a Tudor’s Biscuit World, Taco Bell, Exxon and Grant’s Grocery Store. The Family Dollar and Dollar General are located in western end of Montgomery and another is in east Smithers.

The future for Montgomery would appear to be in a stagnant stage with the exception of small family operated businesses. The only new businesses that have opened in the area are fast food and convenience stores that do not offer good paying jobs. Discount stores are well represented and Grant’s (formerly Kroger) is the only full service grocery. The best hope for Montgomery is to help maintain the status of existing businesses, including Montgomery General Hospital. There is still a reasonable population base that needs good and services in the larger geographic area but the population of Montgomery has dwindled to the point that there is no viable pool of labor to support a significant business development and there are fewer and fewer reasons for the outside population to travel to or through Montgomery.
Site Data

A survey of the subject property was not available, so the Kanawha County GIS and satellite images were used to understand the basic design and configuration of the site. The parcels that are included in the analysis are shown in a map in this section of the report. Other physical characteristics were determined during the site observation and are summarized as follows:

Access: The property fronts on the south side of 2nd Avenue just east of its intersection with Jackson Street. It also fronts 1st Avenue. This provides excellent visibility and access along three public roads. 2nd Avenue is the main thoroughfare through Montgomery and the property has a prominent location along that route.

Roads: 2nd Avenue is also WV Route 61 and is a two lane, asphalt paved, state maintained road. 1st Avenue is westbound only but is asphalt paved and city maintained.

Interstate Access: Interstate 64/77 (West Virginia Turnpike) is available at the Chelyan Interchange approximately 12 miles west of the subject property. US Route 19 is the only four lane road traveling through Fayette County and it is located approximately 30 miles east at Oak Hill or Fayetteville.

Topography: Level

Configuration: Rectangular

Site Size: 64,000 square feet

Lot Coverage Ratio: 44%

Utilities: All available and in use

Zoning: General Purpose; This classification is intended for a broad range of potential uses including commercial activities. The reality is that Montgomery is hopeful of new investment and approved uses should be wide ranging.
<table>
<thead>
<tr>
<th>Flood Map:</th>
<th>Floodscape Flood Hazards Map</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>54039C 0637 E, dated September 3, 2010</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Flood Determination:</th>
<th>Low flood risk</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Site Improvements:</th>
<th>The primary site improvement is the asphalt paved parking area located on the south side of the building. There are concrete walkways at the front entrance and concrete stoops at side and rear entrances. There is also an asphalt paved alley on the west side of the building that adjoins the Pathfinder Building. This is privately owned, but it is not clear whether it is on the subject property or the neighboring property but it benefits each. There is an exterior stairwell to provide access to a below grade mechanical room and a bridge connecting this building to Pathfinder Hall. There is an overhead door on the south side of the building.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Parking:</th>
<th>Approximately 40 vehicles along with unrestricted street parking</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Landscaping:</th>
<th>There is some grass along the front of the building.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Public Improvements:</th>
<th>Concrete sidewalks and street lights along 2\textsuperscript{nd} Avenue</th>
</tr>
</thead>
</table>

The building has a fairly large footprint and situated on the northern half of the site, oriented toward 2\textsuperscript{nd} Avenue. The property benefits from access on two public roads, which also corresponds with ingress and egress points to the building. This includes the rear parking lot, which has a limited amount of parking relative to the gross building area. This was a common design since this building was used in collaboration with the rest of the West Virginia Tech Campus, but would be problematic when evaluating the property as a standalone use that needs to be self-sufficient. Fortunately, there is street parking but if uses of multiple old buildings are identified, the lack of parking on the subject site will influence the potential uses. Some utilities are combined with the Pathfinder or Maintenance Buildings. They most likely originate in this building, since it is the oldest.

Surrounding land uses include other buildings that were part of the WVU Tech Campus including a 6-story office building, maintenance facility and a building that is now occupied by BridgeValley. There are also single-family homes and residential rental units in the immediate vicinity. The site improvements are in adequate condition.
to continue to be used with no sources of deferred maintenance identified. Maps and photographs illustrating the site design and surrounding environment are shown as follows:

Front View

Front View

Front View

Aerial Connector Between E-Labs & Pathfinder Building

Rear View

Alley on East Side of Property
Rear View

1st Avenue Along Rear of Property

Rear View

2nd Avenue Looking West

2nd Avenue Looking East
This map is not the official regulatory FIRM or DFIRM. Its purpose is to assist with determining potential flood risk for the selected location.

**Flood Info Location**

**User Notes**

**Flood Hazard Area** Location is **WITHIN a moderate flood risk hazard such as** a FEMA 500-year floodplain.

**Flood Zone** Shaded X (500-YR Flood)

**Stream** Kanawha River

**Watershed** (HUC8) Upper Kanawha (50S0006)

**Flood Height** Flood Height 6ft NAD88

**Water Depth**

**Elevation** 633.9 ft (Source: FEMA 2018-20) (NAVD88)

**Community & ID** City of Montgomery (ID: 540029)

**FEMA Map & Date** 540203/0637F, Effective Date: 9/3/2010

**Location (lat, long)** (38.179824, -81.329769) (WGS84)

**Parcel ID** 20-07-0001-0093-0000

**E-911 Address** 807 2ND AVE, Montgomery, WV, 25136
Improvement Data

The property is improved with a two-story office, classroom and laboratory building. The satellite images illustrate that the southern two-thirds of the building was the original structure and was laboratory facilities built in the 1940’s. At a later date, estimated to be around 1982, an addition and renovations created a more appealing façade and office component. It modernized the overall appearance of the building even though the majority of it was much older. Building information was determined during the site observation and there are floor plans illustrating the general design. That information is summarized as follows:

Age: Approximately 80 years old with a significant addition that is 40 years old

Purpose of Building: Engineering labs, classrooms and office space

Gross Area: 72,700 square feet and 1,400 square feet in the lower level mechanical room

Construction Style: Masonry and steel frame structure with poured concrete floors and a flat roof

Exterior

Walls: Brick with metal panels

Roof: Built-up with tar and gravel and reportedly with numerous leaks

Doors: The front entrance has retail style aluminum frame doors with tempered glass panels and secondary doors are hollow metal with metal frames. There is one 10’ x 10’ drive-thru door for a mechanical area.

Windows: Fixed aluminum frame with double pane glass

Interior

Walls: The older section of the building has numerous masonry interior walls that are painted and the newer section with the offices and classrooms are mostly drywall.
Ceilings: Mostly suspended tile with some laboratory spaces that are open to the building structure

Floors: Combination of vinyl composition tile, carpet and exposed concrete

Doors: Solid wood with metal frames

Lighting: Mostly recessed fluorescent fixtures with some limited areas that have upgraded LED fixtures

Mechanical

HVAC: There is a central boiler system with two boilers, one of which is not functioning. This is in a below-grade mechanical room and heats the old section of the building. There is no air conditioning in the old section. The front section of the building has 10 gas fired rooftop units, 3 of which are very old. There is also a rooftop chiller unit.

Plumbing: There is significant plumbing relating to men’s and women’s restrooms on each floor, as well as plumbing in laboratory spaces. There is a hot water boiler for the domestic system.

Electrical: 2,000 ampere three phase main system

Elevator: Two-stop traction freight elevator with a 4,000 pound capacity

Life Safety Components: Central fire alarm, sprinkler system, emergency and exit lights and perimeter doors have magnetic locks

The building has many of the original design characteristics that created large open rooms for laboratory functions and classrooms. The 1982 addition was divided into smaller administrative and faculty offices with an upgraded reception area from the exterior. It also created an attractive atrium for access between the floors. That upgraded façade provided a more modern appearance to an older building and allowed the building to continue to function since the older section was still well suited for laboratory and training functions. It is a large flat design with numerous hard wall partitions that create some limitations regarding the ability to open up the building for a
different use. Fortunately, there are large open spaces already configured. There is also a large interior corridor in the older section of the building that would allow large objects to be moved through the hallway.

The maintenance staff reports that there are several significant concerns regarding the condition of the property. The roof has active leaks and is quite old. Due to the large footprint of the building, replacing the roof could cost in excess of $300,000.00. One of the boiler systems is not functioning and many of the mechanical systems appear to be reaching the end of their physical and functional lives. Some may date to the 1983 addition. There were some modest cosmetic renovations to the first floor office space when an incubator concept was proposed in 2018. The concept was to provide individual spaces for local artisans to have a retail presence and larger classrooms and labs were available for training opportunities such as woodworking, quilting and pottery. Some of these were in conjunction with BridgeValley and others were community based organizations. The building was easily compatible to accommodate these types of uses, but there was never a use that justified major renovations to the entire building. The hard wall design will dictate the future design. Identifying a use that benefits the entire property is one of the most significant challenges and without a major use, it will be difficult to justify the level of building-wide renovations that will have to occur. Mr. Hypes also reports that there is known asbestos with at least two classrooms that have been locked and sealed due to the asbestos content and the combined utility services will be costly to separate. Physically, the building has a remaining economic life of at least 10 years but functionally, it will be challenging to identify uses that can justify the level of reinvestment that is required. Photographs and floor plans illustrating the property configuration are shown as follows:
Chemical Storage

Mechanical Room in Lower Level

Ladies Restroom

Lab/Classroom

Lab/Classroom

Woodworking Classroom
Men’s Restroom

Internal Corridor (Buckets for Roof Leaks)

Classroom

Rooftop View

Classroom

Rooftop Equipment
Old Roof Patch
The subject property is zoned General Purpose, according to representatives of the City of Montgomery. This is a broad classification that allows for a wide range of uses. Examples include professional offices, service related businesses, educational facilities and single-family homes. All of those types of uses can be found in the immediate area, many of which were in place prior to the city ordinance being adopted in 1970. The reality is that the City of Montgomery would look favorably upon most types of investments in redeveloping portions of downtown. The subject zoning is not considered to be a significant impediment to the use of the property.
The physical characteristics of the site include a site that is nearly rectangular in shape with frontage along three public roads and access to all utility infrastructure. It is not located within a high risk flood hazard area and it is assumed to have sufficient soil bearing capacity to allow development. It has a prominent location along the south side of 2nd Avenue in downtown Montgomery, with street level access from public roads. The site size is somewhat large for this portion of downtown Montgomery and a new use would have to allow for the building site, as well as proper parking to support a potential use. There are few physical impediments to the use of the property while recognizing this size site is larger than typically found and could support more than one use.

The best measure of the highest and best use of the site is by reviewing the use of similar sites that have been developed in the market area during the recent past. There has not been a lot of new construction in Montgomery, particularly of any significant size and there are plenty of opportunities to repurpose existing buildings. A retail store was repurposed for a medical office and an old school, previously converted to a worship facility, was purchased to be converted to an ammunition manufacturing facility. This required the oldest section of the school to be demolished and the gymnasium converted to manufacturing. This area is not expected to attract national investment unless it is a discount store such as Dollar General or Family Dollar, both of which are already represented in the immediate area but are in older buildings. Local businesses that are attracted to Montgomery will tend to repurpose existing structures as a less expensive alternative to new construction. Due to the physical characteristics of the site and the location along a prominent corridor, the potential use is expected to be commercial oriented. It could be for a business requiring retail exposure. The Family Dollar is in an undersized facility and this site could easily accommodate that use. Due to the lack of recent new construction projects in Montgomery, there is a strong possibility that a vacant site would remain vacant for an extended period of time but this site would be well suited for a commercial use.

The property is currently improved with a significant two-story commercial structure that is comprised of laboratory, classroom and office space. The building has existed more than its original economic life, has had major modifications during its lifecycle and has not been occupied on a regular basis for some period of time. It is a major building with significant deficiencies in short-lived building components that will require major building-wide investments to utilize some or all of the structure. It does have remaining physical life and the building clearly contributes to the value of the land. It must also be acknowledged that demolishing the structure would require a major investment in removing asbestos and demolition costs would exceed the value of the land. That is
why it is anticipated that the building will be used, even if modestly.

Other factors that influence the future use of the property include the condition of the roof, the limited onsite parking, the shared utility systems with other buildings and the possibility of significant asbestos. Those concerns have been overcome in other redevelopment projects, but directly influence the property value. The land use regulations are not considered to be a significant impediment to the current or any proposed uses of the building as the City of Montgomery would look favorably on putting this property back into production. Physically, the building has remaining economic life, but it is somewhat limited by the condition of the mechanical and short-lived building systems. Those are all issues that can be corrected if a proper use can be identified. There are clearly large elements of functional and external obsolescence that influence the ability to repurpose the property in its current design. One of the sources of functional obsolescence is the lack of sufficient parking. This is not easily resolved other than relying on public street parking. Since it is a problem that cannot necessarily be corrected, it results in functional obsolescence because the building could not accommodate a dense daily population. The potential uses are limited by the parking and may relegate large portions of the building to storage. A use with dense daily population is not anticipated anyway. The basic configuration is a large building with a lot of square footage that would be difficult to fill with the type of business that is interested in locating in Montgomery. Unfortunately, the cost to demolish the building would most likely exceed the land value so that is not an economically viable alternative. For example, the basic cost of demolition is quoted to be $6.00 to $7.00 per building square foot, so a demolition expense of $6.50 per square foot results in a cost of $475,000.00. That is the equivalent of $7.42 per square foot and does not include any environmental abatement. If the current value of the improved property is $220,000.00 and the cost to demolish the structure is $475,000.00, the land would have to have a value in excess of $10.85 per square foot for it to be economically feasible to demolish the structure.

The comparable sale data illustrates similar buildings in small communities that have been purchased for redevelopment projects. In most cases, these are somewhat speculative purchasers that are willing to take on the risk of a project with anticipation of a mixture of uses ranging from commercial to residential and usually targeting some type of grant funding to help facilitate the renovations and holding costs associated with a large asset. The Mountaineer ChalleNGe Academy is the most obvious example of a use that can benefit from government funding sources. The Cavalier Heights project is an example of a conversion to senior housing that benefits from low-interest public financing sources and tax credits to make it feasible. That project would not have worked if parking were not
available. The Federal government has distributed massive stimulus funding and the possibility for communities to identify projects to help redevelop after COVID-19 may be an opportunity to redevelop buildings. These generally require ownership by non-profit entities and a specific plan to create a meaningful infrastructure investment project to provide services to a community. This is the best possibility of a public and private partnership that will rely on a non-profit entity that can take ownership of the property, apply for grant funding and redevelop the property with a use that will justify major reinvestments in restoring the short-lived building components. It will most likely be for an office or training facility that will have to incorporate multiple users. That is similar to the redevelopment of other large properties throughout West Virginia and gives the best near-term possibility of re-positioning this building in a way that it contributes to the local economy and community needs.

**Appraisal Process**

The appraisal process is the analysis of the various data to arrive at an estimate of market value. In order to express a reasonable opinion of the market value of the subject property, the appraiser has considered various valuation methods. The three approaches that are available include the Sales Comparison Approach, Cost Approach and the Income Approach. Information for each of these approaches comes from the market place and at times is interrelated.

**Sales Comparison Approach**

The Sales Comparison Approach is the most easily understood and probably the most widely used. It is most appropriate and applicable when similar types of improved properties are available for direct comparison. This approach involves analyzing key factors of similarity and dissimilarity of similar type properties that are located in the same or competing areas. The principle underlying this technique is that it is expressive of the value established by informed buyers and sellers in the market area. This approach also serves as a reliable indicator regarding the amount of market activity. Its limitations are lack of similar data, older data and sales, which lack comparability. It is also utilized when developing an opinion of value for the land, as vacant.

**Cost Approach**

The Cost Approach considers the current cost of reproducing or replacing the existing improvements with consideration for depreciation and obsolescence. Replacement costs are typically used because it allows for replacing the existing improvements with modern building materials that are common in the market at the time of the appraisal. The depreciation that is deducted can come from three sources including physical deterioration,
functional obsolescence and external obsolescence. The value of the land, as though vacant, is added to the depreciated value of the improvements to indicate the market value from the Cost Approach. This approach is directly related to the principle of substitution, which states that no one is likely to pay more for an existing property than what it would cost to recreate it.

**Income Approach**

The measure of value in this approach is directly related to the net income that the subject can create during the remaining economic life of the improvements. The process includes estimating the gross income, vacancy and expenses that are incurred by the property owner from leasing the property. Several methods are available for this approach, including capitalization of the first year’s net operating income, as well as an analysis of the discounted cash flow over a forecasted holding period. The net income is capitalized to arrive at an indication of value from the standpoint of an investment. Competing investments may include real estate, securities or a variety of investment vehicles. All of the information in this procedure must be obtained from the market to use standards, which are accepted by investors in the area. The principle underlying this method is the present worth of anticipated future benefits (net income) derived from the property.

**Conclusion**

The appraiser, in applying the tools of analysis to the problem in question, seeks to simulate the thought process of a probable decision maker rather than a particular one with specific individual interests. The various approaches to valuation are merely a simulation of these alternative courses of action, potentially open to the decision maker. The appraiser’s judgment concerns the applicability of alternative tools of analysis to the facts of the problem, the data, information needed to apply these tools, and the selection of the most applicable approaches to solve the appraisal problem. Some appraisal problems will fully utilize each valuation procedure while others may lack enough data to develop each approach. In all assignments each approach will be considered.

**Sales Comparison Approach - Improvements**

The research for comparable building sales was conducted throughout West Virginia with an emphasis on large buildings in small communities that transition from their original intended uses and have numerous sources of functional and external obsolescence. Buildings in small communities is the preferred source of this data but with limited information available, there are also property transactions from larger cities to provide broad perspective regarding the ability to repurpose similar
buildings. The eastern end of the Kanawha Valley has been under pressure due to changes in the energy markets and the relocation of West Virginia Tech. The research focused on large worship facilities, old schools or government installations that have similar age and quality components that are also in need of immediate renovation. The research sources included CoStar, various Multiple Listing Services and a database of transactions developed and maintained by Goldman Associates, Inc. A large volume of data will be shown to help frame the general unit price range for large facilities and a smaller selection of comparable sales will be analyzed in an adjustment grid. While not all of the sale data is specifically relevant to the subject property, it does help relate the types of redevelopment projects that have been implemented. The comparable sale data is shown as follows:
COMPARABLE IMPROVED SALE ONE

Hyperlink: S:\Main\Comp Database\Comps\Schools\Comp-17.doc

Location: 550 5th Avenue, Montgomery, Fayette County, West Virginia 25136

Tax District: Montgomery Corp. Map/Parcel: 1C/33

Sale Date: 10/7/2020 Recorded: 806/34

Grantor: Terrance Hamm, Angela Hamm, Samona Reynolds, Ray Johnson, Theresa Johnson & Alonza Goudy, Trustees and their Successor Trustees of Living Waters Christian Fellowship

Grantee: Ranger Scientific, LLC

Verified: KVMLS #212017, Courthouse, Assessor, Online Records

Building Size: 60,000 Square Feet Site Size: 1.348 Acres

58,724 Square Feet

Description: This is a level site within downtown Montgomery that is improved with a former high school building. The building consists of a three-story segment that was constructed circa 1950 and two subsequent additions. The three-story former school building was razed by the purchaser, while the former gym and other addition were kept intact. Approximately 30,000 square feet remained.

Sale Price: $180,000.00 Unit Price: $3.00 Per Square Foot

Financing: North Avenue Capital, LLC – DOT 1037/98 - $7,500,000.00
(Includes Multiple Properties in Other Tax Districts, Maps, Parcels)

Zoning: Variance for Commercial Use (Previously R-2, Residential District)

Utilities: All Available

Topography: Level

Intended Use: Owner Occupied Manufacturing Facility

Prior Sale Data: 3/30/2007 - DB 628/PG 619 - $132,000.00

Comments: The property was marketed through the Kanawha Valley MLS with an original asking price of $250,000.00. It was on the market for 1,035 days. The property has been operating as a church since it was acquired in 2007.
## COMPARABLE IMPROVED SALE TWO

**Hyperlink:**  
S:\Main\Comp Database\Comps\Commercial Buildings\Comp-1474.doc

**Location:**  
COBE Building - 409A Fayette Pike, Montgomery, Fayette County, West Virginia 25136

**Tax District:**  
Montgomery Corp.  
**Map/Parcel:** 3A/72.9 & 79.1

**Sale Date:**  
11/4/2020  
**Recorded:** 806/474 & 469

**Grantor:**  
West Virginia Board of Governors

**Grantee:**  
Cavalier Heights, LP

**Verified:**  
Buyer (Doug Pauley), Site View, Newspaper Articles, Public Records

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<tr>
<td>6,500 Square Feet</td>
<td>78,243 Square Feet</td>
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**Description:**  
This includes the former College of Business building and a smaller security building. The larger building was planned for conversion to 31 senior housing units with funding provided by the WV Housing Development fund. The smaller building will be renovated into 6 or 7 market rent apartments. The main building had commingled heating, electric and water from a separate building that had to be separated by the buyer after the sale. The buyer conducted major demolition and renovations, including replacing the roof. There was minimal asbestos. Parking is on-site and sufficient

**Sale Price:**  
$230,000.00  
**Unit Price:** $5.53 Per Square Foot

**Financing:**  
Poca Valley Bank - $270,000.00  
7/2021 - $3.5MM WV Housing Development Fund

**Zoning:**  
General Purpose

**Utilities:**  
All Available

**Topography:**  
Cleared Level Area with Some Steep Hillside

**Intended Use:**  
Conversion to Senior Housing

**Prior Sale Data:**  
Greater Than 3 Years

**Comments:**  
The buyer entered into negotiations with KVC, an entity that was going to take over the entire WV Tech campus. When that transaction fell-through, the sale was completed with WVU.
COMPARABLE IMPROVED SALE THREE

Hyperlink: S:\Main\Comp Database\Comps\Commercial Buildings\Comp-1471.doc

Location: Former Mount Hope Federal Building – 100 Bluestone Road, Mount Hope, Fayette County, West Virginia 25880

Tax District: Mount Hope Corp.  Map/Parcel: 5/61

Sale Date: 11/22/2021  Recorded: 819/549

Grantor: United States of America, Acting By & Through the Administrator of General Services (“GSA”)

Grantee: 100 Blue Stone Road, LLC

Verified: LoopNet, Courthouse, Assessor & Online Records

Building Size: 34,000 Square Feet  Site Size: 0.96 Acres

Description: This property includes a commercial office building that was constructed circa 1950 and designed with a one-story section and three-story section. It is reported to have readily available office space and work area, as well as recently remodeled bathrooms. The main floor is designed with labs and work space, while the upper two floors are designed for office space.

Sale Price: $206,000.00  Unit Price: $6.06 Per Square Foot

Financing: None

Zoning: Civic

Utilities: All Available

Topography: Level to Gently Upward Sloping From South to North

Intended Use: Speculative Investment

Prior Sale Data: Greater Than 3 Years

Comments: The property was transferred by Quitclaim Deed and was sold “as-is”. It was sold by auction of a GSA Website. The Deed and exhibits indicated that the property had known asbestos materials in the building, as well as the potential presence of lead based paint due to the age of the structure. Exhibit B of the Deed identified a Historic Preservation Covenant as the property is on the National Register of Historic Places. The building is currently being marketed for lease by Quintie Smith of RealCorp with an asking lease rate of $6.50 per square foot.
COMPARABLE IMPROVED SALE FOUR

Hyperlink: S:\Main\Comp Database\Comps\Schools\Comp-14.doc

Location: Former Lewisburg Elementary School – 206 North Lee Street, Lewisburg, Greenbrier County, West Virginia

Tax District: Lewisburg Corporation  Map/Parcel: 20/169

Sale Date: 2/28/2017  Recorded: 588/162

Grantor: New River Community & Technical College Foundation

Grantee: Lee Street Partners, LLC

Verified: Courthouse & Kyle Fort, Chairman of the Board of Seller

Building Size: 7 Buildings  Site Size: 4.725 Acres
79,600 ± Gross SF

Description: The property is located on North Lee Street and Greenbrier Road. It is an irregular shaped parcel and is paved. The buildings range in age from 30 to 80 years old. They are typical of a school campus with classrooms, kitchen and activity areas.

Sale Price: $350,000.00  Unit Price: $4.40 Per Square Foot

Financing: Cash

Zoning: E-I, Education & Institutional District; Building E is in a Historic District

Utilities: All Available

Topography: Level

Intended Use: Community College

Prior Sale Data: 2014 – DB 586/PG 157 - $400,000.00

Comments: The property sold in 2014 but a Deed was not recorded until November of 2016. A map of the property can be located in the Greenbrier County Clerk’s Office in Map Book 7, File Rack E-18. See GAI appraisal file A-9685.
COMPARABLE IMPROVED SALE FIVE

Hyperlink: S:\Main\Comp Database\Comps\Schools\Comp-16.doc
Location: 230 Costello Street, Charleston, Kanawha County, West Virginia 25302
Tax District: Charleston West  Map/Parcel  14/222
Sale Date: 1/30/2019  Recorded  3023/698
Grantor: Board of Education of the County of Kanawha
Grantee: Warrior Way, LLC
Verified: Deed, Courthouse and Seller Representatives
Building Size: 22,030 Square Feet  Site Size  1.25 Acres

Description: This is a two-story masonry structure located on the west side of Charleston that had previously been used as the location for Watts Elementary. It contained a typical school building design and had been vacant and subject to many instances of vandalism at time of sale. It was originally constructed in 1924 and asbestos was present throughout the structure. The finishes and mechanicals were older and dated with numerous sources of deferred maintenance that needed addressed prior to any future use. Plenty of onsite parking is available.

Sale Price: $30,000.00  Unit Price  $1.36 Per Square Foot
Financing: None
Zoning: R-4; Single Family Residential (Charleston Planning Commission is open to alter zoning and allow a Multi-Family use)
Utilities: All Available
Topography: Level
Intended Use: Mixed Use – Commercial and Residential
Prior Sale Data: More than three years
Comments: Property was auctioned by Goldman and Associates in 2016 and sold to an individual for a $20,000.00 purchase price. BOE opted not to approve the sale.
COMPARABLE IMPROVED SALE SIX

Hyperlink:  \\RDSI\Main\Comp Database\Comps\Commercial Buildings\Comp-1325.doc

Location:  1057 6th Avenue, Huntington, Cabell County, West Virginia 25701

Tax District:  Huntington-Gideon  Map/Parcel:  30/44 & 44.1

Sale Date:  9/30/2019  Recorded:  1412/102

Grantor:  Community Trust Bank, Inc.

Grantee:  Helen Crutcher

Verified:  CoStar, Courthouse, Assessor, Online Records, Appraiser

Building Size:  33,300 SF Above Grade  Site Size:  26,000 Square Feet
5,500 SF Basement

Description:  This property was originally designed as a YMCA and in 2008 underwent significant renovations to be converted to a pharmacy school. The property has been vacant since 2013 and had substantial damage due to lack of climate control, vandalism and maintenance. It was in poor to fair condition at the time of sale.

Sale Price:  $130,000.00  Unit Price:  $3.90/SF Above Grade

Financing:  None

Zoning:  C-3, Central Business District

Utilities:  All Available

Topography:  Level

Intended Use:  Convert to a drug Rehabilitation Facility

Prior Sale Data:  1/29/2014 - DB 1297/PG 306 - $504,000.00 (Foreclosure)

Comments:  This property was marketed for sale for several years with asking prices in excess of $500,000.00. The building continued to deteriorate with major issues relating to roof damage, water infiltration and mechanical systems. The gymnasiums were the best features and were fully intact.
COMPARABLE IMPROVED SALE SEVEN

Hyperlink: S:\Main\Comp Database\Comps\Schools\Comp-18.doc

Location: Former McKinley Elementary School – 1130 19th Street, Parkersburg, Wood County, West Virginia 26101


Sale Date: 7/1/2021 Recorded: 1332/470

Grantor: Wood County Board of Education

Grantee: Summit Road, LLC

Verified: News Articles, Courthouse, Assessor & Online Records

Building Size: 46,810 Gross SF Site Size: 1.9 Acres 82,765 Square Feet

Description: This property is located at the southwest corner of 19th Street and Mary’s Avenue within the corporate limits of Parkersburg. It consists of 5 tax parcels and a former two-story Elementary School with full lower level that was constructed circa 1904. The school was closed at the end of the 2019-2020 school year. It was one of the oldest operating schools in Wood County.

Sale Price: $165,000.00 Unit Price: $3.52 Per Square Foot

Financing: None

Zoning: R-3, Residence District

Utilities: All Available

Topography: Level

Intended Use:

Prior Sale Data: Greater Than 3 Years

Comments: This property was sold by public auction on April 30, 2021 through Rocky Peck Sales & Marketing, LLC. The Astorg Family acquired the property due to the historical significance of the building.
COMPARABLE IMPROVED SALE EIGHT

Hyperlink: S:\Main\Comp Database\Comps\Commercial Buildings\Comp-1472.doc

Location: 170 N 17th Street, Wheeling, Ohio County, West Virginia 26003

Tax District: Wheeling City Corp. Map/Parcel: W7/3

Sale Date: 2/17/2021 Recorded: 996/539

Grantor: Positech International, Inc.

Grantee: Warwood Riverfront Center, LLC

Verified: CoStar, Courthouse, Assessor & Online Records

Building Size: 69,000 Square Feet Site Size: 3.95 Acres

Description: The property is improved with a two-story building that was originally constructed circa 1917 with subsequent additions in 1995 and 1996. It has a combination of industrial/warehouse and office space. An Elevation Certificate is reportedly available showing it is outside the flood hazard area. A new roof was installed in March of 2021 and the building has three phase electric (480 and 220 volt), a sprinklered dry system, loading docks and freight elevator.

Sale Price: $300,000.00 Unit Price: $4.35 Per Square Foot

Financing: None

Zoning: I-2, General Industrial District

Utilities: All Available

Topography: Level Site; Sloping Riverbank Frontage

Intended Use: Light Industrial – Speculative Investor

Prior Sale Data: Greater Than 3 Years

Comments: The seller had filed for Chapter 11 Bankruptcy and the sale of this property was approved by the Bankruptcy Court. Previously, it had been sold at auction for $400,000.00 plus a 10% buyer’s premium, but the buyer refused to close and subsequently died. It is currently being offered for lease by Route 40 Realty through LoopNet with asking prices of $6.00 per square foot for the warehouse/industrial space and $12.00 per square foot for the office space.
COMPARABLE IMPROVED SALE NINE

Hyperlink: S:\Main\Comp Database\Comps\Commercial Buildings\Comp-1473.doc

Location: Former Nitro Moose – 101 1st Avenue, Nitro, Kanawha County, West Virginia 25143

Tax District: Nitro Corporation  Map/Parcel: 9/121, 127 & 128

Sale Date: 2/4/2022  Recorded: 3119/914

Grantor: Moose Title Holding Company  R. Douglas Calderwood, AIF

Grantee: Vance Realty

Verified: CoStar, Courthouse, Prior Appraisal, Assessor & Online Records

Building Size: 32,200 Square Feet  Site Size: 5.17 Acres

Description: This is a three-story brick structure with steel frame that was constructed circa 1979 and designed specifically for the Moose Lodge. It was designed with commercial kitchen, bar, dance floor and stage, administrative offices, gym and catering facilities. There was onsite parking for approximately 100 vehicles.

Sale Price: $594,000.00  Unit Price: $18.45 Per Square Foot

Financing: Poca Valley Bank Credit Line; $1,708,667.00

Zoning: C-1, Heavy Business District

Utilities: All Available

Topography: Level at Road Frontage; Increasing in Elevation to Rear of Site

Intended Use: Climate Control Storage

Prior Sale Data: 8/31/2020 – DB 3074/PG 867 - $200,000.00 (Foreclosure)

Comments: The property has been marketed for sale for since 2018. It was subject to a foreclosure proceeding in August 2020 where it sold for $200,000.00. Most recently, it had been listed on January 22, 2020 through the Kanawha Valley MLS with an original asking price of $1,299,000.00, subsequently reduced to $799,000.00 and was on the market for 425 days.
COMPARABLE IMPROVED SALE TEN

Hyperlink: S:\Main\Comp Database\Comps\Commercial Buildings\Comp-1403.doc

Location: 216 Market Street, Spencer, Roane County, West Virginia

Tax District: Spencer Corporation  
Map/Parcel: 4/88

Sale Date: 6/26/2019  
Recorded: 600/58

Grantor: First Neighborhood Bank

Grantee: ELM Holdings, LLC (Scott & Dave Freshwater)

Verified: Public Records, Buyer (Scott Freshwater) and Site View

Building Size: 25,900 Square Feet  
Site Size: 9,200 Square Feet

Description: This is a 1970 era main bank facility in the downtown area of a small county seat. There is 20,975 SF above grade. The building is masonry and steel frame construction with 3 floors, mezzanine and full basement. It is elevator serviced and was well maintained but no major recent renovations. The bank retained the first floor and basement and the buyer has since leased the upper floors for general office space. It has 4 parking spaces and relies on a surface lot owned by the Town of Spencer.

Sale Price: $250,000.00  
Unit Price: $9.65 Per Square Foot

Financing: Conventional – First Neighborhood Bank

Zoning: C-1, Neighborhood Commercial District

Utilities: All Available

Topography: Level

Intended Use: Investment – Seller Retained the Bank Space

Prior Sale Data: Greater Than 3 Years; Merger

Comments: The buyer is also on the First Neighborhood Bank Board but the sale terms were based on the same terms negotiated with a prior interested buyer but never completed.
### Adjustment Table - Building Sales

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#### ITEMS OF ADJUSTMENT

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</tr>
<tr>
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<tr>
<td>Adjusted Price</td>
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<td>5.53</td>
<td>6.06</td>
<td>3.90</td>
<td>4.35</td>
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| Adjusted Price      | $3.00 | 5.53  | 6.06   | 3.90  | 4.35   |

#### Other Adjustments

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</tr>
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<td>-60%</td>
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<td>-25%</td>
</tr>
</tbody>
</table>

| Adjusted Unit Price | $2.85| $2.76| $2.42| $3.51| $3.26|

There are ten comparable sales that are summarized for examples of redevelopment projects of large facilities that will transition to second and third generation uses. Some sales will be used for specific comparison to the subject property but the entire data set is important because it captures the challenges associated with repurposing large buildings. The comparable sales data includes buildings ranging from 22,000 to 80,000 square feet, so it brackets the size of the subject property. One of the transactions is from 2017 and is a combination of multiple buildings that constituted an educational campus. The unit prices from the comparable sales range from $1.36 to $19.00 per square foot. All but one of the comparable sales results in a unit price...
of less than $10.00 per square foot. This alludes to the challenges of repurposing an older building that has functional obsolescence and physical depreciation that have to be addressed as part of any redevelopment project.

Comparable Improved Sale One is one of two properties from Montgomery and is a good example of a large facility that had evolved into the most recent use and was purchased to be repurposed. This included an old school facility that was probably built in the early 1900's with additions and a gymnasium that all connected to create a large, unified facility. It was converted to a worship facility in 2007 and the most recent sale represents a transaction for a manufacturing facility. The most recent buyer demolished the three-story building and an auditorium, while keeping the newer two-story office wings attached to the gymnasium. This company had expressed interest in opening an ammunition manufacturing facility in the upper end of the Kanawha Valley for many years this type of property allowed for a lower investment in a facility that suited their needs. The large open gym is the area of primary interest. There is currently a benefit to repurposing existing buildings as construction costs are so high that any usable existing structure could be a more economically feasible option.

Comparable Improved Sale Two was part of the West Virginia University Tech Campus and occupied by the College of Business. It is a multi-story structure with a separate detached security building that were collectively acquired by a private developer to convert the large building to senior housing. The housing project relies on favorable financing from the West Virginia Housing Development Fund, otherwise it would not be an economically feasible project. According to the developer, the building did not have much asbestos and the roof had remaining useful life, but the financing package for the project required that the roof be replaced. The original design included 31 senior housing units, which eventually reduced to 28 and the smaller building was going to be used for market rent housing. The developer believes there is an opportunity to develop market rent apartments due to Mountaineer ChalleNGe Academy and Ranger Scientific. One of the key factors of this property is the attached parking, which the subject property lacks. The developer reports that he analyzed multiple buildings on the West Virginia University Tech Campus and this was the best candidate for conversion due to the attached parking area. That is why the site size required a large adjustment.

Comparable Improved Sale Three is a former GSA Department of Labor Office Building located in Mt. Hope. This is a similar community to Montgomery as it is in Fayette County and the community has had limited reinvestment during the recent past. Mt. Hope does have better access to US Route 19 and there is more excitement in that area due to the Boy Scout facility and the newly declare National Park. This building includes a three-story office section attached to a one-story...
office and laboratory section. It was reported to be well maintained, although older, and was sold as surplus property through a GSA Auction site. It appears to have been acquired by a speculative investor as it is currently being marketed for lease.

Comparable Improved Sale Four is a collection of seven buildings that were originally used by the Greenbrier County Board of Education for an elementary school and then sold to New River Community and Technical College. Eventually, it was transacted to local developers that converted a large portion into multi-family residential housing. There is good demand for housing in this area due to the West Virginia School of Osteopathic Medicine. The other buildings were a mixture of office uses. This represents a major redevelopment project of a large facility in a superior location.

Comparable Improved Sale Five is an abandoned elementary school located on the west side of Charleston. This property is in a densely developed residential area with an older facility that had been vandalized leading up to the transaction. The building was acquired by a developer that planned to secure government grants to operate a program for veterans. The building was in disrepair, on a small lot in a densely developed residential area and creates numerous challenges when determining a reasonable reuse.

Comparable Improved Sale Six is a mixed use facility located in downtown Huntington. This property was used as a YMCA until 2008 when that use was eventually abandoned due to the poor condition. It included a pool and two large gymnasiums. At that time, it was acquired by a local pharmacist that planned to rehabilitate the structure for a pharmacy school but that project was poorly capitalized. That included modest renovations to limited portions of the building but it included two stories of offices, an old pool and two large gymnasiums that had no immediate reuse plan. It was a massive facility and only a portion was targeted for redevelopment. The building was eventually abandoned in 2013, remaining vacant for several years and was subject to vandalism and long-term physical deterioration. Eventually, the lender identified a buyer after many years of marketing the property and the buyer used private funds to create a drug rehabilitation business that relies on federal funding. The buyer had to make major renovations to basic mechanical systems, paving the parking lot and replacing large sections of the roof.

Comparable Improved Sale Seven is an elementary school located in downtown Parkersburg. This is a large facility that was built in the early 1900’s and had many of the same physical challenges associated with the subject property. It is on a reasonable size site with good on-site parking and along a commercial corridor that would allow for some commercial redevelopment options. The zoning is a challenge but this location in an urban area and superior market location would justify a residential redevelopment project. It
was sold at public auction and reported to have multiple bidders at the sale. This is a superior location and a better opportunity to redevelop the property for a private residential development project that would be compatible with the environment.

Comparable Improved Sale Eight is a large industrial warehousing facility located in Wheeling. It was included due to the building age, large size and building condition. This property was sold after the owner filed bankruptcy and at public auction. The buyer appears to be a speculative purchaser that plans to subdivide the building and lease out segments of it. The building did require a roof immediately after the transaction so that is a significant investment that was made by the buyer.

Comparable Improved Sale Nine is a former Moose Lodge facility located in Nitro. Nitro is a superior location between Charleston and Huntington where there are a wide range of commercial and light industrial businesses that interact with the general region. This is a multi-level facility designed for a specific use but the membership was gradually declining to the point that the facility could not be sustained. It is a basic shell structure with three floors designed for entertaining spaces and administrative offices but the buyer planned to gut the entire building and convert it to a climate controlled storage facility. The buyer already operates similar facilities in Winfield and Hurricane. This is a better quality building in a superior location targeted for a specific privately funded redevelopment project.

Comparable Improved Sale Ten is a general office building located in downtown Spencer. This building sale is selected due to the location in a densely developed older community. It is a county seat but it does not have four lane access and has similar challenges associated with lack of growth and isolation from major corridors or business centers. The buyers are local investors that were willing to invest in the building with hopes of identifying tenants and creating a positive investment. The seller also agreed to retain use of part of the building, which probably contributed to the willingness for an investor to acquire the property. This is a better quality building, in usable condition and a rare example of local investors that are willing to take on a large facility as an investment. According to the buyers, they were successful at identifying tenants and leasing up large portions of the building after the sale.

Five of the comparable sales were selected for comparison to the subject property. The buildings range from 33,000 to 69,000 square feet so none is as large as the subject property. Comparable Improved Sales One and Two are important because they are located in Montgomery, while Comparable Improved Sales Six and Eight are important because they were in severe disrepair. The large size of the subject property and the need for building-wide renovations are factors that will have an influence on a buyer’s
willingness to invest in this property. It does have large open spaces and could be segmented for multiple tenants to occupy the building, but there are few opportunities to identify a use that can justify redeveloping a building of this size. That is why the size adjustments were so severe. The adjusted unit price range is between $2.42 and $3.51 per square foot and a unit value of $3.00 per square foot will be adopted for the subject property. Based on 72,700 square feet and $3.00 per square foot, the value conclusion is rounded to $220,000.00.

**Correlation and Final Opinion of Value**

The appraisal only included the Sales Comparison Approach for Improvements because that is the methodology that would be used by market participants that are seeking similar style properties for redevelopment projects. There could be an argument that the building could be demolished so that the land could be redeveloped, but with the cost of asbestos abatement and demolition expense compared to a relatively low land value and no recently developed commercial projects in this area, this is not viewed as a viable option.

The comparable sale data includes a wide range of building styles with only a few selected for adjustment. The purpose of including this large volume of data is to illustrate the types of projects that have been proposed for similar properties and the challenges associated with implementing those projects. There is a strong expectation that any significant redevelopment project of this property, in this location, will require the involvement of an entity that is non-profit and has access to Federal grant funding to help support that investment. It is not likely that a privately funded investment project could generate sufficient returns to attract an investor. That is why the unit value conclusion appears to be so nominal considering the size and stature of the building. It is the appraiser’s opinion that the most reasonable redevelopment option is that a portion of the building is demolished to create more parking. This would be the best opportunity to repurpose the tower, possibility for housing.

Based on the information in this appraisal, it is the appraiser’s opinion that the current market value of the fee simple estate of the subject property, as of the effective date of the appraisal of January 28, 2022, was:

**Two Hundred Twenty Thousand Dollars**

($220,000.00)
Exposure Time

The reasonable exposure time is an opinion of the length of time the property would have been exposed to the market, prior to the effective date of the appraisal, to achieve a sale at the concluded market value and as of the effective date of the report.

The only source of information regarding an estimated marketing time is the Kanawha Valley Multiple Listing Service. The problems with using this source of data is that it only tracks a handful of sales each year and does not account for properties that have been listed with several brokers. The following data was derived from the past several years regarding commercial property sales.

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<tr>
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<tr>
<td>2021</td>
<td>96</td>
<td>$222,336.00</td>
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</table>

It is obvious that there is not enough information from that source to derive an accurate marketing time. Most of commercial real estate brokers in the market area do not participate with the local MLS. There are also many sales that are conducted through private transactions and do not involve brokers.

The appraiser is involved in the brokerage business and discusses real estate trends on a daily basis with other real estate brokers and appraisers in the area. The exposure and marketing time estimate is a judgment based on the appraiser’s knowledge of the area, rather than from data that tracks this type of information. The market value opinion is based on exposure time between 6 and 12 months. This is based on the property being priced appropriately and marketed through a real estate broker.

One of the purposes of this appraisal is to assist ZMM Architects & Engineers, as well as BridgeValley Community & Technical College in developing a Master Plan for this property. There is no doubt that part of that plan is the possibility of liquidating the ownership of this property. While the property is not currently marketed for sale, it is possible that it will be made available for sale in the foreseeable future. If there is no near-term need for large segments of the building, this would eliminate a building that consumes precious resources simply to preserve an asset that has minimal value.
CURRICULUM VITAE

Education

BS Degree in Finance - Virginia Polytechnic Institute and State University (1995)
MBA – Marshall University (1999)

Professional Memberships

Member - Local, State, and National Board of Realtors (1995 – Present)
CCIM - Certified Commercial Investment Member (REALTORS) (1999 – Present)
SIOR - Member, Society of Industrial and Office REALTORS (2006 – Present)
MAI – Member, Appraisal Institute (2012 – Present)

Teaching Experience

Adjunct Faculty Member – The College of West Virginia (2000-2001)

Licenses and Certifications

West Virginia #WV0015391 - Real Estate Associate Broker License (1995 – Present)
Virginia #0225037927 - Real Estate Sales License (2015 - Present)
West Virginia #CG255 - State Certified General Real Estate Appraiser (1996 – Present)
Virginia #4001017254 - Certified General Real Estate Appraiser (2015 – Present)

Real Estate and Appraisal Courses


Previous Clients

American Electric Power  JPMorgan Chase Bank, NA  WesBanco
City National Bank  National Park Service  Summit Bank
Huntington National Bank  United Bank  CAMC
Other Banks, Attorneys, Companies, and Individuals

Testimony

Qualified as an expert witness: Putnam, Lincoln, Upshur & Kanawha Circuit Courts; Kanawha and Raleigh County Family Law Courts; Federal Bankruptcy and Federal District Courts, Southern District, West Virginia

Volunteer/Community Service

Board Member - Central West Virginia Regional Airport Authority  (2012 – Present)
Board Member – West Virginia Chapter, Appraisal Institute (2017 – 2019)
Chairman – Kanawha Valley Regional Transportation Authority (2009 – Present)
Member & Past President - Rotary Club of Charleston (2008 - 2009)
Past Member - Salvation Army Advisory Board (2003 – 2005)
Vestry Member and Treasurer - St. Matthews Church, Charleston, West Virginia (2004 – 2006)
State of West Virginia
WV Real Estate Appraiser Licensing & Certification Board

This is to certify that

Certified General   CG255
Expiration: 9/30/2022
Todd Goldman
1014 Bridge Road
CHARLESTON, WV 25314

has met the requirements of the law, and is authorized to appraise real estate and real property in the State of West Virginia.

[Signature]
Executive Director
Ratliff Hall Appraisal
APPRAISAL OF
MONTGOMERY CAMPUS - RATLIFF HALL
2ND AVENUE & FERRY STREET, MONTGOMERY,
FAYETTE COUNTY, WEST VIRGINIA 25136

Prepared For:
BRIDGE VALLEY COMMUNITY & TECHNICAL COLLEGE
c/o Adam Krason, AIA, NCARB, LEED-AP, Principal
ZMM Architects & Engineers

Prepared By:
Todd Goldman, Vice President
GOLDMAN ASSOCIATES, INC.
1014 Bridge Road
Charleston, West Virginia 25314
(304) 343-5695

P.O. Box 271
Charleston, West Virginia 25321
Fax (304) 343-5694

www.goldmanassociates.org
February 23, 2022

BridgeValley Community & Technical College
c/o Adam R. Krason, AIA, NCARB, LEED-AP, Principal
ZMM Architects & Engineers
222 Lee Street West
Charleston, WV 25302

Re: BridgeValley Community & Technical College
Montgomery Campus - Ratliff Hall
2nd Avenue & Ferry Street, Montgomery,
Fayette County, West Virginia 25136

Dear Mr. Krason:

At your request and on behalf of our common client, BridgeValley Community & Technical College, I have observed the above-referenced property for the purpose of completing an appraisal and providing an opinion of the current market value. The subject property is Ratliff Hall located at the corner of 2nd Avenue and Ferry Street in Montgomery, Fayette County, West Virginia 25136. It is owned by BridgeValley Community & Technical College and located in the Montgomery Corporation Tax District on Map 3B as Parcels 8, 10, 11, 12 and 13. The building is a dormitory consisting of 51,970 square feet and situated on a 38,000 square foot site. The purpose of this appraisal is to provide an opinion of the current market value of the fee simple estate of the subject property. The intended use is to assist representatives of BridgeValley Community & Technical College, as well as ZMM Architects & Engineers with long range planning regarding the ownership of this asset.

The date of the site observation and the effective date of the appraisal was January 28, 2022.

Market value is defined within the body of this report. The report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice.
It is my opinion that the current market value of the fee simple estate of the subject property, as of the effective date of the appraisal of January 28, 2022, was:

**One Hundred Seventy Thousand Dollars**  
($170,000.00)

Attached to this letter of transmittal is a narrative appraisal report, which includes information on the property and its surroundings, limiting conditions and certifications, qualifications, and other pertinent data.

This letter must remain attached to the report, which contains 86 pages plus related exhibits, in order for the value opinions set forth to be considered valid.

Sincerely,

**GOLDMAN ASSOCIATES, INC.**

Todd Goldman, Vice President  
WV State Certification #CG255

TG:csm:jlg  
Attachments
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CONTINGENT & LIMITING CONDITIONS

This appraisal report and the certification are made expressly subject to the following assumptions and limiting conditions and any special limiting conditions contained in the report which are incorporated by reference.

The legal description furnished is assumed to be correct. I assume no responsibility for matters legal in character nor do I render my opinion as to the title, which is assumed to be good. All existing liens and encumbrances, if any, have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.

The user of this report may wish to have legal, engineering, or physical component inspections made by qualified experts in those fields to determine the suitability of the property for the proposed or present use. The appraiser has not conducted these types of inspections.

The sketch in this report is included to assist the reader in visualizing the property. I have made no survey of the property and assume no responsibility in connection with such matters. If a survey has not been provided or obtained, it may not be possible to identify encroachments, right-of-ways or rights reserved by other property owners that impact the value of the property. A current survey should be obtained.

I believe to be reliable the information which was furnished by others, but assume no responsibility for its accuracy.

Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may it be used for any purpose by any but the applicant without the previous written consent of the appraiser or the applicant and then only with proper qualifications.

I am not required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless arrangements have been previously made therefore.

The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

The land, and particularly the soil, of the area under appraisement appears firm and solid. Subsidence in the area is unknown or uncommon, but this appraiser does not warrant against this condition or occurrence.

Subsurface rights (minerals and oil) were not considered in making this appraisal.

The appraiser observed the buildings involved in this appraisal report, and damage, if any, by termites, dry rot, wet rot, or other manifestations, was reported as a matter of information by your appraiser, and I do not guarantee the amount or degree of damage, if any.

All furnishings and equipment, except those specifically indicated and typically considered as a part of real estate, have been disregarded by this appraiser. Only the real estate has been considered.

The comparable sales data relied upon in this appraisal is believed to be from reliable sources. However, it was not possible to inspect the comparable sales completely,
and it was necessary to rely on information furnished by others as to said data. Therefore, the value conclusions are subject to the correctness and verification of said data.

I am not qualified to make an analysis of environmental conditions relating to the property other than referring the reader to common sources of environmental concerns found in properties of similar age and construction type. An Environmental Audit is an important part of analyzing the suitability of real property and should be conducted by a properly licensed professional.

I am not qualified to opine on compliance with specific federal guidelines regarding access required by the Americans With Disabilities Act of 1990 (ADA). This type of analysis must be conducted by an architect or engineer and may be an important part of evaluating the suitability of the improved property under existing or proposed uses.

I have observed, as far as possible, the land and the improvements thereon. However, it was not possible to personally observe conditions beneath the soil or hidden structural components within the improvements. Therefore, no representations are made herein as to these matters and, unless specifically considered in the report, the value opinion is subject to any such conditions that could cause a loss in value. Condition of heating, cooling, ventilating, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is consequently connected) shall be disseminated to the public through advertising media, news media, sales media or any other public means of communication without the prior written consent and approval of the undersigned.

Appraiser’s Certification – Effective USPAP Date January 1, 2020

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.

- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

My analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

My analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

I have made a personal inspection of the property that is the subject of this report on January 28, 2022, which serves as the effective date of the appraisal.

No one provided significant real property appraisal assistance to the person signing this certification.

As of the date of this report, Todd Goldman has completed the continuing education program of the Appraisal Institute.

I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three year period immediately preceding the agreement to perform this assignment.

Respectfully submitted,

Todd Goldman
WV State Certification #CG255
Expiration 9/30/2022
SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Location: Ratliff Hall – 2nd Avenue & Ferry Street, Montgomery, Fayette County, West Virginia 25136

Tax District: Montgomery Corporation

Map/Parcel: 3B/8, 10, 11, 12 & 13

Client: BridgeValley Community & Technical College
c/o Adam Krason, AIA, NCARB, LEED-AP, Principal
ZMM Architects & Engineers

Owner: BridgeValley Community & Technical College

Purpose of Appraisal: Provide an Opinion of the Current Market Value

Scope of Work: Sales Comparison Approach - Improvements

Rights Appraised: Fee Simple Estate

Type of Improvements: College Dormitory

Building Size: 51,970 Square Feet

Land Area: 38,000 Square Feet

Zoning: General Purpose

Highest and Best Use: Housing Redevelopment (Most likely by Non-Profit)

Current Year Taxes: 2021 – Tax Exempt

Effective Date: January 28, 2022

Report Date: February 23, 2022

Market Value Opinion: $170,000.00
Subject Property

The subject property is Ratliff Hall, a dormitory associated with BridgeValley Community & Technical College located at the corner of 2nd Avenue and Ferry Street, Montgomery, Fayette County, West Virginia 25136. This is a four-story dormitory style structure consisting of 51,970 square feet and situated on a 38,000 square foot site. The site and improvements will be described in their respective sections of the appraisal and photographs are located throughout the report for the reader’s review.

Front View

Purpose and Intended Use of Appraisal

The purpose of this appraisal is to provide an opinion of the current market value of the fee simple estate of the subject property. The intended use of the appraisal is to assist ZMM Architects & Engineers and their client, BridgeValley Community & Technical College with business decisions regarding the value and ownership of this asset. The opinions in this appraisal will be used to assist the BridgeValley Board of Governors in determining a value of the property so that it can either be put back to a productive use or sold to a third party.

The information and opinions contained in this appraisal set forth the appraiser’s best judgment in light of the information available at the time of the
preparation of this report. Any use of this appraisal by any other person or entity, or any reliance or decisions based upon this appraisal are the sole responsibility and at the sole risk of the third party. The appraiser accepts no responsibility for damages suffered by any third party as a result of a reliance on, decisions made, or actions taken based on this report. The appraiser reserves the right to modify this appraisal report in the event that newly discovered information should become available.

Hypothetical Conditions/Extraordinary Assumptions

In virtually every appraisal assignment, an appraiser is asked to value properties without perfect information. To have perfect information would mean that the appraiser knows every legal, physical and economic characteristic of the property pertaining to boundaries, legal descriptions, surveys, soil conditions, environmental conditions, etc.

The Uniform Standards of Professional Appraisal Practice provides for the appraiser to make certain extraordinary assumptions or assume hypothetical conditions as identified in Standard Rules 1-2(f) and (g). The definitions for extraordinary assumptions and hypothetical conditions, based on the Uniform Standards of Professional Appraisal Practice, 2020-2022 Edition, are shown as follows:

Extraordinary Assumption – An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.

Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis.

Hypothetical Condition – A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

A prime example of a typical hypothetical condition is conducting an appraisal on a building that has not yet been built. Typically, the effective date of the appraisal will be the date that the site was observed and the improvements are appraised based on the information as of that date and
assuming that they existed. An example of an extraordinary assumption is that a site is served with adequate infrastructure to develop a certain use when that data cannot be confirmed until an engineer conducts an analysis to determine the capacity required to support that type of development. Frequently, an appraiser is called into an assignment long before engineering and feasibility studies are completed, so the appraiser is working without perfect information.

There were no hypothetical conditions or extraordinary assumptions used in the development of this appraisal.

Report Type

This is an Appraisal Report intended to be in compliance with the Uniform Standards of Professional Appraisal Practice, as amended January 1, 2020. The report will summarize the property characteristics and analysis. The appraiser frequently appraises similar properties in the market area and is competent to appraise this type of property.

Definition of Market Value

The definition of market value is defined by the Office of the Comptroller of the Currency under 12CFR, Part 34, Subpart C-Appraisals, 34.42 Definitions [f] as follows:

“...The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;

2. both parties are well informed or well advised, and acting in what they consider their best interests;

3. a reasonable time is allowed for exposure in the open market;

4. payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto;

5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.
The scope of the assignment is to formulate the appraiser’s opinion of the current market value of the fee simple estate of the subject property. The property was observed on January 28, 2022. The appraiser has attempted to use all three approaches to value to determine a value opinion. These approaches include the Sales Comparison, Cost and Income Approaches.

The Novel Coronavirus (COVID-19) was classified as a worldwide pandemic on March 11, 2020 and immediately created substantial uncertainty in the worldwide financial markets. There were portions of the international, national and local economies that were shut down temporarily. Due to the potential for massive economic duress, the United States government, through the Federal Reserve and legislative action, contributed massive stimulus to the United States economy and directly to businesses and individuals, which was intended to bolster the economy with personal consumption and infrastructure expansion projects. This allowed for infrastructure projects and substantial investment with money flowing through private sector businesses and directly to individuals. It has generally enhanced the real estate economy in West Virginia, although some sectors have performed better than others and the influence will continue to be monitored. There will certainly be sectors that do not recover to pre-pandemic levels but, as a whole, the influence on the real estate markets can be measured through recent market activity. The appraiser will continue to apply the most relevant data with an awareness that there may continue to be major changes in how various segments of the market behave.

The scope of work for this assignment was determined by the appraiser based on the intended use and intended users of the appraisal report. It is also based on the type of asset that is being appraised and the type of analysis that would be conducted by other real estate appraisers when valuing this type of property in this market area. The property is a dormitory style structure that was constructed between 1959 and 1966. It was originally constructed for West Virginia Tech and associated with that campus until 2017 when West Virginia University moved the campus from Montgomery to Beckley. According to staff at the site, the dormitory has not been used with regularity since that time. There have been occasions that community outreach projects have been conducted in the area and a group of rooms have been cleaned and prepared for short-term use but the building is mostly idle. George Hypes was the staff member that escorted the appraiser through the property and provided this historical perspective. Mr. Hypes reports that maintenance is still being conducted at the facility to maintain the mechanical and structural components to the extent that minimal repairs can be made. It is known that the roof is in
poor condition and needs to be replaced. Due to the age of the building, the Cost Approach is not an applicable valuation method. Market participants would not use that as a method of comparison when evaluating this facility compared to alternatives. They would use comparable sale data for large older facilities in small communities. Market data supports that this property would be acquired by an owner/user that is prepared to invest heavily in capital improvements to reposition the property for some future use. At a minimum, this includes major upgrades to cosmetic finishes, the roof and stabilizing any mechanical and structural systems. This may include a major redesign to the interior configuration of the property and will most likely involve an entity that has access to public grant funding rather than a private investor. It is unlikely that an investor would be interested in acquiring the property without a specific use and user in mind along with a long-term lease commitment from a creditworthy tenant. That is an unlikely scenario so the Income Approach is not applicable. Based on the physical and economic characteristics associated with the subject property, the scope of work includes the development of the Sales Comparison Approach for Improvements.

Information in this appraisal has come from a variety of sources. The appraiser was first contacted and engaged for this assignment by Adam Krason, Principal of ZMM Architects & Engineers. Mr. Krason provided a limited scope of work and defined the purpose of the appraisal assignment. The client for this work is BridgeValley Community & Technical College, but the work is being tied to a Master Planning Project conducted by ZMM Architects & Engineers. Mr. Krason put the appraiser in contact with Jason Stark of BridgeValley. Mr. Stark provided contact information for George Bossie, a facilities manager that oversees these properties. Mr. Bossie arranged for George Hypes to escort the appraiser through the properties. Some floor plans and older feasibility studies were provided, but most of the property specific information used in the development of the appraisal was created by the appraiser. This included a walk-through with Mr. Hypes, at which time access was available throughout mechanical rooms, dormitory rooms and on the roof. Mr. Hypes has been employed at this facility for approximately 10 years and is in the building on a regular basis to oversee its general condition. Other factual information regarding this property was obtained from public records in the Fayette County Clerk’s and Assessor’s Offices and zoning was confirmed with the City of Montgomery. Montgomery is split between Fayette and Kanawha Counties. While the subject property is in Fayette County, there is vital information from Kanawha County because they are so closely related in this location.

Market information used in the analysis was derived from conversations with real estate professionals, reviewing documents recorded at the local Courthouse and
information derived from a sale database maintained by the appraiser. Sale transactions are typically the easiest to identify because they are memorialized with Deeds recorded in the local Courthouse. The Deeds indicate the basic sale terms, including grantor, grantee, sale date, property description and sale price. These are further researched with parties to the transaction, when possible. Ultimately, a set of data is selected and summarized to be included in the appraisal for contrast and comparison to the subject property.

Effective Date of Appraisal

The date of the observation and the effective date of the appraisal was January 28, 2022.

Rights Appraised

The rights appraised were the fee simple interest, subject to any easements, right-of-ways or leases discovered in a thorough title examination or survey. Surveys of the subject property are not available, but there were no visual indications of adverse easements of right-of-ways identified during the site observation. There are expected to be typical utility easements around the perimeter of the site along with dedicated utility connections that service the site. Those do not interfere with the value or use of the property.

Environmental Conditions

The assumption is made that there are no adverse environmental conditions affecting the property caused by the previous ownership of the property that may adversely impact the value. It is always prudent to obtain An All Appropriate Inquiry (Environmental Audit) to make a final determination of any environmental conditions.

Some specific areas of concern are summarized as follows:

Storage Tanks: There are no indications of storage tanks located on the property.

Collection Sites: There are storm water drains on the surface parking lot between the buildings, but there is no debris or storage materials around the site.
Drums/Containers/
Pesticides: Most of the contents of the building have been removed except for dormitory furniture and materials required to support the mechanical systems.

Asbestos: An asbestos study has not been completed, but there is a high probability of asbestos throughout the buildings. Likely sources include pipe insulation and floor tiles, but other possible sources include plaster, floor mastics and roofing materials.

Miscellaneous: The most significant environmental concern associated with the subject property is the possibility of a massive asbestos abatement project. This could become significant in the event there is a major redesign of the building or if it is ultimately determined that the building should be demolished.

No environmental reports were submitted for the appraiser’s review, so the existence of environmental concerns is unknown. If any adverse environmental conditions are discovered within the property, this could affect the indicated value.

Legal Description

The subject property was conveyed from West Virginia University Board of Governors, on behalf of West Virginia University to BridgeValley Community & Technical College Board of Governors, on behalf of BridgeValley Community & Technical College on October 1, 2020. The legal description includes Tract 1, which represents Ratliff Hall. Tract 2 is the Vice President House and was conveyed in the Deed but is not included in this appraisal. The transfer document is recorded in the Fayette County Clerk’s Office in Deed Book 810 at Page 397 and there was no stated consideration since this is a conveyance between tax-exempt entities that are governed by the West Virginia Higher Education Policy Commission. A copy of the Deed, which includes the legal description, is located on the following pages:
DEED

THIS DEED, made this 1st day of October, 2020, by and between the WEST VIRGINIA UNIVERSITY BOARD OF GOVERNORS, ON BEHALF OF WEST VIRGINIA UNIVERSITY, an agency and higher education institution of the State of West Virginia, party of the first part (hereinafter "Grantor"), and the BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE BOARD OF GOVERNORS, ON BEHALF OF BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE, an agency and higher education institution of the State of West Virginia, party of the second part (hereinafter "Grantee").

WHEREAS, Grantor owns property located along Second Avenue and Fayette Pike in the City of Montgomery in Fayette County, West Virginia, formerly used as part of the West Virginia University Institute of Technology Montgomery Campus, commonly known as Ratliff Hall and the Vice President House ("WVU Tech Buildings"); and

WHEREAS, Grantee has a campus in Montgomery, West Virginia, located adjacent to the WVU Tech Buildings; and

WHEREAS, Grantor intends to transfer the WVU Tech Buildings to the Grantee for its future use and benefit and to foster economic and community redevelopment for Montgomery and the Upper Kanawha Valley.

WITNESSETH:

That for and in consideration of the sum of Ten Dollars ($10.00), cash in hand paid, and other good and valuable consideration hereinafter set forth, the receipt and sufficiency of all of which are hereby acknowledged, the said Grantor does hereby GRANT and CONVEY, with covenants of SPECIAL WARRANTY, unto the said Grantee all those certain lots or parcels of land, together with the improvements thereon and the appurtenances thereunto belonging, situate Montgomery Corporation District, Fayette County, West Virginia, identified as Tax Map 3B, Parcels 8, 10, 11, 12, 13, 54, and 56, as well as Part of Parcels 55, 57, and 107, and being more particularly described in two (2) separate tracts as follows:
TRACT ONE – RATLIFF HALL

TAX MAP 3B, PARCEL 8

(1) All of a certain lot and parcel of land carved out of the Home Lot of S. E. Montgomery, deceased, and designated in the decree of partition as “Lot No. 1 in the Subdivision of the Home Lot of S. E. Montgomery, deceased.” Reference is made to the decree of partition entered in the chancery suit of Earl E. Montgomery et al v. M. V. B. Adams, dated December 22, 1905, of record in the office of the Clerk of the Circuit Court of Fayette County in Order Book 8, at page 570. The boundaries of Lot No. 1 are as follows:

BEGINNING on Second Avenue, corner to Galilean Fisherman’s Lot, thence with the same and A. F. Campe and Robert Watson Lot 210 feet to First Avenue, thence in a westerly direction 42 feet with the line of the original Home Lot to corner of Lot No. 2 in said Subdivision of Home Lot, thence with the line of said Lot No. 2 in a northerly direction to Second Avenue, a distance of 210 feet; thence with said Avenue in an easterly direction 42 feet to the beginning. Said lot having a frontage of 42 feet on each street, and being 210 feet deep.

(2) That certain lot described as Lot No. 2 in the Subdivision of the S. E. Montgomery Home Place. Reference is made to the decree of partition entered in the chancery suit of Earl E. Montgomery et al v. M. V. B. Adams, dated December 22, 1905, and of record in the office of the Clerk of the Circuit Court of Fayette County in Order Book 8, at page 570. Lot No. 2 is bounded and described as follows:

BEGINNING on Second Avenue, corner to Lot 1 in said Subdivision of Home Lot, and with line of same 210 feet in southerly direction to First Avenue, thence 42 feet in a westerly direction, to corner of Lot No. 3 in said division of Home Lot, thence 210 feet in northerly direction with the line of Lot No. 3 to Second Avenue, thence East 42 feet with said Avenue to the beginning.

(3) That certain lot described as Lot No. 3 in the Subdivision of the Home Lot of S. E. Montgomery. Reference is made to the decree of partition entered in the chancery suit of Earl E. Montgomery et al v. M. V. B. Adams, dated December 22, 1905, of record in the office of the Clerk of the Circuit Court of Fayette County in Order Book 8, at page 570. Said lot is bounded as follows:
BEGINNING on Second Avenue corner to Lot No. 2 in said partition of Home lot, thence 210 feet in a southerly direction to First Avenue, thence 42 (forty-two) feet in a westerly direction to corner of Lot No. 4 in Home place, thence 210 feet with Lot No. 4 in a northerly direction to Second Avenue, thence 42 (forty-two) feet to the place of beginning.

Being the same property conveyed to West Virginia Board of Education by Elizabeth Ann Davis, by deed dated July 1, 1960, of record in Deed Book 235, page 472.

TAX MAP 3B, PARCEL 10 (7/32 INTEREST)

Beginning at a post at the front of the said store house lot and corner to Mrs. Belle Montgomery’s Lot and running back towards the hill, including a stone wall, 60 feet, thence in an easterly direction in the rear of said store house and parallel with the stone wall and the rear of said store house to the eastern line of said store house, including the same; thence with the line of the store house to the street line in front of the said store house; thence with said street line in front of the said store house to the beginning.

Being the same property conveyed to West Virginia State Board of Education by Samantha Wood, by deed dated May 23, 1963, of record in Deed Book 250, page 287.

TAX MAP 3B, PARCEL 10 (1/4 INTEREST)

Beginning at a post at the front of the said store house lot and corner to Mrs. Belle Montgomery’s Lot and running back towards the hill, including a stone wall, 60 feet, thence in an easterly direction in the rear of said store house and parallel with the stone wall and the rear of said store house to the eastern line of said store house, including the same; thence with the line of the store house to the street line in front of the said store house; thence with said street line in front of the said store house to the beginning.

Being the same property conveyed to West Virginia State Board of Education by Mary Hardy, by deed dated May 23, 1963, of record in Deed Book 250, page 289.

TAX MAP 3B, PARCEL 10 (1/4 INTEREST)

Beginning at a post at the front of said store house lot and corner to Ms. Belle Montgomery’s Lot and running back towards the hill, including a stone wall, 60 feet, thence in an easterly direction in the rear of said store house and parallel with the stone wall and the rear of said store house to the eastern line of said store house, including the same; thence with the line of the store house to the
street line in front of the said store house; thence with said street line in front of the said store house to the beginning.


**TAX MAP 3B, PARCEL 10 (1/4 INTEREST)**

Beginning at a post at the front of the said store house lot and corner to Mrs. Belle Montgomery’s Lot and running back towards the hill, including a stone wall, 60 feet, thence in an easterly direction in the rear of the said store house and parallel with the stone wall and the rear of said store house to the eastern line of said store house, including the same; thence with the line of the store house to the street line in front of the said store house; thence with said street line in front of the said store house to the beginning.

Being the same property conveyed to West Virginia State Board of Education by William High and Mary High, by deed dated May 23, 1963, of record in Deed Book 250, page 292.

**TAX MAP 3B, PARCEL 10 (ALL RIGHT, TITLE AND INTEREST)**

Beginning at a post at the front of the said store house lot and corner to Mrs. Belle Montgomery’s Lot and running back towards the hill, including a stone wall, 60 feet, thence in an easterly direction in the rear of said store house and parallel with the stone wall and the rear of said store house to the eastern line of said store house, including the same; thence with the line of the store house to the street line in front of the said store house; thence with said street line in front of the said store house to the beginning.


**TAX MAP 3B, PARCEL 11**

Situated in the City of Montgomery, Fayette County, West Virginia, described as “Beginning at the corner of the property owned by Fisherman’s Lodge on Second Avenue and running East with the line of said avenue, 32 feet to a point marked by a stake at the intersection of the said Second Avenue and Ferry Street or Road, thence up the hill with the said Ferry Street or road, southward 100 feet to a point marked by a stake on the line of Thomas Chaffin; thence at right angles in a westward direction with the said Chaffin line 60 feet to the line of S. E. Montgomery’s heirs, thence with the
line of said Montgomery heirs northward to the property line of the
said Fishermans Lodge' thence with the line of said lodge,
estward to the point marked by a stake; which is the corner of
Fisherman's property; thence at the right angles and in a northern
direction with the line of the property of A. F. Champe and said
Fishermans Lodge to the point of beginning; including the store
building, tenement house and other improvements upon the
premises and the right to attach to the Fishermans building
reserved in the deed to them from the said Champe; and being the
same property conveyed to Thomas Scurry by deed of F. N. Bacon
and William G. Thompson, Special Commissioners, by deed dated
June 13, 1939 and recorded in the Fayette County Clerk's Office in
Deed Book 91 at Page 624.

Being the same property conveyed to The West Virginia State Board of Education by
Thomas Scurry, by deed dated April 18, 1964, of record in Deed Book 254, page 446.

TAX MAP 3B, PARCEL 12

Beginning at point on the line between the S. E. Montgomery
Heirs and Annie F. Champe, 60 feet from the northern side of the
old Giles, Fayette and Kanawha Turnpike, (now called First
Avenue) presently known as Fayette Pike and running with the line
between the said S. E. Montgomery Heirs and Annie F. Champe 45
feet to a point; thence at right angles and in an easterly direction 60
feet to the line of the street upon which aforesaid property faces, a
continuation of Ferry Street; thence at right angles and with the
line of said street 45 feet in a southerly direction to the line of the
property known as Robert Watson's home lot; thence in a westerly
direction with the last named line 60 feet to the point of beginning,
as shown on a map or plat filed in the Circuit Clerk's Office on
Fayetteville, West Virginia, and described as "Exhibit A", West
Virginia Institute of Technology.

Being the same property where fee simple title was vested in the West Virginia Board of
Education by Order the Circuit Court of Fayette County, West Virginia, in Civil Action
No. C-1685, dated February 26, 1964, recorded February 26, 1964, of record in Deed
Book 253, page 575.

TAX MAP 3B, PARCEL 13

Beginning at a point at the intersection of said Ferry Street and the
Giles, Fayette and Kanawha Turnpike, thence with said Turnpike
in a westerly direction 60 feet to a point; thence in a northerly
direction 60 feet to a point; thence in an easterly direction 60 feet
to a point on Ferry Street; thence with Ferry Street and in a
southerly direction, 60 feet to the beginning.
Being the same property conveyed to West Virginia Board of Education by John Taylor, by deed dated January 7, 1963, of record in Deed Book 248, page 130.

TRACT TWO – VICE PRESIDENT HOUSE

Being part of a parcel of land situate in the City of Montgomery, Fayette County, West Virginia, to which a more particular description is made, to-wit:

BEGINNING at a 5/8" rebar with "Crace" cap set near concrete wall marking a common corner of West Virginia University Board of Governors with the First Baptist Church (Deed Book 45, page 91) and which rebar is referenced bearing South 03°08'28" East 20.12 feet from a mag nail set in the centerline of Fayette Pike (known also as Giles-Fayette Turnpike); thence with the division line of said First Baptist Church, South 03°08'28" East a distance of 49.94 feet to a mag nail set on concrete marking a corner with the First Baptist Church; thence with the following four (4) lines through and over the lands of the West Virginia University Board of Governors, South 03°43'09" West a distance of 122.49 feet to a 5/8" rebar with "Crace" cap set; thence, South 84°16'49" West a distance of 150.00 feet to a 5/8" rebar with "Crace" cap set; thence, North 88°16'29" West a distance of 68.98 feet to a 5/8" rebar with "Crace" cap set; thence, North 09°06'26" West a distance of 150.17 feet to a 5/8" rebar with "Crace" cap set on the before-mentioned southern line of Fayette Pike and which rebar is referenced bearing South 09°06'26" East 20.13 feet from a mag nail set in the center line of said Fayette Pike; thence with said southern line of Fayette Pike, along a curve to the left along an arc length of 57.38 feet, having a radius of 603.25 feet, and with a chord bearing of North 84°30'16" East and a chord length of 57 .36 feet to a 5/8" rebar with "Crace" cap set; thence continuing with said southern line of Fayette Pike, North 81°09'23" East a distance of 44.50 feet to a 5/8" rebar with "Crace" cap set; thence continuing with said southern line of Fayette Pike; thence, North 80°32'00" East a distance of 148.13 feet to the POINT OF BEGINNING, having an area of 38,110 square feet or 0.8749 acres, more or less.
Reference is hereby made to a survey plat titled "SURVEY SHOWING PARCEL 3 TO BE SEVERED FROM THE WEST VIRGINIA UNIVERSITY BOARD OF GOVERNORS" dated June 10, 2020 prepared by S & S Engineers, Inc. and bearing the signature and seal of Randy Brooks Crace, West Virginia Professional Surveyor No. 756, attached hereto as Exhibit A.

All of the parcels listed above as being a part of Tracts One and Two are part of the same property conveyed by the West Virginia Higher Education Policy Commission to the West Virginia University Board of Governors, on behalf of West Virginia University, by deed dated April 25, 2003, of record in the Office of the Clerk of the County Commission of Fayette County, West Virginia in Deed Book 598, at page 665.

This conveyance is also specifically made subject to any and all terms, conditions, provisions, restrictions, exceptions, limitations, covenants, rights, powers, duties, rights-of-way, easements, licenses, severances, uses, estates, servitudes, and limitations as made and imposed upon the subject real estate by the Grantor, its predecessors in title, any duly-authorized governmental agency or authority, or any other instrument, plat or survey of record in the Office of the Clerk of the County Commission of Fayette County pertaining to or effecting said real estate.

The Grantor warrants that it has no knowledge or reason to believe that the subject property or its substrata contains an underground storage tank which is regulated by the provisions of the West Virginia Underground Storage Tank Act, W.Va. Code §22-17-19.

The Grantor declares that it is a resident entity of the State of West Virginia as defined by W.Va. Code § 11-21-71b and intends this declaration to satisfy the requirements thereof.

DE CLARATION OF CONSIDERATION OR VALUE

Under the penalties of fine and imprisonment as provided by law, the undersigned hereby declares that the transfer involved in the document to which this Declaration is appended evidences a transfer to or from the State of West Virginia, or to or from any of its instrumentalities, agencies or political subdivisions, and therefore is not subject to West Virginia
excise tax and is exempt under the provisions of Chapter 11, Article 22, Section 1 of the West Virginia Code, 1931, as amended. Notwithstanding the foregoing, this transfer is being made without consideration.

WITNESS the following signature and seal:

WEST VIRGINIA UNIVERSITY BOARD OF GOVERNORS, ON BEHALF OF WEST VIRGINIA UNIVERSITY

James Robert Alsop
Vice President for Strategic Initiatives

STATE OF WEST VIRGINIA,
COUNTY OF MONONGALIA, to-wit:

The foregoing instrument was acknowledged before me this 12th day of October, 2020, by James Robert Alsop, the duly authorized Vice President for Strategic Initiatives of West Virginia University, for and on behalf of the West Virginia University Board of Governors, on behalf of West Virginia University, an agency and higher education institution of the State of West Virginia, by authority duly given.

Notary Public

My commission expires: March 17, 2024

This instrument was prepared by:
Gary G. Furbey, II
1500 University Ave.
P. O. Box 6204
Morgantown, WV 26506-6204

Approved as to form prior to acknowledgment thereof
the 23rd day of Sep, 2020

Patrick Morley, Attorney General

[Signature]
RESOLUTION

Ordered: That pursuant to Chapter 1, Article 5, Section 3, Code of West Virginia, 1931, as amended, the West Virginia Board of Public Works does hereby approve the sale and/or transfer of a certain lot or parcel of real estate, more specifically described in a deed, by and between the West Virginia University Board of Governors, on behalf of West Virginia University and the BridgeValley Community and Technical College Board of Governors, on behalf of BridgeValley Community and Technical College in the amount of ten dollars ($10.00).

* * * * * * * * *

State of West Virginia,
Office of the Secretary of State,
Charleston

I, Mac Warner, Secretary of State and Ex-Officio Secretary of the West Virginia Board of Public Works, do hereby certify that the foregoing is a true and correct copy of an Order made and entered by a majority vote of said Board of Public Works in open session on the 30th day of September, 2020.

Given under my hand this Thirtieth day of September, Two Thousand Twenty.

Mac Warner
Secretary of State and
Ex officio Secretary of The West Virginia Board of Public Works
**Tax Data**

The subject property is assessed in the name of WVU Board of Governors in the Fayette County Assessor’s Office in the Montgomery Corporation Tax District on Map 3B as Parcels 8, 10, 11, 12 and 13. The 2020 tax assessment for each parcel has been summarized in a chart and the properties are tax-exempt. The new ownership will not be reflected until the 2022 taxes are released. The tax summary is shown as follows:

<table>
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<th>Map</th>
<th>Parcel</th>
<th>Land Assessment</th>
<th>Building Assessment</th>
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<th>Appraised</th>
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</table>

Class IV Tax Rate 0.033120  Total Appraisal $1,297,500.00  $-

The property is appraised for $1,297,500.00, but it is unlikely that this has changed because there are no taxes due and no incentive for the Assessor to revalue the property. If the property were subject to taxes based on the current valuation, the annual taxes would be in the range of $25,500.00.

**Area Data**

West Virginia is geographically located in the mid-Atlantic region which extends as far north as Pittsburgh, Pennsylvania; as far west as Columbus, Ohio; as far east as Washington D. C.; and as far south as Richmond, Virginia. According to the 2020 Census, within this state there are approximately 1.793 million people, which is a decrease of approximately 3.2% from 2010.

The property is located in the community of Montgomery an incorporated town at the eastern end of the Kanawha Valley and the western end of the valley area of Fayette County. Montgomery is actually split by the Fayette and Kanawha County line and the subject property is located in Fayette County. That places Montgomery approximately 40 minutes east of Charleston and 30 minutes west of Fayetteville. Residents in this area will commute to both locations but Charleston offers a larger employment base and better shopping opportunities for durable goods. The closest interstate system is the West Virginia Turnpike at Chelyan but there is a four lane US Highway traveling north and south through Fayette County. This description references the fact that the subject property is somewhat isolated from major transportation routes and large population centers. The historical reliance on the coal and energy markets, and the subsequent designs in those activities has defined the current economic status for the immediate area.
Fayette County is located in the southern part of West Virginia and it borders Kanawha County to the west, Raleigh County to the south, Greenbrier and Summers County to the east and Nicholas County to the north. One of the main features in Fayette County is Route 19, which is an Appalachian Corridor that travels between Interstates 79 and Interstate 77/64. This particular road serves as a 70 mile shortcut when traveling north and south by bypassing Charleston. Route 60 used to be the major access road traveling east/west until Interstate 64 was completed. The traffic on Route 60 dropped dramatically after the interstate opened in the late 1980’s. Route 60 is now mostly used for local traffic but many of the old commercial uses have been abandoned.

The most exciting news for Fayette County has been the designation of a National Park on a 7,021 acre section in the heart of the New River Gorge. This leaves 65,000 acres as a National Preserve, which preserves some recreational opportunities that are prohibited in National Parks. This was part of the 2020 COVID Stimulus Package and is expected to create a newfound interest for this region. There is already evidence to during the summer of 2021 that the newly declared National Park was going to be significant traffic draw as local retail stores and restaurants reported enhanced traffic.

The main portion of Fayette County is located 54 miles from Charleston, which is the capitol of West Virginia. Charleston is the largest municipality in the State of West Virginia with a 2020 Census population of 48,864. It serves as the economic and governmental hub for most of the State of West Virginia. The eastern panhandle is a five hour drive from Charleston and more closely associates with Washington, D.C. and Virginia. Fayette County is 159 miles from Roanoke, Virginia.

The Fayette County 2020 Census population was 40,488. This represents a decrease of 5,551 people since the 2010 Census. The largest municipality in Fayette County is Oak Hill, which has a population of 8,179 people and is located along Route 19. Fayetteville is the county seat and has a population of approximately 2,887 people.

<table>
<thead>
<tr>
<th></th>
<th>POPULATION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1990</td>
</tr>
<tr>
<td>Fayetteville</td>
<td>2,182</td>
</tr>
<tr>
<td>Fayette County</td>
<td>47,952</td>
</tr>
</tbody>
</table>

Employment opportunities in Fayette County are mainly tied to seasonal operations of tourist attractions such as whitewater rafting and other outdoor sports. The December 2021 unemployment rate for Fayette County was 3.7% represented by a civilian labor
force of 15,920 and employment of 15,330. During the same period one year earlier, the unemployment rate was 8.8%. The State of West Virginia had a 2.9% unemployment rate and the United States had an unemployment rate of 3.7% in December 2021. West Virginia has typically lagged behind the national average and Fayette County suffers during the winter months from the seasonal employment opportunities. On September 3, 2018, The Charleston Gazette-Mail reported that Fayette County is one of three West Virginia Counties recently declared to be economically distressed. This is measured by three economic indicators: the three year average unemployment rate; per capita market income; and poverty rate. These are currently capturing the impact of changes in the energy markets that appeared to be at a low in 2015 and may never recover.

### LABOR FORCE ESTIMATES

<table>
<thead>
<tr>
<th>Entity</th>
<th>LF</th>
<th>E</th>
<th>UE</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fayette Co.</td>
<td>15,920</td>
<td>15,330</td>
<td>590</td>
<td>3.7%</td>
</tr>
<tr>
<td>WV</td>
<td>782,700</td>
<td>759,800</td>
<td>22,900</td>
<td>2.9%</td>
</tr>
<tr>
<td>U.S. Unemployment Rate</td>
<td>15,920</td>
<td>15,330</td>
<td>590</td>
<td>3.7%</td>
</tr>
</tbody>
</table>

*All rates are unadjusted. January 25, 2022

LF – Labor Force; E-Employed; UE – Unemployed

The most current median household income estimate is 2019 and was estimated on a county, state and national level by the USDA and is shown as follows:

### 2019 PER CAPITA ANNUAL INCOME

<table>
<thead>
<tr>
<th>Entity</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fayetteville</td>
<td>25,043.00</td>
</tr>
<tr>
<td>Fayette County</td>
<td>36,424.00</td>
</tr>
<tr>
<td>West Virginia</td>
<td>42,315.00</td>
</tr>
<tr>
<td>United States</td>
<td>58,650.00</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau

The 2019 per capita personal income for Fayette County was $36,424.00, which compares to a statewide per capita income of $42,315.00 and a national estimate of $58,650.00. The service industry has made significant increases in West Virginia, as well as the United States. This is primarily due to the availability of cheaper labor in markets outside the United States and the significant increase in retail opportunities in West Virginia. For example, Wal-Mart operates a SuperCenter between Oak Hill and Fayetteville that includes a Lowe’s and twelve out-parcels. A typical Wal-Mart usually adds several hundred jobs; however, the jobs are mostly part-time, with no benefits and low pay.

### 2019 PER CAPITA ANNUAL INCOME

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<tbody>
<tr>
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</tr>
</tbody>
</table>

### 2019 PER CAPITA ANNUAL INCOME

<table>
<thead>
<tr>
<th>Entity</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fayetteville</td>
<td>45,313.00</td>
</tr>
<tr>
<td>Fayette County</td>
<td>41,394.00</td>
</tr>
<tr>
<td>West Virginia</td>
<td>48,850.00</td>
</tr>
<tr>
<td>United States</td>
<td>65,712.00</td>
</tr>
</tbody>
</table>

The 2019 per capita personal income for Fayette County was $36,424.00, which compares to a nationwide per capita income of $42,315.00 and a national estimate of $58,650.00. The service industry has made significant increases in West Virginia, as well as the United States. This is primarily due to the availability of cheaper labor in markets outside the United States and the significant increase in retail opportunities in West Virginia. For example, Wal-Mart operates a SuperCenter between Oak Hill and Fayetteville that includes a Lowe’s and twelve out-parcels. A typical Wal-Mart usually adds several hundred jobs; however, the jobs are mostly part-time, with no benefits and low pay.
The ten largest employers in Fayette County are summarized as follows:

<table>
<thead>
<tr>
<th>Employer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Fayette County Board of Education</td>
</tr>
<tr>
<td>2. Mount Olive Correctional Complex</td>
</tr>
<tr>
<td>3. Walmart</td>
</tr>
<tr>
<td>4. WVA Manufacturing, LLC</td>
</tr>
<tr>
<td>5. Plateau Medical Center</td>
</tr>
<tr>
<td>6. Montgomery General Hospital</td>
</tr>
<tr>
<td>7. Fayette County Commission</td>
</tr>
<tr>
<td>8. Central WV Aging Service, Inc.</td>
</tr>
<tr>
<td>9. Contura Energy</td>
</tr>
<tr>
<td>10. Kingston Mining, Inc.</td>
</tr>
</tbody>
</table>

*March 2021 workfreewv.org

The State of West Virginia also has one of the oldest populations in the country. In fact, the number of deaths has typically outpaced the number of births in the State and there is more out migration than in migration. Many of the dollars that are circulated throughout the local economy are from pensioners, retired persons and those relying on government programs. This type of economic activity will not last forever as the national population is more mobile and pensions are not always part of an employee’s benefit package.

Due to the population of Fayette County, most of its residents are forced to look outside of the county for employment opportunities, as well as for shopping needs. Beckley is the closest large community and is located at the intersection of Route 19 and Interstates 64 and 77. Shopping for durable goods would normally be conducted in Beckley.

The recreational opportunities in Fayette County are one of the major components of its current and future economy. North on Route 19 is Summersville Lake, which is an enormous summertime attraction for boating, fishing and relaxation. The Summersville Dam Reservoir was built as a method of preventing downstream flooding and has created two well-known recreational opportunities. One of them is the large lake and the other is the Gauley River whitewater rafting. The Summersville Dam is drained in September/October and there is a 30 day period when licensed rafters will use the increased flow for whitewater rafting expeditions. Ridership has been declining so licensing capacity is no longer of much concern. The lake is also a significant summertime draw because it is within a two hour drive of most large cities in West Virginia. Another well documented recreational opportunity in Fayette County is at the New River Gorge Bridge. The New River Gorge Bridge is the longest arch style construction bridge of its type in the western hemisphere. It is 876 feet high and for one day in October, the bridge is closed to vehicular traffic and parachutists can take the opportunity to B.A.S.E. jump from an organized
platform. This attracts thousands of spectators and helps the local economy.

In the summer of 2009, a major announcement was made regarding a national base camp for the Boy Scouts of America. A 10,000 acre tract of land was selected to build the infrastructure to support the annual Boy Scout Jamboree that will include tens of thousands of visitors in the summer months. The land was acquired in October of 2009 and the investment is anticipated to be in the range of $100,000,000.00. The site is located east of Mount Hope and adjoins approximately 80,000 acres of land owned by the National Park Service along the New River, which is one of the main considerations in selecting this site. This is an exciting project that should have a significant economic impact during construction and into the future.

Fayette County, as well as most southern West Virginia counties thrived from coal mining jobs from the late 1800's until the mid-1900's. The major factor that hurt the coal mining jobs was mechanization that allowed for fewer employment opportunities with increased output. Overall, Fayette County has gradually moved from the coal mining based economy to a more diverse economy that focuses on renewable items such as the tourist attractions that are recreational based. Due to Fayette County’s linkage with the rest of the state and the east coast, it should continue to be a successful business region. Most of the businesses in the area are small companies with five to ten employees, but that is also seen as a national trend rather than just a local one.
Neighborhood Data

A neighborhood is a portion of a larger community in which there is a homogenous grouping of inhabitants, buildings, or business enterprises. Neighborhood boundaries may consist of well-defined natural or manmade barriers or they may be more or less well defined by distinct changes in land use or in the character of the inhabitants. In evaluating a neighborhood, the appraiser must consider physical boundaries, legal boundaries, use patterns, and the availability of services.

The market area of the subject property is considered to be the downtown portion of Montgomery, which is essentially located between Jefferson Street to the west, the mountains to the south, the bridge to the east and the Kanawha River to the north. The majority of this area is used for commercial purposes and is zoned CBD, Central Business District, or General Purpose by the City of Montgomery. It is designed around several important physical features including the railroad, hillside and the river. There is a wide range of commercial and residential uses in the immediate vicinity. Much of this area was heavily developed before land use regulations were imposed and the area needed a lot of housing to accommodate the mineral extraction businesses and West Virginia University of Technology.

WVU Tech operated a large higher education campus in downtown Montgomery due to the size and stature of the buildings. Since West Virginia University relocated the school to Beckley in 2017, many of these buildings have been minimally occupied. Particularly the dormitories or special use buildings. The initial concept was for the KVC Health Systems to take over the entire campus to provide an educational facility for foster, adoption and behavioral health care. This was expected to peak at 500 students. That plan never materialized and the WVU Tech campus has been sold piece-meal fashion for a wide range of projects. BridgeValley gained ownership of five buildings and has consumed other space within Montgomery such as the diesel repair shop located in the former Brown Chevrolet but has mostly expanded services and operations in connection with their South Charleston campus. BridgeValley has reduced their footprint in Montgomery and several of the former WVU Tech buildings are idle. BridgeValley does not have the same volume of students as West Virginia Tech did and no traditional students requiring housing. These are all commuter and non-traditional students that may travel from 30 to 60 minutes away for educational opportunities. After a change in leadership at BridgeValley, there was a focus on limiting the real estate ownership in Montgomery and liquidating up to 5 buildings.

West Virginia Governor Jim Justice announced that Mountaineer ChalleNGe Academy Southern Campus in the 2020 State of the State Address. The Mountaineer ChalleNGe Academy
is a program operated through the West Virginia National Guard for at-risk youths from ages 16 to 18. That places the students in a 22 week, quasi-military residential program with eight core programs including the ability for students to obtain GED’s (Graduate Equivalency Diploma) through their home high school. Renovations were made to former Maclin Hall, the student union and the Baisi Athletic Center. Those facilities represent some of the core components from the former WVU Tech Campus. This also created 60 full-time equivalent jobs and headed an inaugural class of 72 cadets (students). This is the type of public outreach that has the ability to secure government funding to support programs that can compete this type of market because they are providing a public service that does not require an economic return to an investor.

A private developer, using favorable public financing, is renovating the former COBE Building into 28 senior housing units. This requires major renovations to a 35,100 square foot classroom building. Without favorable financing, this project would not be feasible. Other buildings, such as the Vining Library have been sold to the City of Montgomery. There has definitely been a concerted effort to re-purpose many of the former campus buildings for the benefit of the community.

In December 2021, The City of Montgomery announced plans to take over remaining WVU Tech facilities, including the Neal Baisi Athletic Center. This is proposed as a community building, athletic facility and emergency shelter. The project is in need of $1.6 million of State funding to resolve deferred maintenance and overhaul the building, including upgrades to provide ADA access. Other assets targeted by the City of Montgomery include the football field and vacant sites where old buildings were demolished.

Montgomery is unique because part of it is located in Kanawha County and a larger portion is located in Fayette County. In fact, several of the properties are split between the two counties. The main access to the area is from Route 60, which travels east and west from Charleston to Lewisburg on the north side of the river. It is also served by an Amtrak station as the rail line goes directly through town. The Amtrak station was rebuilt in 2019. The traffic on Route 60 is now destination oriented rather than through traffic. Other than the school and the hospital, the major employers are typically mineral extraction companies or vendors for those types of operations. Service industry jobs are very prevalent in West Virginia and particularly in these areas where there is no manufacturing base. Ranger Scientific is one business that has relocated to Montgomery. Several years ago, this entity expressed interest in developing an ammunition factory on a former mine site in eastern Kanawha County. After years of no activity, they acquired a worship facility that had been fashioned out of an old school on 5th Avenue to commence manufacturing. This required demolishing the old three-
story schoolhouse, retrofitting two office wings and using the gymnasium for manufacturing. This is one of the largest private investments in the area.

The downtown area around the subject property has deteriorated over the last 30 years. There are several retail storefronts that are still vacant and there have not been any major discussions about potential employers. Most of the commercial activity in this area is now locating in Smithers, across the Kanawha River from Montgomery. Smithers has a Tudor’s Biscuit World, Taco Bell, Exxon and Grant’s Grocery Store. The Family Dollar and Dollar General are located in western end of Montgomery and another is in east Smithers.

The future for Montgomery would appear to be in a stagnant stage with the exception of small family operated businesses. The only new businesses that have opened in the area are fast food and convenience stores that do not offer good paying jobs. Discount stores are well represented and Grant’s (formerly Kroger) is the only full service grocery. The best hope for Montgomery is to help maintain the status of existing businesses, including Montgomery General Hospital. There is still a reasonable population base that needs good and services in the larger geographic area but the population of Montgomery has dwindled to the point that there is no viable pool of labor to support a significant business development and there are fewer and fewer reasons for the outside population to travel to or through Montgomery.
Site Data

A survey of the subject property was not available, so the Fayette County GIS and satellite images were used to understand the basic design and configuration of the site. The parcels that are included in the analysis are shown in a map in this section of the report. Other physical characteristics were determined during the site observation and are summarized as follows:

Access: The property has frontage on the south side of 2nd Avenue, the west side of South Ferry Street and the north side of Fayette Pike. This provides excellent visibility and access along three public roads, but the change in terrain only allows driving access from Fayette Pike. 2nd Avenue is the main thoroughfare through Montgomery and the property has a prominent location along that route.

Roads: 2nd Avenue is also WV Route 61 and is a two lane, asphalt paved, state maintained road. Ferry Street and Fayette Pike are two lane, asphalt paved, city maintained streets.

Interstate Access: Interstate 64/77 (West Virginia Turnpike) is available at the Chelyan Interchange approximately 12 miles west of the subject property. US Route 19 is the only four lane road traveling through Fayette County and it is located approximately 30 miles east at Oak Hill or Fayetteville.

Topography: There is a gentle downward slope from south to north, but the site has been designed with retaining walls to maximize the usable area.

Configuration: Approximately rectangular

Site Size: 38,000 square feet

Lot Coverage Ratio: 40%

Utilities: All available and in use
Zoning: General Purpose; This classification is intended for a broad range of potential uses including commercial activities. The reality is that Montgomery is hopeful of new investment and approved uses should be wide ranging.

Flood Map: Floodscape Flood Hazards Map 54019C 0037 D, dated September 2, 2010

Flood Determination: Low flood risk

Site Improvements: The majority of the site is improved with the building, which is designed with a central courtyard used for parking. That is an asphalt paved parking lot that also provides access to building entry doors. The other site characteristics include retaining walls on the north and east sides of the site to maximize the usable land. This includes stairwells and concrete sidewalks to provide access from the public sidewalk along 2nd Avenue to the main building entrances. All of the site improvements are in sufficient condition for this building design.

Parking: There are 10 parking spaces in the paved courtyard between the buildings. There is also unrestricted curbside parking along 2nd Avenue. The limited amount of parking is problematic regarding the ability to repurpose a building of this size.

Landscaping: Minimal grass and shrubbery around the perimeter and building entrances

Public Improvements: Concrete sidewalks and street lights along 2nd Avenue

The site improvements are relatively minimal compared to the size and stature of the building. Since this building operated jointly with the West Virginia Tech Campus, parking could always be identified offsite or in shared parking lots. Many of the occupants in this building probably rely on walking or public transportation to navigate campus and did not have the need for substantial parking. The site improvements used for building access are satisfactory but the minimal parking is an issue that will influence the highest and best use of the property. Even though Montgomery is not that busy, this property has a prominent corner location and is easily visible from the
main traffic corridors through Montgomery. The site improvements are in average condition with no sources of deferred maintenance while recognizing that a change in use to the building would require that additional parking be identified in the immediate area. Maps, photographs and satellite images illustrating the property configuration are shown as follows:

Front View

Front View

Front View

Ratliff Hall
West Side View

View of East Wing
This map is not the official regulatory FIRM or DFRM. Its purpose is to assist with determining potential flood risk for the selected location.
**Improvement Data**

The property has a sizable structure designed and used as a dormitory. It was originally constructed in 1959 with an addition completed in 1966 and was used through 2017. Since 2017, there have been periodic uses of segments of the property but there has not been enough student population to justify use of the entire building. The basic building information is summarized as follows:

<table>
<thead>
<tr>
<th><strong>Age:</strong></th>
<th>Approximately 60 years old</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Purpose of Building:</strong></td>
<td>85 unit dormitory</td>
</tr>
<tr>
<td><strong>Gross Area:</strong></td>
<td>51,970 square feet spread across four floors</td>
</tr>
<tr>
<td><strong>Construction Style:</strong></td>
<td>Masonry, steel and poured concrete structure with a flat roof (walk-up only)</td>
</tr>
</tbody>
</table>

**Exterior**

- **Walls:** Brick and metal panels
- **Roof:** Built-up with tar and gravel
- **Doors:** The main entry doors are metal with metal frames and entry lights. Secondary doors are metal but have smaller windows. There are some solid metal doors for utility areas.
- **Windows:** Single pane aluminum frame awning style windows

**Interior**

- **Walls:** Mostly painted block but some drywall
- **Ceilings:** Tile block
- **Floors:** Some type of tile that may be vinyl composition tile or asbestos
- **Doors:** Solid wood with metal frames
- **Lighting:** Surface mounted fluorescent fixtures
**Mechanical**

**HVAC:** Each wing has a dedicated hot water boiler as a central heat source and there is no central air conditioning.

**Plumbing:** There is substantial plumbing due to the use of the building. There are communal bathrooms on the dormitory floors with a private apartment and bathroom on the first floor. The communal bathrooms include multiple commercial fixtures with sinks, commodes and shower stalls. There is a communal restroom on each floor of each wing. The water source is reportedly shared with an adjacent building, so it is unknown if the building has a backflow valve on the domestic water line. There were multiple gas hot water tanks with storage reservoirs identified to help maintain water service at the property.

**Electrical:** The full size of the electric capacity is not known but is assumed to be 400 to 600 amperes per wing with 100 to 200 ampere subpanels per floor. It is noted that the electric capacity is somewhat limited as there would not have been as much demand for outlets in 1959. It also does not account for air-conditioning.

**Common Areas:** There are common areas on the first floor that include a large recreation room, washer/dryer hookups, kitchenette and an activity room.

**Life Safety Components:** Emergency and exit lighting, central fire alarm and sprinkler system in part of the common area, but not the entire building.

The building was constructed with resilient materials with a goal of withstanding substantial wear and tear for a large volume of daily traffic. The tile floors, painted block walls and solid wood doors are all materials that are expected to last for a long time and can suffer through heavy traffic. Those systems have been refreshed periodically, but are much like they were originally designed. The mechanical systems have been replaced and maintained but the boilers are reportedly older and there is no central source of air conditioning. Local air conditioning is a possibility, but it may
not work sufficiently with the current electric capacity. The maintenance staff is currently conducting site inspections on a frequent basis to help maintain the structure. This includes leaving on utilities and heat, which are important to preserving the building but have the potential for problems if the building is unattended.

There are some known issues with the building that are problematic when evaluating the redevelopment and potential uses of the property. There is expected to be asbestos found in some of the building materials that will need to be abated if a major renovation or demolition project is expected. The full extent of that is not known but it is a reality in buildings of this age. The built-up roofs are both leaking, severely in some locations, and are reportedly ready for replacement. With a rooftop area of approximately 15,000 square feet, this could represent an investment of well over $125,000.00. There are metal wall panels on the western wing and those show signs of rust and deterioration. This has the potential to allow moisture to seep in behind the façade and damage the building structure. There are also antiquated heating and cooling systems and a building designed with rigid walls that would require substantial investment in demolishing interior partitions to create more appealing and efficient units. The final factor is that the building is not served with an elevator. That was standard in the era when the building was constructed, but an elevator would be a requirement for a modern user. There is a one-floor wheelchair lift at the rear of the eastern wing.

In summary, the building is considered to be in fair condition with the ability to use it immediately, but also recognizing major capital expenditures to repurpose the building or modernize it to a point that it could be used similarly to its original intended use. Any intense use will require many upgrades to mechanical and cosmetic finishes. It has a remaining economic life of 5 to 10 years. Photographs and floor plans illustrating the property configuration and condition are shown as follows:

![Building History](image1.png)

![Study Area](image2.png)
Mechanical Room

Room 132

Typical Communal Bathroom

Typical Communal Bathroom

Typical Room

Common Corridor
Typical Room

Third Floor Corridor (Buckets for Roof Leaks)

Evidence of Roof Leaks

Ladies Communal Bathroom

Ladies Communal Bathroom

Unit 305 (Roof Leak)
FLOOR PLAN – FIRST FLOOR
FLOOR PLAN – THIRD FLOOR
Highest and Best Use

Based on The Dictionary of Real Estate Appraisal, Seventh Edition, published by The Appraisal Institute, the definition of highest and best use is as follows:

1. “The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset’s existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (International Valuation Standards “IVS”)

3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)

4. [For fair value determination] The use of a nonfinancial asset by market participants that would maximize the value of the asset or the group of assets and liabilities (for example, a business) within which the asset would be used. (FASB Glossary). The highest and best use of a nonfinancial asset takes into account the use that is physically possible, legally permissible, and financially feasible. (FASB 820-10-35-10B). The highest and best use of a nonfinancial asset establishes the valuation premise used to measure the fair value of the asset, as follows: (a) The highest and best use of a nonfinancial asset might provide maximum value to market participants through its use in combination with other assets as a group (as installed or otherwise configured for use) or in combination with other assets and liabilities (for example, a business). (b) The highest and best use of the asset might provide maximum value to market participants on a standalone basis. (FASB 820-10-35-10E)

The subject property is zoned General Purpose, according to representatives of the City of Montgomery. This is a broad classification that allows for a wide range of uses. Examples include professional offices, service related businesses, educational facilities and single-family homes. All of those types of uses can be found in the immediate area, many of which were in place prior to the city ordinance being adopted in 1970. The reality is that the City of Montgomery would look favorably upon most types of investments in redeveloping portions of downtown. The subject zoning is not considered to be a significant impediment to the use of the property.
The physical characteristics of the site include a site that is nearly rectangular in shape with frontage along three public roads and access to all utility infrastructure. It is not located within a high risk flood hazard area and it is assumed to have sufficient soil bearing capacity to allow development. It has a prominent location along the south side of 2nd Avenue in downtown Montgomery, but the change in terrain would most likely require access to be from Fayette Pike. The site size is fairly common for this portion of downtown Montgomery and a new use would have to allow for the building site, as well as proper parking to support a potential use. There are few physical impediments to the use of the property while recognizing this size site would only support a building of approximately 5,000 to 10,000 square feet and still have sufficient onsite parking. The other physical limitation is that the driving access would most likely be from the southern end on a secondary road, so a retail use is unlikely.

The best measure of the highest and best use of the site is by reviewing the use of similar sites that have been developed in the market area during the recent past. There has not been a lot of new construction in Montgomery, particularly of any significant size and there are plenty of opportunities to repurpose existing buildings. A retail store was repurposed for a medical office and an old school, previously converted to a worship facility, was purchased to be converted to an ammunition manufacturing facility. This required the oldest section of the school to be demolished and the gymnasium converted to manufacturing. This area is not expected to attract national investment unless it is a discount store such as Dollar General or Family Dollar, both of which are already represented in the immediate area but are in older buildings. Local businesses that are attracted to Montgomery will tend to repurpose existing structures as a less expensive alternative to new construction. Due to the physical characteristics of the site and the location along a prominent corridor, the potential use is expected to be commercial oriented. It is unlikely that it would attract a retail use but a service related business or office would be feasible. Due to the lack of recent new construction projects in Montgomery, there is a strong possibility that a vacant site would remain vacant for an extended period of time or be assembled with an adjacent property that is currently underserved with parking.

The property is currently improved with a significant asset in a four-story structure containing 51,970 square feet that had a specific design as a dormitory. The building has existed since 1959 with modest reinvestment during the last 10 to 15 years. The school population of West Virginia Tech was declining prior to relocating to Beckley and it had become a commuter college, which decreased the need for this style of building. Once acquired by BridgeValley, it has maintained the basic building systems and identified periodic uses for the structure, but those
have been limited. The limited recent use, the lack of significant population in the area and the specific design are factors that influence the ability to identify a new use for the building.

Other factors that influence the future use of the property include the condition of the roof, the limited onsite parking, the shared utility systems with other buildings and the possibility of significant asbestos. Those concerns have been overcome in other redevelopment projects, but directly influence the property value. The land use regulations are not considered to be a significant impediment to the current or any proposed uses of the building as the City of Montgomery would look favorably on putting this property back into production. Physically, the building has remaining economic life, but it is somewhat limited by the condition of the mechanical and short-lived building systems. Those are all issues that can be corrected if a proper use can be identified. There are clearly large elements of functional external obsolescence that influence the ability to repurpose the property in its current design. One of the sources of functional obsolescence is the lack of sufficient parking. This could be resolved by demolishing a portion of the property and preserving a smaller component that is a more compatible size and type of uses that are expected in this area. Additionally, ZMM Architects & Engineers has already considered a reuse plan that would demolish many of the interior partitions to allow the floors to be redesigned with a more efficient configuration. It is possible to modify the basic configuration but this is still a large building with a lot of square footage that would be difficult to fill with the type of business that is interested in locating in Montgomery.

The comparable sale data illustrates similar buildings in small communities that have been purchased for redevelopment projects. In most cases, these are somewhat speculative purchasers that are willing to take on the risk of a project with anticipation of a mixture of uses ranging from commercial to residential and usually targeting some type of grant funding to help facilitate the renovations and holding costs associated with a large asset. The Mountaineer ChalleNGe Academy is the most obvious example of a use that can benefit from government funding sources. The Cavalier Heights project is an example of a conversion to senior housing that benefits from low-interest public financing sources to make it feasible. That project would not have worked if parking were not available. The Federal government has distributed massive stimulus funding and the possibility for communities to identify projects to help redevelop after COVID-19 may be an opportunity to redevelop buildings. These generally require ownership by non-profit entities and a specific plan to create a meaningful infrastructure investment project to provide services to a community. This is the best possibility of a public and private partnership that will rely on a non-profit entity that can take ownership of the property, apply for grant funding and redevelop the property with a use.
that will justify major reinvestments in restoring the short-lived building components. It will most likely be for a business model that includes a housing component and possibly for income restricted housing that would be attractive to residents in the community. In that scenario, there is strong possibility that one of the building wings will be demolished to create parking and a residual building size that is compatible size and scope of project anticipated for Montgomery. That is similar to the redevelopment of other large properties throughout West Virginia and gives the best near-term possibility of reestablishing this building in a way that it contributes to the local economy and community needs.

**Appraisal Process**

The appraisal process is the analysis of the various data to arrive at an estimate of market value. In order to express a reasonable opinion of the market value of the subject property, the appraiser has considered various valuation methods. The three approaches that are available include the Sales Comparison Approach, Cost Approach and the Income Approach. Information for each of these approaches comes from the market place and at times is interrelated.

**Sales Comparison Approach**

The Sales Comparison Approach is the most easily understood and probably the most widely used. It is most appropriate and applicable when similar types of improved properties are available for direct comparison. This approach involves analyzing key factors of similarity and dissimilarity of similar type properties that are located in the same or competing areas. The principle underlying this technique is that it is expressive of the value established by informed buyers and sellers in the market area. This approach also serves as a reliable indicator regarding the amount of market activity. Its limitations are lack of similar data, older data and sales, which lack comparability. It is also utilized when developing an opinion of value for the land, as vacant.

**Cost Approach**

The Cost Approach considers the current cost of reproducing or replacing the existing improvements with consideration for depreciation and obsolescence. Replacement costs are typically used because it allows for replacing the existing improvements with modern building materials that are common in the market at the time of the appraisal. The depreciation that is deducted can come from three sources including physical deterioration, functional obsolescence and external obsolescence. The value of the land, as though vacant, is added to the depreciated value of the improvements to indicate the market value from the Cost Approach. This approach is directly related to the principle of substitution, which states that no one is
likely to pay more for an existing property than what it would cost to recreate it.

**Income Approach**

The measure of value in this approach is directly related to the net income that the subject can create during the remaining economic life of the improvements. The process includes estimating the gross income, vacancy and expenses that are incurred by the property owner from leasing the property. Several methods are available for this approach, including capitalization of the first year’s net operating income, as well as an analysis of the discounted cash flow over a forecasted holding period. The net income is capitalized to arrive at an indication of value from the standpoint of an investment. Competing investments may include real estate, securities or a variety of investment vehicles. All of the information in this procedure must be obtained from the market to use standards, which are accepted by investors in the area. The principle underlying this method is the present worth of anticipated future benefits (net income) derived from the property.

**Conclusion**

The appraiser, in applying the tools of analysis to the problem in question, seeks to simulate the thought process of a probable decision maker rather than a particular one with specific individual interests. The various approaches to valuation are merely a simulation of these alternative courses of action, potentially open to the decision maker. The appraiser’s judgment concerns the applicability of alternative tools of analysis to the facts of the problem, the data, information needed to apply these tools, and the selection of the most applicable approaches to solve the appraisal problem. Some appraisal problems will fully utilize each valuation procedure while others may lack enough data to develop each approach. In all assignments each approach will be considered.

**Sales Comparison Approach - Improvements**

The research for comparable building sales was conducted throughout West Virginia with an emphasis on large buildings in small communities that transition from their original intended uses and have numerous sources of functional and external obsolescence. Buildings in small communities is the preferred source of this data but with limited information available, there are also property transactions from larger cities to provide broad perspective regarding the ability to repurpose similar buildings. The eastern end of the Kanawha Valley has been under pressure due to changes in the energy markets and the relocation of West Virginia Tech. The research focused on large worship facilities, old schools or government installations that have similar age and quality components that
are also in need of immediate renovation. The research sources included CoStar, various Multiple Listing Services and a database of transactions developed and maintained by Goldman Associates, Inc. A large volume of data will be shown to help frame the general unit price range for large facilities and a smaller selection of comparable sales will be analyzed in an adjustment grid. While not all of the sale data is specifically relevant to the subject property, it does help relate the types of redevelopment projects that have been implemented. The comparable sale data is shown as follows:
COMPARABLE IMPROVED SALE ONE

Hyperlink: S:\Main\Comp Database\Comps\Schools\Comp-17.doc

Location: 550 5th Avenue, Montgomery, Fayette County, West Virginia 25136

Tax District: Montgomery Corp.  Map/Parcel: 1C/33

Sale Date: 10/7/2020  Recorded: 806/34

Grantor: Terrance Hamm, Angela Hamm, Samona Reynolds, Ray Johnson, Theresa Johnson & Alonza Goudy, Trustees and their Successor Trustees of Living Waters Christian Fellowship

Grantee: Ranger Scientific, LLC

Verified: KVMLS #212017, Courthouse, Assessor, Online Records

Building Size: 60,000 Square Feet  Site Size: 1.348 Acres

Site Size: 58,724 Square Feet

Description: This is a level site within downtown Montgomery that is improved with a former high school building. The building consists of a three-story segment that was constructed circa 1950 and two subsequent additions. The three-story former school building was razed by the purchaser, while the former gym and other addition were kept intact. Approximately 30,000 square feet remained.

Sale Price: $180,000.00  Unit Price: $3.00 Per Square Foot

Financing: North Avenue Capital, LLC – DOT 1037/98 - $7,500,000.00

(Includes Multiple Properties in Other Tax Districts, Maps, Parcels)

Zoning: Variance for Commercial Use (Previously R-2, Residential District)

Utilities: All Available

Topography: Level

Intended Use: Owner Occupied Manufacturing Facility

Prior Sale Data: 3/30/2007 - DB 628/PG 619 - $132,000.00

Comments: The property was marketed through the Kanawha Valley MLS with an original asking price of $250,000.00. It was on the market for 1,035 days. The property has been operating as a church since it was acquired in 2007.
COMPARABLE IMPROVED SALE TWO

Hyperlink: S:\Main\Comp Database\Comps\Commercial Buildings\Comp-1474.doc

Location: COBE Building - 409A Fayette Pike, Montgomery, Fayette County, West Virginia 25136

Tax District: Montgomery Corp.  Map/Parcel: 3A/72.9 & 79.1

Sale Date: 11/4/2020  Recorded: 806/474 & 469

Grantor: West Virginia Board of Governors

Grantee: Cavalier Heights, LP

Verified: Buyer (Doug Pauley), Site View, Newspaper Articles, Public Records

Building Size: 35,100 Square Feet  Site Size: 1.80 Acres
6,500 Square Feet  78,243 Square Feet

Description: This includes the former College of Business building and a smaller security building. The larger building was planned for conversion to 31 senior housing units with funding provided by the WV Housing Development fund. The smaller building will be renovated into 6 or 7 market rent apartments. The main building had commingled heating, electric and water from a separate building that had to be separated by the buyer after the sale. The buyer conducted major demolition and renovations, including replacing the roof. There was minimal asbestos. Parking is on-site and sufficient

Sale Price: $230,000.00  Unit Price: $5.53 Per Square Foot

Financing: Poca Valley Bank - $270,000.00
7/2021 - $3.5MM WV Housing Development Fund

Zoning: General Purpose

Utilities: All Available

Topography: Cleared Level Area with Some Steep Hillside

Intended Use: Conversion to Senior Housing

Prior Sale Data: Greater Than 3 Years

Comments: The buyer entered into negotiations with KVC, an entity that was going to take over the entire WV Tech campus. When that transaction fell-through, the sale was completed with WVU.
COMPARABLE IMPROVED SALE THREE

Hyperlink: S:\Main\Comp Database\Comps\Commercial Buildings\Comp-1471.doc

Location: Former Mount Hope Federal Building – 100 Bluestone Road, Mount Hope, Fayette County, West Virginia 25880

Tax District: Mount Hope Corp. Map/Parcel: 5/61

Sale Date: 11/22/2021 Recorded: 819/549

Grantor: United States of America, Acting By & Through the Administrator of General Services (“GSA”)

Grantee: 100 Blue Stone Road, LLC

Verified: LoopNet, Courthouse, Assessor & Online Records

Building Size: 34,000 Square Feet Site Size: 0.96 Acres

Description: This property includes a commercial office building that was constructed circa 1950 and designed with a one-story section and three-story section. It is reported to have readily available office space and work area, as well as recently remodeled bathrooms. The main floor is designed with labs and work space, while the upper two floors are designed for office space.

Sale Price: $206,000.00 Unit Price: $6.06 Per Square Foot

Financing: None

Zoning: Civic

Utilities: All Available

Topography: Level to Gently Upward Sloping From South to North

Intended Use: Speculative Investment

Prior Sale Data: Greater Than 3 Years

Comments: The property was transferred by Quitclaim Deed and was sold “as-is”. It was sold by auction of a GSA Website. The Deed and exhibits indicated that the property had known asbestos materials in the building, as well as the potential presence of lead based paint due to the age of the structure. Exhibit B of the Deed identified a Historic Preservation Covenant as the property is on the National Register of Historic Places. The building is currently being marketed for lease by Quintie Smith of RealCorp with an asking lease rate of $6.50 per square foot.
COMPARABLE IMPROVED SALE FOUR

Hyperlink: S:\Main\Comp Database\Comps\Schools\Comp-14.doc

Location: Former Lewisburg Elementary School – 206 North Lee Street, Lewisburg, Greenbrier County, West Virginia

Tax District: Lewisburg Corporation  Map/Parcel: 20/169

Sale Date: 2/28/2017  Recorded: 588/162

Grantor: New River Community & Technical College Foundation

Grantee: Lee Street Partners, LLC

Verified: Courthouse & Kyle Fort, Chairman of the Board of Seller

Building Size: 7 Buildings  Site Size: 4.725 Acres

Site Size: 4.725 Acres

Building Size: 7 Buildings

Description: The property is located on North Lee Street and Greenbrier Road. It is an irregular shaped parcel and is paved. The buildings range in age from 30 to 80 years old. They are typical of a school campus with classrooms, kitchen and activity areas.

Sale Price: $350,000.00  Unit Price: $4.40 Per Square Foot

Financing: Cash

Zoning: E-I, Education & Institutional District; Building E is in a Historic District

Utilities: All Available

Topography: Level

Intended Use: Community College

Prior Sale Data: 2014 – DB 586/PG 157 - $400,000.00

Comments: The property sold in 2014 but a Deed was not recorded until November of 2016. A map of the property can be located in the Greenbrier County Clerk’s Office in Map Book 7, File Rack E-18. See GAI appraisal file A-9685.
# COMPARABLE IMPROVED SALE FIVE

Hyperlink: S:\Main\Comp Database\Comps\Schools\Comp-16.doc

<table>
<thead>
<tr>
<th>Location:</th>
<th>230 Costello Street, Charleston, Kanawha County, West Virginia 25302</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax District:</td>
<td>Charleston West Map/Parcel 14/222</td>
</tr>
<tr>
<td>Sale Date:</td>
<td>1/30/2019 Recorded 3023/698</td>
</tr>
<tr>
<td>Grantor:</td>
<td>Board of Education of the County of Kanawha</td>
</tr>
<tr>
<td>Grantee:</td>
<td>Warrior Way, LLC</td>
</tr>
<tr>
<td>Verified:</td>
<td>Deed, Courthouse and Seller Representatives</td>
</tr>
<tr>
<td>Building Size:</td>
<td>22,030 Square Feet Site Size 1.25 Acres 54,313 Square Feet</td>
</tr>
<tr>
<td>Description:</td>
<td>This is a two-story masonry structure located on the west side of Charleston that had previously been used as the location for Watts Elementary. It contained a typical school building design and had been vacant and subject to many instances of vandalism at time of sale. It was originally constructed in 1924 and asbestos was present throughout the structure. The finishes and mechanicals were older and dated with numerous sources of deferred maintenance that needed addressed prior to any future use. Plenty of onsite parking is available.</td>
</tr>
<tr>
<td>Sale Price:</td>
<td>$30,000.00 Unit Price $1.36 Per Square Foot</td>
</tr>
<tr>
<td>Financing:</td>
<td>None</td>
</tr>
<tr>
<td>Zoning:</td>
<td>R-4; Single Family Residential (Charleston Planning Commission is open to alter zoning and allow a Multi-Family use)</td>
</tr>
<tr>
<td>Utilities:</td>
<td>All Available</td>
</tr>
<tr>
<td>Topography:</td>
<td>Level</td>
</tr>
<tr>
<td>Intended Use:</td>
<td>Mixed Use – Commercial and Residential</td>
</tr>
<tr>
<td>Prior Sale Data:</td>
<td>More than three years</td>
</tr>
<tr>
<td>Comments:</td>
<td>Property was auctioned by Goldman and Associates in 2016 and sold to an individual for a $20,000.00 purchase price. BOE opted not to approve the sale.</td>
</tr>
</tbody>
</table>
COMPARABLE IMPROVED SALE SIX

Hyperlink: \\RDSI\Main\Comp Database\Comps\Commercial Buildings\Comp-1325.doc

Location: 1057 6th Avenue, Huntington, Cabell County, West Virginia 25701

Tax District: Huntington-Gideon  Map/Parcel: 30/44 & 44.1

Sale Date: 9/30/2019  Recorded: 1412/102

Grantor: Community Trust Bank, Inc.

Grantee: Helen Crutcher

Verified: CoStar, Courthouse, Assessor, Online Records, Appraiser

Building Size: 33,300 SF Above Grade  Site Size: 26,000 Square Feet
5,500 SF Basement

Description: This property was originally designed as a YMCA and in 2008 underwent significant renovations to be converted to a pharmacy school. The property has been vacant since 2013 and had substantial damage due to lack of climate control, vandalism and maintenance. It was in poor to fair condition at the time of sale.

Sale Price: $130,000.00  Unit Price: $3.90/SF Above Grade

Financing: None

Zoning: C-3, Central Business District

Utilities: All Available

Topography: Level

Intended Use: Convert to a drug Rehabilitation Facility

Prior Sale Data: 1/29/2014 - DB 1297/PG 306 - $504,000.00 (Foreclosure)

Comments: This property was marketed for sale for several years with asking prices in excess of $500,000.00. The building continued to deteriorate with major issues relating to roof damage, water infiltration and mechanical systems. The gymnasiums were the best features and were fully intact.
COMPARABLE IMPROVED SALE SEVEN

Hyperlink: S:\Main\Comp Database\Comps\Schools\Comp-18.doc

Location: Former McKinley Elementary School – 1130 19th Street, Parkersburg, Wood County, West Virginia 26101


Sale Date: 7/1/2021 Recorded: 1332/470

Grantor: Wood County Board of Education

Grantee: Summit Road, LLC

Verified: News Articles, Courthouse, Assessor & Online Records

Building Size: 46,810 Gross SF Site Size: 1.9 Acres

Site Size: 82,765 Square Feet

Description: This property is located at the southwest corner of 19th Street and Mary’s Avenue within the corporate limits of Parkersburg. It consists of 5 tax parcels and a former two-story Elementary School with full lower level that was constructed circa 1904. The school was closed at the end of the 2019-2020 school year. It was one of the oldest operating schools in Wood County.

Sale Price: $165,000.00 Unit Price: $3.52 Per Square Foot

Financing: None

Zoning: R-3, Residence District

Utilities: All Available

Topography: Level

Intended Use:

Prior Sale Data: Greater Than 3 Years

Comments: This property was sold by public auction on April 30, 2021 through Rocky Peck Sales & Marketing, LLC. The Astorg Family acquired the property due to the historical significance of the building.
COMPARABLE IMPROVED SALE EIGHT

Hyperlink: S:\Main\Comp Database\Comps\Commercial Buildings\Comp-1472.doc

Location: 170 N 17th Street, Wheeling, Ohio County, West Virginia 26003

Tax District: Wheeling City Corp. Map/Parcel: W7/3

Sale Date: 2/17/2021 Recorded: 996/539

Grantor: Positech International, Inc.

Grantee: Warwood Riverfront Center, LLC

Verified: CoStar, Courthouse, Assessor & Online Records

Building Size: 69,000 Square Feet Site Size: 3.95 Acres

Description: The property is improved with a two-story building that was originally constructed circa 1917 with subsequent additions in 1995 and 1996. It has a combination of industrial/warehouse and office space. An Elevation Certificate is reportedly available showing it is outside the flood hazard area. A new roof was installed in March of 2021 and the building has three phase electric (480 and 220 volt), a sprinklered dry system, loading docs and freight elevator.

Sale Price: $300,000.00 Unit Price: $4.35 Per Square Foot

Financing: None

Zoning: I-2, General Industrial District

Utilities: All Available

Topography: Level Site; Sloping Riverbank Frontage

Intended Use: Light Industrial – Speculative Investor

Prior Sale Data: Greater Than 3 Years

Comments: The seller had filed for Chapter 11 Bankruptcy and the sale of this property was approved by the Bankruptcy Court. Previously, it had been sold at auction for $400,000.00 plus a 10% buyer’s premium, but the buyer refused to close and subsequently died. It is currently being offered for lease by Route 40 Realty through LoopNet with asking prices of $6.00 per square foot for the warehouse/industrial space and $12.00 per square foot for the office space.
**COMPARABLE IMPROVED SALE NINE**

<table>
<thead>
<tr>
<th>Hyperlink:</th>
<th>S:\Main\Comp Database\Comps\Commercial Buildings\Comp-1473.doc</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location:</td>
<td>Former Nitro Moose – 101 1st Avenue, Nitro, Kanawha County, West Virginia 25143</td>
</tr>
<tr>
<td>Tax District:</td>
<td>Nitro Corporation</td>
</tr>
<tr>
<td>Map/Parcel:</td>
<td>9/121, 127 &amp; 128</td>
</tr>
<tr>
<td>Sale Date:</td>
<td>2/4/2022</td>
</tr>
<tr>
<td>Recorded:</td>
<td>3119/914</td>
</tr>
<tr>
<td>Grantor:</td>
<td>Moose Title Holding Company R. Douglas Calderwood, AIF</td>
</tr>
<tr>
<td>Grantee:</td>
<td>Vance Realty</td>
</tr>
<tr>
<td>Verified:</td>
<td>CoStar, Courthouse, Prior Appraisal, Assessor &amp; Online Records</td>
</tr>
<tr>
<td>Building Size:</td>
<td>32,200 Square Foot</td>
</tr>
<tr>
<td>Site Size:</td>
<td>5.17 Acres</td>
</tr>
<tr>
<td>Description:</td>
<td>This is a three-story brick structure with steel frame that was constructed circa 1979 and designed specifically for the Moose Lodge. It was designed with commercial kitchen, bar, dance floor and stage, administrative offices, gym and catering facilities. There was onsite parking for approximately 100 vehicles.</td>
</tr>
<tr>
<td>Sale Price:</td>
<td>$594,000.00</td>
</tr>
<tr>
<td>Unit Price:</td>
<td>$18.45 Per Square Foot</td>
</tr>
<tr>
<td>Financing:</td>
<td>Poca Valley Bank Credit Line; $1,708,667.00</td>
</tr>
<tr>
<td>Zoning:</td>
<td>C-1, Heavy Business District</td>
</tr>
<tr>
<td>Utilities:</td>
<td>All Available</td>
</tr>
<tr>
<td>Topography:</td>
<td>Level at Road Frontage; Increasing in Elevation to Rear of Site</td>
</tr>
<tr>
<td>Intended Use:</td>
<td>Climate Control Storage</td>
</tr>
<tr>
<td>Prior Sale Data:</td>
<td>8/31/2020 – DB 3074/PG 867 - $200,000.00 (Foreclosure)</td>
</tr>
<tr>
<td>Comments:</td>
<td>The property has been marketed for sale for since 2018. It was subject to a foreclosure proceeding in August 2020 where it sold for $200,000.00. Most recently, it had been listed on January 22, 2020 through the Kanawha Valley MLS with an original asking price of $1,299,000.00, subsequently reduced to $799,000.00 and was on the market for 425 days.</td>
</tr>
</tbody>
</table>
COMPARABLE IMPROVED SALE TEN

Hyperlink: S:\Main\Comp Database\Comps\Commercial Buildings\Comp-1403.doc

Location: 216 Market Street, Spencer, Roane County, West Virginia

Tax District: Spencer Corporation  Map/Parcel: 4/88

Sale Date: 6/26/2019  Recorded: 600/58

Grantor: First Neighborhood Bank

Grantee: ELM Holdings, LLC (Scott & Dave Freshwater)

Verified: Public Records, Buyer (Scott Freshwater) and Site View

Building Size: 25,900 Square Feet  Site Size: 9,200 Square Feet

Description: This is a 1970 era main bank facility in the downtown area of a small county seat. There is 20,975 SF above grade. The building is masonry and steel frame construction with 3 floors, mezzanine and full basement. It is elevator serviced and was well maintained but no major recent renovations. The bank retained the first floor and basement and the buyer has since leased the upper floors for general office space. It has 4 parking spaces and relies on a surface lot owned by the Town of Spencer.

Sale Price: $250,000.00  Unit Price: $9.65 Per Square Foot

Financing: Conventional – First Neighborhood Bank

Zoning: C-1, Neighborhood Commercial District

Utilities: All Available

Topography: Level

Intended Use: Investment – Seller Retained the Bank Space

Prior Sale Data: Greater Than 3 Years; Merger

Comments: The buyer is also on the First Neighborhood Bank Board but the sale terms were based on the same terms negotiated with a prior interested buyer but never completed.
### Adjustment Table - Building Sales

<table>
<thead>
<tr>
<th>Comparable Sales:</th>
<th>One</th>
<th>Two</th>
<th>Three</th>
<th>Seven</th>
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<tbody>
<tr>
<td><strong>Sale Nos.</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sale Date</strong></td>
<td>Oct-20</td>
<td>Nov-20</td>
<td>Nov-21</td>
<td>Jun-21</td>
</tr>
<tr>
<td><strong>Building Size</strong></td>
<td>60,000</td>
<td>41,600</td>
<td>34,000</td>
<td>46,810</td>
</tr>
<tr>
<td><strong>Site Size - Square Feet</strong></td>
<td>58,724</td>
<td>78,243</td>
<td>41,820</td>
<td>82,765</td>
</tr>
<tr>
<td><strong>Sale Price</strong></td>
<td>$180,000.00</td>
<td>$230,000.00</td>
<td>$206,000.00</td>
<td>$165,000.00</td>
</tr>
<tr>
<td><strong>Unit Price</strong></td>
<td>$3.00</td>
<td>$5.53</td>
<td>$6.06</td>
<td>$3.52</td>
</tr>
<tr>
<td><strong>Lot Coverage Ratio</strong></td>
<td>67.22%</td>
<td>34.98%</td>
<td>53.49%</td>
<td>18.85%</td>
</tr>
</tbody>
</table>

#### ITEMS OF ADJUSTMENT

<table>
<thead>
<tr>
<th>Sale Price / SF ($)</th>
<th>$3.00</th>
<th>$5.53</th>
<th>$6.06</th>
<th>$3.52</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Rights Adjustment</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Adjusted Price</td>
<td>$3.00</td>
<td>$5.53</td>
<td>$6.06</td>
<td>$3.52</td>
</tr>
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<td>0%</td>
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</tr>
<tr>
<td>Adjusted Price</td>
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<td>$5.53</td>
<td>$6.06</td>
<td>$3.52</td>
</tr>
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<td>0%</td>
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</tr>
<tr>
<td>Adjusted Price</td>
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<td>$6.06</td>
<td>$3.52</td>
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<tr>
<td>Adjusted Price</td>
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<td>$5.53</td>
<td>$6.06</td>
<td>$3.52</td>
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<tr>
<td>Market Conditions Adjustment</td>
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</tbody>
</table>

| Adjusted Price | $3.00 | $5.53 | $6.06 | $3.52 |

**Other Adjustments**

<table>
<thead>
<tr>
<th>Location</th>
<th>0%</th>
<th>0%</th>
<th>0%</th>
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</tr>
</thead>
<tbody>
<tr>
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<td></td>
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<tr>
<td>Size</td>
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<td>-5%</td>
<td>-10%</td>
<td>0%</td>
</tr>
<tr>
<td>Age</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Condition/Quality</td>
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<td>0%</td>
<td>-10%</td>
<td>0%</td>
</tr>
<tr>
<td>Site Size/Parking</td>
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<td>-20%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Utilities</td>
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<td>Design</td>
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<td>-25%</td>
<td>0%</td>
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</table>

| Subtotal - Other Adjustments | 0% | -25% | -45% | 0% |

| Adjusted Unit Price | $3.00 | $4.15 | $3.33 | $3.52 |

There are ten comparable sales that are summarized for examples of redevelopment projects of large facilities that will transition to second and third generation uses. Some sales will be used for specific comparison to the subject property but the entire data set is important because it captures the challenges associated with repurposing large buildings. The comparable sale data includes buildings ranging from 22,000 to 80,000 square feet, so it
brackets the size of the subject property. One of the transactions is from 2017 and is a combination of multiple buildings that constituted an educational campus. The unit prices from the comparable sales range from $1.36 to $19.00 per square foot. All but one of the comparable sales results in a unit price of less than $10.00 per square foot. This alludes to the challenges of repurposing an older building that has functional obsolescence and physical depreciation that have to be addressed as part of any redevelopment project.

Comparable Improved Sale One is one of three large facilities in Montgomery and is a good example of a large facility that had evolved into the most recent use and was purchased to be repurposed. This included an old school facility that was probably built in the early 1900’s with additions and a gymnasium that all connected to create a large, unified facility. It was converted to a worship facility in 2007 and the most recent sale represents a transaction for a manufacturing facility. The most recent buyer demolished the three-story building and an auditorium, while keeping the newer two-story office wings attached to the gymnasium. This company had expressed interest in opening an ammunition manufacturing facility in the upper end of the Kanawha Valley for many years this type of property allowed for a lower investment in a facility that suited their needs. The large open gym is the area of primary interest. There is currently a benefit to repurposing existing buildings as construction costs are so high that any usable existing structure could be a more economically feasible option.

Comparable Improved Sale Two was part of the West Virginia University Tech Campus and occupied by the College of Business. It is a multi-story structure with a separate detached security building that were collectively acquired by a private developer to convert the large building to senior housing. The housing project relies on favorable financing from the West Virginia Housing Development Fund, otherwise it would not be an economically feasible project. According to the developer, the building did not have much asbestos and the roof had remaining useful life, but the financing package for the project required that the roof be replaced. The original design included 31 senior housing units, which eventually reduced to 28 and the smaller building was going to be used for market rent housing. The developer believes there is an opportunity to develop market rent apartments due to Mountaineer ChalleNGe Academy and Ranger Scientific. One of the key factors of this property is the attached parking, which the subject property lacks. The developer reports that he analyzed multiple buildings on the West Virginia University Tech Campus and this was the best candidate for conversion due to the attached parking area. That is why the site size required a large adjustment.

Comparable Improved Sale Three is a former GSA Department of Labor Office Building located in Mt. Hope. This is a similar community to
Montgomery as it is in Fayette County and the community has had limited reinvestment during the recent past. Mt. Hope does have better access to US Route 19 and there is more excitement in that area due to the Boy Scout facility and the newly declare National Park. This building includes a three-story office section attached to a one-story office and laboratory section. It was reported to be well maintained, although older, and was sold as surplus property through a GSA Auction site. It appears to have been acquired by a speculative investor as it is currently being marketed for lease.

Comparable Improved Sale Four is a collection of seven buildings that were originally used by the Greenbrier County Board of Education for an elementary school and then sold to New River Community and Technical College. Eventually, it was transacted to local developers that converted a large portion into multi-family residential housing. There is good demand for housing in this area due to the West Virginia School of Osteopathic Medicine. The other buildings were a mixture of office uses. This represents a major redevelopment project of a large facility in a superior location.

Comparable Improved Sale Five is an abandoned elementary school located on the west side of Charleston. This property is in a densely developed residential area with an older facility that had been vandalized leading up to the transaction. The building was acquired by a developer that planned to secure government grants to operate a program for veterans. The building was in disrepair, on a small lot in a densely developed residential area and creates numerous challenges when determining a reasonable reuse.

Comparable Improved Sale Six is a mixed use facility located in downtown Huntington. This property was used as a YMCA until 2008 when that use was eventually abandoned due to the poor condition. It included a pool and two large gymnasiums. At that time, it was acquired by a local pharmacist that planned to rehabilitate the structure for a pharmacy school but that project was poorly capitalized. That included modest renovations to limited portions of the building but it included two stories of offices, an old pool and two large gymnasiums that had no immediate reuse plan. It was a massive facility and only a portion was targeted for redevelopment. The building was eventually abandoned in 2013, remaining vacant for several years and was subject to vandalism and long-term physical deterioration. Eventually, the lender identified a buyer after many years of marketing the property and the buyer used private funds to create a drug rehabilitation business that relies on federal funding. The buyer had to make major renovations to basic mechanical systems, paving the parking lot and replacing large sections of the roof.

Comparable Improved Sale Seven is an elementary school located in downtown Parkersburg. This is a large facility that was built in the early 1900’s and had many of the same physical
challenges associated with the subject property. It is on a reasonable size site with good on-site parking and along a commercial corridor that would allow for some commercial redevelopment options. The zoning is a challenge but this location in an urban area and superior market location would justify a residential redevelopment project. It was sold at public auction and reported to have multiple bidders at the sale. This is a superior location and a better opportunity to redevelop the property for a private residential development project that would be compatible with the environment.

Comparable Improved Sale Eight is a large industrial warehousing facility located in Wheeling. It was included due to the building age, large size and building condition. This property was sold after the owner filed bankruptcy and at public auction. The buyer appears to a speculative purchaser that plans to subdivide the building and lease out segments of it. The building did require a roof immediately after the transaction so that is a significant investment that was made by the buyer.

Comparable Improved Sale Nine is a former Moose Lodge facility located in Nitro. Nitro is a superior location between Charleston and Huntington where there are a wide range of commercial and light industrial businesses that interact with the general region. This is a multi-level facility designed for a specific use but the membership was gradually declining to the point that the facility could not be sustained. It is a basic shell structure with three floors designed for entertaining spaces and administrative offices but the buyer planned to gut the entire building and convert it to a climate controlled storage facility. The buyer already operates similar facilities in Winfield and Hurricane. This is a better quality building in a superior location targeted for a specific privately funded redevelopment project.

Comparable Improved Sale Ten is a general office building located in downtown Spencer. This building sale is selected due to the location in a densely developed older community. It is a county seat but it does not have four lane access and has similar challenges associated with lack of growth and isolation from major corridors or business centers. The buyers are local investors that were willing to invest in the building with hopes of identifying tenants and creating a positive investment. The seller also agreed to retain use of part of the building, which probably contributed to the willingness for an investor to acquire the property. This is a better quality building, in usable condition and a rare example of local investors that are willing to take on a large facility as an investment. According to the buyers, they were successful at identifying tenants and leasing up large portions of the building after the sale.

From the ten comparable sales, four have been specifically analyzed for comparison to the subject property. They include Comparable Sales One, Two, Three and Seven that have unadjusted unit prices between $3.00
and $6.06 per square foot. Comparable Improved Sales One and Seven require minimal adjustment, while Comparable Improved Sales Two and Three require more significant adjustments due to the overall design, parking, size and condition. The design adjustment for Comparable Improved Sale Three accounts for the fact that it has a large footprint and limited multi level section. This provides a better possibility for the building to be occupied by a modern business. The adjusted unit price range is between $3.00 and $4.15 per square foot with more support in the lower half of the range. The unit value conclusion will be below the average adjusted unit price. A conclusion of $3.25 per square foot will be adopted. Based on a gross area of 51,970 square feet, the value conclusion is rounded to $170,000.00.

Correlation and Final Opinion of Value

The appraisal only included the Sales Comparison Approach for Improvements because that is the methodology that would be used by market participants that are seeking similar style properties for redevelopment projects. There could be an argument that the building could be demolished so that the land could be redeveloped, but with the cost of asbestos abatement, the demolition expense associated with the building and the relatively minimal amount of land, with no recently developed commercial projects in this area, this is not viewed as a viable redevelopment plan. It is the appraiser’s opinion that a more reasonable solution is that a portion of the building is demolished so that parking can be created and puts the residual building in a size range that is more compatible for a redevelopment project.

The comparable sale data includes a wide range of building styles with only a few selected for adjustment. The purpose of including this large volume of data is to illustrate the types of projects that have been proposed for similar properties and the challenges associated with implementing those projects. There is a strong expectation that any significant redevelopment project of this property, in this location, will require the involvement of an entity that is non-profit and has access to Federal grant funding to help support that investment. It is not likely that a privately funded investment project could generate sufficient returns to attract an investor. That is why the unit value conclusion appears to be so nominal considering the size and stature of the building.

Based on the information in this appraisal, it is the appraiser’s opinion that the current market value of the fee simple estate of the subject property, as of the effective date of the appraisal of January 28, 2022, was:

One Hundred Seventy Thousand Dollars
($170,000.00)
Exposure Time

The reasonable exposure time is an opinion of the length of time the property would have been exposed to the market, prior to the effective date of the appraisal, to achieve a sale at the concluded market value and as of the effective date of the report.

The only source of information regarding an estimated marketing time is the Kanawha Valley Multiple Listing Service. The problems with using this source of data is that it only tracks a handful of sales each year and does not account for properties that have been listed with several brokers. The following data was derived from the past several years regarding commercial property sales.

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<th>Year</th>
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<tr>
<td>2013</td>
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<td>2014</td>
<td>41</td>
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<tr>
<td>2015</td>
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<td>$267,490.00</td>
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<tr>
<td>2016</td>
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<td>156</td>
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<tr>
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<td>2018</td>
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<td>$184,841.00</td>
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</tr>
<tr>
<td>2019</td>
<td>53</td>
<td>$337,983.00</td>
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</tr>
<tr>
<td>2020</td>
<td>70</td>
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<tr>
<td>2021</td>
<td>96</td>
<td>$222,336.00</td>
<td>167</td>
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</tbody>
</table>

It is obvious that there is not enough information from that source to derive an accurate marketing time. Most of commercial real estate brokers in the market area do not participate with the local MLS. There are also many sales that are conducted through private transactions and do not involve brokers.

The appraiser is involved in the brokerage business and discusses real estate trends on a daily basis with other real estate brokers and appraisers in the area. The exposure and marketing time estimate is a judgment based on the appraiser’s knowledge of the area, rather than from data that tracks this type of information. The market value opinion is based on exposure time between 6 and 12 months. This is based on the property being priced appropriately and marketed through a real estate broker.

One of the purposes of this appraisal is to assist ZMM Architects & Engineers, as well as BridgeValley Community & Technical College in developing a Master Plan for this property. There is no doubt that part of that plan is the possibility of liquidating the ownership of this property. While the property is not currently marketed for sale, it is possible that it will be made available for sale in the foreseeable future. If there is no near-term need for the building, this would eliminate a building that consumes precious resources simply to preserve an asset that has minimal value.
CURRICULUM VITAE

Education

 BS Degree in Finance - Virginia Polytechnic Institute and State University (1995)
 MBA – Marshall University (1999)

Professional Memberships

 Member - Local, State, and National Board of Realtors (1995 – Present)
 CCIM - Certified Commercial Investment Member (REALTORS) (1999 – Present)
 SIOR - Member, Society of Industrial and Office REALTORS (2006 – Present)
 MAI – Member, Appraisal Institute (2012 - Present)

Teaching Experience

 Adjunct Faculty Member – The College of West Virginia (2000-2001)

Licenses and Certifications

 West Virginia #WV0015391 - Real Estate Associate Broker License (1995 – Present)
 Virginia #0225037927 - Real Estate Sales License (2015 - Present)
 West Virginia #CG255 - State Certified General Real Estate Appraiser (1996 – Present)
 Virginia #4001017254 - Certified General Real Estate Appraiser (2015 – Present)

Real Estate and Appraisal Courses

 Major Courses Completed: Advanced Income Capitalization, Basic Income
 Capitalization, Appraisal Principles, Appraisal Procedures, Standards of Professional
 Practice, Parts A and B – Appraisal Institute; Decision Analysis for Commercial Real
 Estate–CIREI; Advanced Techniques in Leasing and Marketing–CIREI; 2020-2021
 National USPAP Update Course (4/2/2020); Uniform Appraisal Standards for Federal
 Land Acquisitions: Practical Applications Course (4/1-2/2019)

Previous Clients

 American Electric Power JPMorgan Chase Bank, NA WesBanco
 City National Bank National Park Service Summit Bank
 Huntington National Bank United Bank CAMC
 Other Banks, Attorneys, Companies, and Individuals

Testimony

 Qualified as an expert witness: Putnam, Lincoln, Upshur & Kanawha Circuit Courts; Kanawha
 and Raleigh County Family Law Courts; Federal Bankruptcy and Federal District Courts,
 Southern District, West Virginia

Volunteer/Community Service

 Board Member - Central West Virginia Regional Airport Authority (2012 – Present)
 Board Member – West Virginia Chapter, Appraisal Institute (2017 – 2019)
 Chairman – Kanawha Valley Regional Transportation Authority (2009 – Present)
 Member & Past President - Rotary Club of Charleston (2008 - 2009)
 Past Member - Salvation Army Advisory Board (2003 – 2005)
 Vestry Member and Treasurer - St. Matthews Church, Charleston, West Virginia (2004 – 2006)
State of West Virginia
WV Real Estate Appraiser Licensing & Certification Board
This is to certify that

Certified General  CG255
Expiration: 9/30/2022
Todd Goldman
1014 Bridge Road
CHARLESTON, WV 25314

has met the requirements of the law, and is authorized to appraise real estate and real property in the State of West Virginia.

[Signature]
Executive Director
Workforce Appraisal
APPRAISAL OF
MONTGOMERY CAMPUS
WORKFORCE/MAINTENANCE BUILDING
800 1ST AVENUE, MONTGOMERY,
KANAWHA COUNTY, WEST VIRGINIA 25136

Prepared For:

BRIDGE VALLEY COMMUNITY & TECHNICAL COLLEGE
c/o Adam Krason, AIA, NCARB, LEED-AP, Principal
ZMM Architects & Engineers

Prepared By:

Todd Goldman, Vice President
GOLDMAN ASSOCIATES, INC.
1014 Bridge Road
Charleston, West Virginia 25314
(304) 343-5695

www.goldmanassociates.org
February 23, 2022

BridgeValley Community & Technical College
c/o Adam R. Krason, AIA, NCARB, LEED-AP, Principal
ZMM Architects & Engineers
222 Lee Street West
Charleston, WV 25302

Re: BridgeValley Community & Technical College
    Montgomery Campus – Workforce/Maintenance Building
    800 1st Avenue, Montgomery,
    Kanawha County, West Virginia 25136

Dear Mr. Krason:

At your request and on behalf of our common client, BridgeValley Community & Technical College, I have observed the above-referenced property for the purpose of completing an appraisal and providing an opinion of the current market value. The subject property is the Workforce/Maintenance Building located at 800 1st Avenue, Montgomery, Kanawha County, West Virginia 25136. It is owned by BridgeValley Community & Technical College and located in the Montgomery Corporation Tax District on Map 1 as Parcels 151, 152, 153, 154, 155, 156, 157, 158, 159, 160 and 160.1. The building is a 2-story shop/storage warehouse consisting of 15,400 square feet and situated on a 34,300 square foot site. The purpose of this appraisal is to provide an opinion of the current market value of the fee simple estate of the subject property. The intended use is to assist representatives of BridgeValley Community & Technical College, as well as ZMM Architects & Engineers with long range planning regarding the ownership of this asset.

The date of the site observation and the effective date of the appraisal was January 28, 2022.

Market value is defined within the body of this report. The report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice.
It is my opinion that the current market value of the fee simple estate of the subject property, as of the effective date of the appraisal of January 28, 2022, was:

**Three Hundred Fifty Thousand Dollars**

($350,000.00)

Attached to this letter of transmittal is a narrative appraisal report, which includes information on the property and its surroundings, limiting conditions and certifications, qualifications, and other pertinent data.

This letter must remain attached to the report, which contains 96 pages plus related exhibits, in order for the value opinions set forth to be considered valid.

Sincerely,

**GOLDMAN ASSOCIATES, INC.**

Todd Goldman, Vice President
WV State Certification #CG255

TC:csm:jlg
Attachments
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This appraisal report and the certification are made expressly subject to the following assumptions and limiting conditions and any special limiting conditions contained in the report which are incorporated by reference.

The legal description furnished is assumed to be correct. I assume no responsibility for matters legal in character nor do I render my opinion as to the title, which is assumed to be good. All existing liens and encumbrances, if any, have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.

The user of this report may wish to have legal, engineering, or physical component inspections made by qualified experts in those fields to determine the suitability of the property for the proposed or present use. The appraiser has not conducted these types of inspections.

The sketch in this report is included to assist the reader in visualizing the property. I have made no survey of the property and assume no responsibility in connection with such matters. If a survey has not been provided or obtained, it may not be possible to identify encroachments, right-of-ways or rights reserved by other property owners that impact the value of the property. A current survey should be obtained.

I believe to be reliable the information which was furnished by others, but assume no responsibility for its accuracy.

Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may it be used for any purpose by any but the applicant without the previous written consent of the appraiser or the applicant and then only with proper qualifications.

I am not required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless arrangements have been previously made therefore.

The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

The land, and particularly the soil, of the area under appraisement appears firm and solid. Subsidence in the area is unknown or uncommon, but this appraiser does not warrant against this condition or occurrence.

Subsurface rights (minerals and oil) were not considered in making this appraisal.

The appraiser observed the buildings involved in this appraisal report, and damage, if any, by termites, dry rot, wet rot, or other manifestations, was reported as a matter of information by your appraiser, and I do not guarantee the amount or degree of damage, if any.

All furnishings and equipment, except those specifically indicated and typically considered as a part of real estate, have been disregarded by this appraiser. Only the real estate has been considered.

The comparable sales data relied upon in this appraisal is believed to be from reliable sources. However, it was not possible to inspect the comparable sales completely,
and it was necessary to rely on information furnished by others as to said data. Therefore, the value conclusions are subject to the correctness and verification of said data.

I am not qualified to make an analysis of environmental conditions relating to the property other than referring the reader to common sources of environmental concerns found in properties of similar age and construction type. An Environmental Audit is an important part of analyzing the suitability of real property and should be conducted by a properly licensed professional.

I am not qualified to opine on compliance with specific federal guidelines regarding access required by the Americans With Disabilities Act of 1990 (ADA). This type of analysis must be conducted by an architect or engineer and may be an important part of evaluating the suitability of the improved property under existing or proposed uses.

I have observed, as far as possible, the land and the improvements thereon. However, it was not possible to personally observe conditions beneath the soil or hidden structural components within the improvements. Therefore, no representations are made herein as to these matters and, unless specifically considered in the report, the value opinion is subject to any such conditions that could cause a loss in value. Condition of heating, cooling, ventilating, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is consequently connected) shall be disseminated to the public through advertising media, news media, sales media or any other public means of communication without the prior written consent and approval of the undersigned.

Appraiser’s Certification – Effective USPAP Date January 1, 2020

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

- My analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

- My analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

- I have made a personal inspection of the property that is the subject of this report on January 28, 2022, which serves as the effective date of the appraisal.

- No one provided significant real property appraisal assistance to the person signing this certification.

- As of the date of this report, Todd Goldman has completed the continuing education program of the Appraisal Institute.

- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three year period immediately preceding the agreement to perform this assignment.

Respectfully submitted,

Todd Goldman
WV State Certification #CG255
Expiration 9/30/2022
SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Location: Workforce/Maintenance Building – 800 1st Avenue, Montgomery, Kanawha County, West Virginia 25136

Tax District: Montgomery Corporation

Map/Parcel: 1/151, 152, 153, 154, 155, 156, 157, 158, 159, 160 & 160.1

Client: BridgeValley Community & Technical College
c/o Adam Krason, AIA, NCARB, LEED-AP, Principal
ZMM Architects & Engineers

Owner: BridgeValley Community & Technical College

Purpose of Appraisal: Provide an Opinion of the Current Market Value

Scope of Work: Sales Comparison Approach – Improvements
Income Approach

Rights Appraised: Fee Simple Estate

Type of Improvements: Two-Story Shop/Storage Warehouse

Building Size: 15,400 Square Feet (Approximately 2,200 SF Office)

Land Area: 34,300 Square Feet

Zoning: General Purpose

Highest and Best Use: Housing Redevelopment (Most likely by Non-Profit)

Current Year Taxes: 2021 – Tax Exempt

Effective Date: January 28, 2022

Report Date: February 23, 2022

Market Value Opinion: $350,000.00
Subject Property

The subject property is the Workforce/Maintenance Building, a two-story structure consisting of 15,400 square feet and situated on a 34,300 square foot site. The site and improvements will be described in their respective sections of the appraisal and photographs are located throughout the report for the reader’s review.

North View Along 1st Avenue

Purpose and Intended Use of Appraisal

The purpose of this appraisal is to provide an opinion of the current market value of the fee simple estate of the subject property. The intended use of the appraisal is to assist ZMM Architects & Engineers and their client, BridgeValley Community & Technical College with business decisions regarding the value and ownership of this asset. The opinions in this appraisal will be used to assist the BridgeValley Board of Governors in determining a value of the property so that it can either be put back to a productive use or sold to a third party.

The information and opinions contained in this appraisal set forth the appraiser’s best judgment in light of the information available at the time of the
preparation of this report. Any use of this appraisal by any other person or entity, or any reliance or decisions based upon this appraisal are the sole responsibility and at the sole risk of the third party. The appraiser accepts no responsibility for damages suffered by any third party as a result of a reliance on, decisions made, or actions taken based on this report. The appraiser reserves the right to modify this appraisal report in the event that newly discovered information should become available.

Hypothetical Conditions/Extraordinary Assumptions

In virtually every appraisal assignment, an appraiser is asked to value properties without perfect information. To have perfect information would mean that the appraiser knows every legal, physical and economic characteristic of the property pertaining to boundaries, legal descriptions, surveys, soil conditions, environmental conditions, etc.

The Uniform Standards of Professional Appraisal Practice provides for the appraiser to make certain extraordinary assumptions or assume hypothetical conditions as identified in Standard Rules 1-2(f) and (g). The definitions for extraordinary assumptions and hypothetical conditions, based on the Uniform Standards of Professional Appraisal Practice, 2020-2022 Edition, are shown as follows:

Extraordinary Assumption – An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.

Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis.

Hypothetical Condition – A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

A prime example of a typical hypothetical condition is conducting an appraisal on a building that has not yet been built. Typically, the effective date of the appraisal will be the date that the site was observed and the improvements are appraised based on the information as of that date and
assuming that they existed. An example of an extraordinary assumption is that a site is served with adequate infrastructure to develop a certain use when that data cannot be confirmed until an engineer conducts an analysis to determine the capacity required to support that type of development. Frequently, an appraiser is called into an assignment long before engineering and feasibility studies are completed, so the appraiser is working without perfect information.

There were no hypothetical conditions or extraordinary assumptions used in the development of this appraisal.

Report Type

This is an Appraisal Report intended to be in compliance with the Uniform Standards of Professional Appraisal Practice, as amended January 1, 2020. The report will summarize the property characteristics and analysis. The appraiser frequently appraises similar properties in the market area and is competent to appraise this type of property.

Definition of Market Value

The definition of market value is defined by the Office of the Comptroller of the Currency under 12CFR, Part 34, Subpart C-Appraisals, 34.42 Definitions [f] as follows:

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;

2. both parties are well informed or well advised, and acting in what they consider their best interests;

3. a reasonable time is allowed for exposure in the open market;

4. payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto;

5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."
Scope of Work/Extent of Data Collection

The scope of the assignment is to formulate the appraiser’s opinion of the current market value of the fee simple estate of the subject property. The property was observed on January 28, 2022. The appraiser has attempted to use all three approaches to value to determine a value opinion. These approaches include the Sales Comparison, Cost and Income Approaches.

The Novel Coronavirus (COVID-19) was classified as a worldwide pandemic on March 11, 2020 and immediately created substantial uncertainty in the worldwide financial markets. There were portions of the international, national and local economies that were shut down temporarily. Due to the potential for massive economic duress, the United States government, through the Federal Reserve and legislative action, contributed massive stimulus to the United States economy and directly to businesses and individuals, which was intended to bolster the economy with personal consumption and infrastructure expansion projects. This allowed for infrastructure projects and substantial investment with money flowing through private sector businesses and directly to individuals. It has generally enhanced the real estate economy in West Virginia, although some sectors have performed better than others and the influence will continue to be monitored. There will certainly be sectors that do not recover to pre-pandemic levels but, as a whole, the influence on the real estate markets can be measured through recent market activity. The appraiser will continue to apply the most relevant data with an awareness that there may continue to be major changes in how various segments of the market behave.

The scope of work for this assignment was determined by the appraiser based on the intended use and intended users of the appraisal report. It is also based on the type of asset that is being appraised and the type of analysis that would be conducted by other real estate appraisers when valuing this type of property in this market area. The property is a two-story maintenance facility that is primarily comprised of open space designed for equipment storage and a limited amount of office space. It was reportedly built in 1978 and is currently occupied by BridgeValley Maintenance Staff for offices, equipment and part storage, as well as several programs that are operated by BridgeValley. Since the building has existed more than half of its original economic life, the Cost Approach is not applicable. Similar facilities tend to be owner occupied in this market area, but the size and design is also conducive to tenant occupied facilities. There are examples of leased facilities in central West Virginia and that will serve as a basis for developing the Income Approach. The Sales Comparison Approach for Improvements will be assigned more weight and is a more applicable valuation method, but the Income
Approach will serve as a test of reasonableness.

Information in this appraisal has come from a variety of sources. The appraiser was first contacted and engaged for this assignment by Adam Krason, Principal of ZMM Architects & Engineers. Mr. Krason provided a limited scope of work and defined the purpose of the appraisal assignment. The client for this work is BridgeValley Community & Technical College, but the work is being tied to a Master Planning Project conducted by ZMM Architects & Engineers. Mr. Krason put the appraiser in contact with Jason Stark of BridgeValley. Mr. Stark provided contact information for George Bossie, a facilities manager that oversees these properties. Mr. Bossie arranged for George Hypes to escort the appraiser through the properties. Some floor plans and older feasibility studies were provided, but most of the property specific information used in the development of the appraisal was created by the appraiser. This included a walk-through with Mr. Hypes, at which time access was available throughout mechanical rooms, offices, classrooms and storage areas. Mr. Hypes has been employed at this facility for approximately 10 years and is in the building on a regular basis to oversee its general condition. Other factual information regarding this property was obtained from public records in the Kanawha County Clerk’s and Assessor’s Offices and zoning was confirmed with the City of Montgomery. Montgomery is split between Fayette and Kanawha Counties. While the subject property is in Kanawha County, there is vital information from Fayette County because they are so closely related in this location.

Market information used in the analysis was derived from conversations with real estate professionals, reviewing documents recorded at the local Courthouse and information derived from a sale database maintained by the appraiser. Sale transactions are typically the easiest to identify because they are memorialized with Deeds recorded in the local Courthouse. The Deeds indicate the basic sale terms, including grantor, grantee, sale date, property description and sale price. These are further researched with parties to the transaction, when possible. Ultimately, a set of data is selected and summarized to be included in the appraisal for contrast and comparison to the subject property.

**Effective Date of Appraisal**

The date of the observation and the effective date of the appraisal was January 28, 2022.
Rights Appraised

The rights appraised were the fee simple interest, subject to any easements, right-of-ways or leases discovered in a thorough title examination or survey. Surveys of the subject property are not available, but there were no visual indications of adverse easements of right-of-ways identified during the site observation. There are expected to be typical utility easements around the perimeter of the site along with dedicated utility connections that service the site. Those do not interfere with the value or use of the property.

Environmental Conditions

The assumption is made that there are no adverse environmental conditions affecting the property caused by the previous ownership of the property that may adversely impact the value. It is always prudent to obtain An All Appropriate Inquiry (Environmental Audit) to make a final determination of any environmental conditions.

Some specific areas of concern are summarized as follows:

Storage Tanks: There are no indications of storage tanks located on the property.

Collection Sites: There is no debris or storage materials around the site other than items that are regularly used.

Drums/Containers/ Pesticides: The maintenance staff maintains numerous items to maintain equipment and conduct services throughout the campus. These are generally consumer quantities of items and assumed to be properly maintained.

Asbestos: An asbestos study has not been completed, but there is a probability of asbestos in the building. Likely sources include pipe insulation, floor tiles and floor mastics.

Miscellaneous: The age of the building with a simple design and minimal finished areas are indications that there should not be any significant environmental concerns.

No environmental reports were submitted for the appraiser’s review, so the existence of environmental concerns is unknown. If any adverse environmental conditions are discovered within the property, this could affect the indicated value.
Legal Description

The subject property was conveyed from the West Virginia University Board of Governors, on behalf of West Virginia University to BridgeValley Community & Technical College Board of Governors, on behalf of BridgeValley Community & Technical College on September 13, 2018. The transfer document is recorded in the Kanawha County Clerk’s Office in Deed Book 3012 at Page 697 and there was no stated consideration since this is a conveyance between tax-exempt entities that are governed by the West Virginia Higher Education Policy Commission. Several properties were conveyed through this Deed and the subject property is referenced in the attached Exhibit A as Tracts 9, 10, 11, 12, 13, 14, 15, 16 and 17. A copy of the Deed, which includes the legal description, is located on the following pages:
THIS DEED, made this 15th day of September, 2018, by and between the WEST VIRGINIA UNIVERSITY BOARD OF GOVERNORS, ON BEHALF OF WEST VIRGINIA UNIVERSITY, an agency and higher education institution of the State of West Virginia, party of the first part (hereinafter “Grantor”), and the BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE BOARD OF GOVERNORS, ON BEHALF OF BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE, an agency and higher education institution of the State of West Virginia, party of the second part (hereinafter “Grantee”).

WHEREAS, Grantor owns property located along First Avenue and Second Avenue in the City of Montgomery in Kanawha County, West Virginia, formerly used as part of the West Virginia University Institute of Technology Montgomery Campus, commonly known as the Engineering Classroom Building, the Engineering Laboratory Building and the Lanham Maintenance Facility (“WVU Tech Buildings”); and

WHEREAS, Grantee has a campus in Montgomery, West Virginia, located adjacent to the WVU Tech Buildings and, for a period of years, has benefited from the use of portions of the WVU Tech Buildings; and

WHEREAS, Grantor intends to transfer the WVU Tech Buildings to the Grantee for its future use and benefit.

WITNESSETH:

That for and in consideration of the sum of Ten Dollars ($10.00), cash in hand paid, and other good and valuable consideration hereinafter set forth, the receipt and sufficiency of all of which are hereby acknowledged, the said Grantor does hereby GRANT and CONVEY, with covenants of SPECIAL WARRANTY, unto the said Grantee all those certain lots or parcels of land, together with the improvements thereon and the appurtenances thereunto belonging, situate in Montgomery Corporation District, Kanawha County, West Virginia, identified on Tax Map 1, as Parcels 93, 94, 95, 96, 97, 139, 140, 141, 145, 146, 147, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, and 160.1, and being more particularly described in Exhibit A, attached hereto.
All of the parcels listed above are part of the same property conveyed by the Higher Education Policy Commission to the West Virginia University Board of Governors, on behalf of West Virginia University, by deed dated April 25, 2003, of record in the Office of the Clerk of the County Commission of Kanawha County, West Virginia in Deed Book 2604, at page 445.

Grantor also hereby REMISES, RELEASES and QUITCLAIMS all of its rights, title and interest in and to any abandoned streets or alleys located in Block No. 5 and Block No. 6 that are included within Tax Map Parcel 93.

This conveyance is also specifically made subject to any and all terms, conditions, provisions, restrictions, exceptions, limitations, covenants, rights, powers, duties, rights-of-way, easements, licenses, severances, uses, estates, servitudes, and limitations as made and imposed upon the subject real estate by the Grantor, its predecessors in title, any duly-authorized governmental agency or authority, or any other instrument, plat or survey of record in the Office of the Clerk of the County Commission of Kanawha County pertaining to or effecting said real estate.

Per the provisions of the West Virginia Underground Storage Tank Act, W.Va. Code §22-17-19, the Grantor hereby discloses that the subject property contains an underground storage tank.

DECLARATION OF CONSIDERATION OR VALUE

In compliance with Article 22, Chapter 11 of the Code of West Virginia, the undersigned hereby declares that this is a conveyance from an instrumentality of the State of West Virginia and is therefore exempt from the payment of the excise tax on the privilege of transferring real property.

[Signature page follows]
WITNESS the following signature and seal:

WEST VIRGINIA UNIVERSITY BOARD OF
GOVERNORS, ON BEHALF OF WEST
VIRGINIA UNIVERSITY

[Signature]

James Robert Alsop
Vice President for Strategic Initiatives

STATE OF WEST VIRGINIA,
COUNTY OF MONONGALIA, to-
it:

The foregoing instrument was acknowledged before me this 18th day of September, 2018, by James Robert Alsop, the duly authorized Vice President for Strategic Initiatives of West Virginia University, for and on behalf of the West Virginia Board of Governors, on behalf of West Virginia University, an agency and higher education institution of the State of West Virginia, by authority duly given.

[Signature]

Notary Public

My commission expires: March 17, 2018

This instrument was prepared by:
Scott E. Barsette
Attorney at Law
Bowles Rice LLP
P. O. Box 1386
Charleston, WV 25325-1386

Approved as to form prior to acknowledgment thereof
the 18th day of Sept., 2018

[Signature]

Patrick Morrisey, Attorney General

[Signature]
RESOLUTION

Ordered: That pursuant to Chapter 1, Article 5, Section 3, Code of West Virginia, 1931, as amended, the West Virginia Board of Public Works does hereby approve the sale and/or transfer of a certain lot or parcel of real estate, more specifically described in a deed, by and between the West Virginia University Board of Governors, on behalf of West Virginia University and the BridgeValley Community and Technical College Board of Governors, on behalf of BridgeValley Community and Technical College in the amount of ten dollars ($10.00).

* * * * * * * *

State of West Virginia,
Office of the Secretary of State,
Charleston

I, Mac Warner, Secretary of State and Ex-Officio Secretary of the West Virginia Board of Public Works, do hereby certify that the foregoing is a true and correct copy of an Order made and entered by a majority vote of said Board of Public Works in open session on the 6th day of April, 2017.

Given under my hand this sixth day of April, Two Thousand Seventeen.

Mac Warner
Secretary of State and
Ex officio Secretary of The
West Virginia Board of
Public Works
EXHIBIT A
PROPERTY DESCRIPTION

TRACT ONE
TAX MAP PARCEL 94
LOT 7, BLOCK 5

Beginning on Second Avenue on the line between Lots Nos. 6 and 7 in Block No. 5 and running East with the said Second Avenue 40 feet to the line of Lot No. 8 in said block; thence at right angles and in a Southerly [sic] direction with the line of said Lot No. 8, 94 feet to an alley; thence at right angles and with line of said alley Westward 40 feet to the line of Lot No. 6; thence at right angles and with line of Lot No. 6, 94 feet to the place of beginning, and being all of Lot No. 7 in Block No. 5 as laid down on a map of the said Town of Montgomery (formerly called Coal Valley) as prepared by the late I. J. Settle and of record in the office of the Clerk of the County Court of Kanawha County, West Virginia, and being the same property conveyed as was to the West Virginia Board of Education by Albert Nunley, Inc. by deed dated February 26, 1964, of record in Deed Book 1406, page 13.

TRACT TWO
TAX MAP PARCEL 95
LOT 6, BLOCK 5

Beginning on Second Avenue on the line between Lots 5 and 6 in Block No. 5 and running with said Avenue east 40 feet to the line of Lot No. 7 in said block; thence at right angles and with the line of said Lot No. 7 southwardly 94 feet to the alley; thence at right angles, and with the line of said alley westwardly [sic] 40 feet to the line of said Lot No. 5; thence at right angles and with the line of said Lot No. 5 northwardly 94 feet to the point of beginning. It being all of Lot No. 6 in Block No. 5 as laid down on a map of the said Town of Montgomery, then called Coal Valley, as prepared by the late I. J. Settle. Being the same property conveyed to the West Virginia Board of Education by Thomas A. Jacobs and Sally A. Jacobs, his wife, by deed dated April 21, 1964, of record in Deed Book 1410, page 9.

TRACT THREE
TAX MAP PARCEL 96
LOT 5, BLOCK 5

All that certain lot of land, together with all the appurtenances thereunto belonging, or in any wise appertaining, on the south side
of the C & O Railway Company right of way, fronting 40 feet on Second Avenue and extending back between perpendicular parallel lines 94 feet to an alley, being all of Lot No. 5 in Block 5, being shown and designated on that certain map by I. J. Settle of the City of Montgomery, and the additions thereto which said map and its additions are of record in the Office of the County Court Clerk's Office of Kanawha County, West Virginia, and being the same property was conveyed to the West Virginia Board of Education by Helen M. Vickers by deed dated April 27, 1964, of record in Deed Book 1410, page 91.

TRACT FOUR
TAX MAP PARCEL 97
P/O LOT 3 & ALL OF LOT 4, BLOCK 5

That certain lot, together with all the appurtenances thereunto belonging or in any wise appertaining, situate on the southeast corner of the intersection of Second Avenue and Jackson Street, fronting 51.19 feet on Second Avenue and extending back between converging straight lines to a width of 45.82 feet on an alley, being part Lot 3 and all of Lot 4 in Block 5.

The parcel being as shown on the I. J. Settle Map of the City of Montgomery, and additions thereto, which said map and its additions are of record in the Office of the Clerk of the County Court of Kanawha County, West Virginia.

Being identified as PARCEL NO. 1 conveyed to West Virginia Board of Education by William L. Montgomery, by deed dated June 20, 1964, of record in Deed Book 1421, page 485.

TRACT FIVE
TAX MAP PARCEL 139
P/O LOT 13 & ALL OF LOT 14, BLOCK 5

That certain lot, together with all the appurtenances thereunto belonging or in anywise appertaining, situate northeast corner intersection First Avenue and Jackson Street, fronting on said First Avenue 40 feet, extending back along said Jackson Street at a width of 45.24 feet on an alley, being part Lot 13 and all Lot 14 in Block 5.

Map references herein are to the I. J. Settle map of the City of Montgomery, and additions thereto, which said map and its additions are on record in the office of the Clerk of the County
Court of Kanawha County, to which said maps reference is here had and the same made part hereof for purpose of description.

Being the same property conveyed to West Virginia Board of Education, by Alice M. Carson, by deed dated June 1, 1964, of record in Deed Book 1413, page 301.

TRACT SIX
TAX MAP PARCEL 140
LOT 15, BLOCK 5

All that certain place, parcel or lot of real estate, situate lying and being in the town of Montgomery, Cabin Creek District, Kanawha County, West Virginia, known and designated as lot No. 15, in Block No. 5, as shown on the official map of said city and of record in the Office of the County Clerk of Kanawha County, West Virginia, reference to which is here made and said lot being more particularly described as follows, that is to say:

BEGINNING on First Avenue at the corner of Lot No. 16; thence running West 40 feet to the corner of Lot No. 14; thence at right angles with line of said lot 14 North 94 feet to an alley; thence East 40 feet with said alley to the corner of Lot No. 16; thence South 94 feet with the line of Lot No. 16 to the place of beginning, being the same property conveyed to West Virginia Board of Education, by T. G. McClellan and Madeline McClellan, his wife, by deed dated December 19, 1963, of record in Deed Book 1401, page 421.

TRACT SEVEN
TAX MAP PARCEL 141
LOTS 16 & 17, BLOCK 5

LOT 16 - That certain lot, together with all the appurtenances thereunto belonging or in anywise appertaining, fronting 40 feet on First Avenue, between Jefferson and Jackson Streets, and extending back between perpendicular parallel lines 94' feet to an alley, being all of Lot 16 in Block 5.

LOT 17 - That certain lot, together with all the appurtenances thereunto belonging or in anywise appertaining, fronting 40 feet on First Avenue, between Jefferson and Jackson Streets, and extending back between perpendicular parallel lines 94 feet to an alley, being all of Lot 17 in Block 5.

Both parcels being as shown on the I. J. Settle Map of the City of Montgomery, and additions thereto, which said map and its
additions are of record in the Office of the Clerk of the County
Court of Kanawha County, West Virginia.

Being identified as PARCEL NO. II and PARCEL NO. III
conveyed to West Virginia Board of Education, by William L.
Montgomery, by deed dated June 20, 1964, of record in Deed
Book 1421, page 485.

TRACT EIGHT
TAX MAP PARCEL 93

LOT 8, BLOCK 5

Beginning at a point on the Southern side of Second Avenue 120
feet west of the intersection of Jefferson Street and Second
Avenue; thence, in a general Southerly direction along the divide
line between Lots 7 and 8, in Block 5, a distance of 94 feet to an
alley; thence, at right angles and in a general Easterly direction
along said alley, a distance of 40 feet to a point; thence at right
angles and in a general Northerly direction at the divide line
between Lots 8 and 9, in Block 5, a distance of 94 feet to a point
on the Southern edge of Second Avenue; thence, at right angles
and in a general Westerly direction along Second Avenue a
distance of 40 feet to the point of beginning, and being all of Lot 8,
in Block 5, as shown on the I. J. Settle Map of the City of
Montgomery, Fayette and Kanawha Counties, West Virginia, and
as shown on a “Platt of Land for Proposed Shop Building for New
River State College, Montgomery, West Virginia”, and being the
same property conveyed to the West Virginia Board of Control, by
E. P. Champe and Bertha Hoodlett Champe, his wife, by deed
dated January 4, 1941, of record in Deed Book 561, page 421.

LOTS 9 & 10, BLOCK 5

Beginning at a point on the Southern side of Second Avenue, 80
feet West of the intersection of Jefferson Street and Second
Avenue; thence, in a general Southerly direction along the divide
line between Lots 8 and 9, in Block 5, a distance of 94 feet to an
alley; thence, at right angles and in a general Easterly direction
along said alley, a distance of 80 feet to a point on the Western
side of Jefferson Street; thence, at right angles and in a general
Northerly direction a distance of 94 feet to a point at the
Southwestern intersection of Second Avenue and Jefferson Street;
thence, at right angles and in a general Westerly direction along
Second Avenue, a distance of 80 feet to the point of beginning, and
being all of Lots 9 and 10, in Block 5, as shown on the I. J. Settle
Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a “Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia”, and being the same property conveyed to the West Virginia Board of Control, by William Giles, by deed dated December 18, 1940, of record in Deed Book 559, page 343.

LOT 18, BLOCK 5

Beginning at a point on the Northern side of First Avenue, 120 feet West of the intersection of Jefferson Street and First Avenue; thence, in a general Northerly direction along the divide line between Lots 17 and 18, in Block 5, a distance of 94 feet to an alley; thence, at right angles and in a general Easterly direction along said alley, a distance of 40 feet to a point; thence, at right angles and in a general Southerly direction along the divide line between Lots 18 and 19, in Block 5, a distance of 94 feet to a point on the Northern edge of First Avenue; thence, at right angles and in a general Westerly direction along First Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 18, in Block 5, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a “Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia”, and being the same property conveyed to the West Virginia Board of Control, by Alice M. Carson and L. W. Carson, her husband, by deed dated December 17, 1940, of record in Deed Book 559, page 345.

LOT 19, BLOCK 5

Beginning at a point on the Northern side of First Avenue, 80 feet West of the intersection of Jefferson Street and First Avenue; thence in a general Northerly direction, along the divide line between Lots 18 and 19 in Block 5, a distance of 94 feet to an alley; thence, at right angles and in a general Easterly direction along said alley, a distance of 40 feet to a point; thence, at right angles and in a general Southerly direction along the divide line between Lots 19 and 20, in Block 5, a distance of 94 feet to a point on the Northern edge of First Avenue; thence, at right angles and in a general Westerly direction along First Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 19, in Block 5, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown an “Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia”, and being the same property conveyed to West Virginia Board of Control, by The Elk
Furniture Company, by deed dated December 17, 1940, of record in Deed Book 559, page 341.

LOT 20, BLOCK 5

Beginning at a point on the Northern side of First Avenue, 40 feet West of the intersection of Jefferson Street and First Avenue; thence, in a general Northernly direction along the divide line between Lots 19 and 20, in Block 5, a distance of 94 feet to an alley; thence, at right angles and in a general Easterly direction along said alley, a distance of 40 feet to a point on the Western edge of Jefferson Street; thence, at right angles and in a general Southerly direction along Jefferson Street a distance of 94 feet to a point on the Northwestern intersection of said Jefferson Street and First Avenue; thence, at right angles and in a general Westerly direction a distance of 40 feet to the point of beginning; and being all of Lot 20, in Block 5, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a “Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia”, and being the same property conveyed to the West Virginia Board of Control, by Alice M. Carson and L. W. Carson, her husband, by deed dated December 17, 1940, of record in Deed Book 559, page 345.

LOT 1, BLOCK 6

Beginning at a point at the Southeastern intersection of Jefferson Street and Second Avenue, and running in a general Southerly direction along Jefferson Street a distance of 94 feet to a point on an alley; thence, at right angles and in a general Easterly direction along said alley, a distance of 40 feet to a point; thence, at right angles and in a general Northerly direction along the divide line between Lots 1 and 2, a distance of 94 feet to a point on the Southern side of Second Avenue; thence, at right angles in a general Westerly direction a distance of 40 feet along Second Avenue to the point of beginning, and being all of Lot 1, in Block 6, as it is shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a “Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia”, being the same property conveyed to the West Virginia Board of Control, by Helen M. Vickers, by deed dated December 18, 1940, of record in Deed Book 559, page 349.
LOT 2, BLOCK 6

Beginning at a point on the Southern side of Second Avenue, 80 feet East of the intersection of Jefferson Street and Second Avenue; thence, in a general Southerly direction along the divide line between Lots 2 and 3, in Block 6, a distance of 94 feet to an alley; thence at right angles and in a general Westerly direction along said alley, a distance of 40 feet to a point; thence, at right angles and in a general Northerly direction along the divide line between Lots 1 and 2, in Block 6, a distance of 94 feet to a point on the Southern edge of Second Avenue; thence, at right angles and in a general Easterly direction along Second Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 2, in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by Alice M. Carson and L. W. Carson, her husband, by deed dated December 17, 1940, of record in Deed Book 559, page 345.

LOT 3, BLOCK 6

Beginning at a point on the South side of Second Avenue 120 feet East of the intersection of Jefferson Street and Second Avenue; thence, in a general Southerly direction along the divide line between Lots 3 and 4, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Westerly direction along said alley, a distance of 40 feet to a point; thence, at right angles and in a general Northerly direction along the divide line between Lots 2 and 3, in Block 6, a distance of 94 feet, to a point on the Southern edge of Second Avenue; thence at right angles and in a general Easterly direction along said Second Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 3, in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by William L. Montgomery, by deed dated December 17, 1940, of record in Deed Book 559, page 355.
LOT 4, BLOCK 6

Beginning at a point on the Southern side of Second Avenue 160 feet East of the intersection of Jefferson Street and Second Avenue; thence, in a general Southerly direction along the divide line between Lots 4 and 5, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Westerly direction along said alley a distance of 40 feet to a point; thence, at right angles and in a general Northerly direction along the divide line between Lots 3 and 4, in Block 6, a distance of 94 feet to a point on the Southern edge of Second Avenue; thence, at right angles and in a general Easterly direction along Second Avenue a distance of 40 feet to the point of beginning, and being all of Lot 4, in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a “Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia”, and being the same property conveyed to the West Virginia Board of Control, by Alice M. Carson and L. W. Carson, her husband, by deed dated December 17, 1940, of record in Deed Book 559, page 345.

LOT 11, BLOCK 6

Beginning at a point on the Northern side of First Avenue, 40 feet East of the intersection of Jefferson Street and First Avenue; thence, in a general Northerly direction along the divide line between Lots 11 and 12, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Westerly direction along said alley a distance of 40 feet to a point on the Eastern side of Jefferson Street; thence, at right angles and in a general Southerly direction along Jefferson Street a distance of 94 feet to a point on the Northeastern intersection of Jefferson Street and First Avenue; thence, at right angles and in a general Easterly direction along First Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 11 in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a “Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia”, and being the same property conveyed to the West Virginia Board of Control, by Dorothy Kandel and Jacob Kandel, her husband, by deed dated December 18, 1940, of record in Deed Book 559, page 352.
LOT 12, BLOCK 6

Beginning at a point on the Northern side of First Avenue, 80 feet East of the intersection of Jefferson Street and First Avenue; thence, in a general Northerly direction along the divide line between Lots 12 and 13, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Easterly direction along said alley a distance of 40 feet to a point; thence, at right angles and in a general Southerly direction along the divide line between Lots 11 and 12, in Block 6, a distance of 94 feet to a point on the Northern edge of First Avenue; thence, at right angles and in a general Easterly direction along First Avenue, a distance of 40 feet to the point of beginning, and being all of Lot 12, in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by Dorothy Kandel and Jacob Kandel, her husband, by deed dated December 18, 1940, of record in Deed Book 559, page 352.

LOT 13, BLOCK 6

Beginning at a point on the North side of First Avenue, 120 feet East of the intersection of Jefferson Street and First Avenue; thence, in a general Northerly direction along the divide line between Lots 13 and 14, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Westerly direction along said alley a distance of 40 feet to a point; thence, at right angles and in a general Southerly direction along the divide line between Lots 12 and 13, in Block 6, a distance of 94 feet to a point on the Northern edge of First Avenue; thence, at right angles and in a general Easterly direction along First Avenue a distance of 40 feet to the point of beginning, and being all of Lot 13, of Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a "Platt of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia", and being the same property conveyed to the West Virginia Board of Control, by William L. Montgomery, by deed dated December 17, 1940, of record in Deed Book 559, page 355.
LOT 14, BLOCK 6

Beginning at a point on the Northern side of First Avenue, 160 feet East of the intersection of Jefferson Street and First Avenue; thence, in a general Northerly direction from the divide line between Lots 14 and 15, in Block 6, a distance of 94 feet to an alley; thence, at right angles and in a general Westerly direction along said alley a distance of 40 feet to a point; thence, at right angles and in a general Southerly direction along the divide line between Lots 13 and 14, in Block 6, a distance of 94 feet to a point on the Northern edge of First Avenue; thence, at right angles and in a general Easterly direction along First Avenue a distance of 40 feet to the point of beginning, and being all of Lot 14, in Block 6, as shown on the I. J. Settle Map of the City of Montgomery, Fayette and Kanawha Counties, West Virginia, and as shown on a “Plot of Land for Proposed Shop Building for New River State College, Montgomery, West Virginia”, being the same property conveyed to the West Virginia Board of Control, by Helen M. Vickers, by deed dated December 18, 1940, of record in Deed Book 559, page 349.

TRACT NINE
TAX MAP PARCEL 151
P/O LOT 9, BLOCK 1

A certain lot or parcel of land being part of the northern one half of Lot 9, Block 1, in the City of Montgomery, West Virginia, said Lot 9, Block 1, being shown on a certain map of said City of Montgomery, with additions as prepared by I. J. Settle under date of February 7, 1939, which said map is of record in the office of the Clerk of the County Court of Kanawha County, West Virginia, said part Lot 9, Block 1, beginning at an iron pin on the north eastern corner of said part lot being near the intersection of Jefferson Street and First Avenue, thence S-2-20 E 62.48 feet along Jefferson Street to an iron pin, thence S 88-18 W 40 feet to a point which is the common boundary line between Lot 9 and Lot 8 in said Block 1, thence N 2-20 W 62.03 feet, more or less, along said common boundary line between said Lot 8 and Lot 9, to a point, thence N 87-40 E 40 feet, more or less, along First Avenue to the point of beginning, being the northern part of Lot 9, Block 1, in the City of Montgomery, Kanawha County West Virginia.

This is the same part of Lot 9, Block 1, which is part of the Lot C described on that certain map styled, (Map of Subdivision of Lots 8 and 9 Block 1, in the City of Montgomery, West Virginia), prepared by W. R. Wise, R.P.E. on August 26, 1955, and which
said map is of record in the office of the Clerk of the County Court of Kanawha County, West Virginia.

Being the same property conveyed to West Virginia Board of Regents by Jimmie Lucci and Bethel Lucci, his wife, by deed dated October 14, 1975, of record in Deed Book 1780, page 24.

TRACT TEN
TAX MAP PARCEL 152
P/O LOT 9, BLOCK 1

A certain lot or parcel of land being part of the southern one-half of Lot 9, Block 1, in the City of Montgomery, West Virginia, said Lot 9, Block 1, being shown on a certain map of said City of Montgomery, with additions, as prepared by I. J. Settle under date of February 7, 1939, which said map is of record in the office of the Clerk of the County Court of Kanawha County, West Virginia, said part Lot 9, Block 1, beginning at an iron pin on the northern right of way line of Fayette Pike, said pin being N. 88° 56' E., 1.50 feet from the common corner of Lot 9, and Lot 8; thence along said parallel with the common boundary line between Lot 9 and Lot 8, N. 2° 20' W., 62.04 feet to an iron pin lying 1.50 feet from said common boundary line; thence N. 88° 18' E., 38.50 feet to an iron pin in the eastern boundary line of said Lot 9; thence along and with said eastern boundary line of Lot 9, S. 2° 20' E., 62.48 feet to an iron pin on said northern right of way line of Fayette Pike; thence along and with said northern right of way of Fayette Pike, S. 88° 56' W., 38.51 feet to the beginning, being part of Lot 9, Block 1, in the City of Montgomery, Kanawha County, West Virginia.

This is the same part of Lot 9, Block 1, which is described as Lot A on that certain map styled “Map of Subdivision of Lot 8 and 9, Block 1, in the City of Montgomery, West Virginia” prepared by W. R. Wise, R.P.E. on August 26, 1955, and which said map is of record in the office of the Clerk of the County Court of Kanawha County.

Being the same property conveyed to West Virginia Board of Regents, by Darrel Strickland and Mildred Strickland, his wife; Bethel Strickland Lucci and Jimmie Lucci, her husband, by deed dated January 16, 1976, of record in Deed Book 1785, page 412.
TRACT ELEVEN
TAX MAP PARCEL 153
P/O LOT 8, BLOCK 1

Beginning at a pin in the North right of way line of Fayette Pike, a common corner to Lot No. 8 and Lot No. 9, Block 1, thence with the line of Fayette Pike S. 88° 56' W. 40.01 feet to a pin 7 inches east of an iron post to a new fence; thence N. 2° 20' W. 61.59 feet to a pin under the wire of said new fence; thence N. 88° 18' E. 40.00 feet to a pin on the boundary line between Lot No. 9 in Block 1; thence S. 2° 20' E. 62.04 feet to the beginning and being the southern half of Lot No. 8 in Block 1, as shown on a Map of the Town of Montgomery (formerly Coal Valley), as prepared by the late I. J. Settle "Final corrected I. J. Settle's Map of Coal Valley now Montgomery, W. Va.", recorded in the office of the Clerk of County Court of Kanawha County, West Virginia in Map Book 7, at page 12, and being that portion of Lot B lying West of the original lot line between Lot No. 8 and Lot No. 9, Block 1, as shown on a map entitled "Map of a Subdivision of Lots 8 and 9 in the City of Montgomery, W. Va." Prepared by W. R. Wise, R.P.E. under date of August 26, 1955, and being the same property conveyed to West Virginia Board of Regents, by Mamie E. Fink, by deed dated October 21, 1975, of record in Deed Book 1776, page 357.

TRACT TWELVE
TAX MAP PARCEL 154
P/O LOT 8, BLOCK 1

A certain lot or parcel of land being the northern part of Lot 8, Block 1, in the City of Montgomery, West Virginia, said Lot 8, Block 1, being shown on a certain map of said City of Montgomery, with additions as prepared by I. J. Settle under date of February 7, 1939, which said map is of record in the office of the Clerk of the County Court of Kanawha County, West Virginia, said part Lot 8, Block 1, beginning at a point which is on the common boundary line between Lots 8 and 9, Block 1, as shown on said map at a point where said common boundary line adjoins First Avenue; thence along the common boundary line between said Lots 8 and 9, S. 2° 20' E. 62.03 feet to a point in the said line; thence across Lot 8, S. 88° 18' W., 40 feet to a point on the common boundary line between Lots 7 and 8 in said Block 1; thence N. 2° 20' W., 61.59 feet along said line between Lots 7 and 8 to a point on First Avenue to the point of beginning, being the northern part of Lot 8, Block 1, which is part of the Lot C described on that certain map styled (Map of Subdivision of Lots 8
and 9 Block 1, in the City of Montgomery, West Virginia),
prepared by W. R. Wise, R.P.E. on August 26, 1955, and which
said map is of record in the office of the Clerk of the County Court
of Kanawha County, West Virginia.

Being the same property conveyed to West Virginia Board of
Regents, by Darrel Strickland and Mildred Strickland, his wife;
Bethel Strickland Lucci and Jimmie Lucci, her husband, by deed

TRACT THIRTEEN
TAX MAP PARCEL 155
P/O LOT 7, BLOCK 1

Beginning on First Avenue at the northeast corner of Lot No. 6 in
Block “1” and running with the line of said Lot No. 6 South a
distance of 60 feet toward Giles Fayette and Kanawha Turnpike to
a point in said line; thence at right angles and on a line parallel
with said First Avenue in easterly direction to the line of Lot No. 8
in said Block; thence at right angles and with the west line of said
Lot No. 8 northerly a distance of 60 feet to said First Avenue;
thence at right angles and long said Avenue in a westerly direction
to the point of beginning, it being the intention of said party of the
first part to convey that part of Lot No. 7 in Block No. “1” fronting
on First Avenue and extending back from said Avenue a distance
of 60 feet between parallel lines, being part of Lot No. 7 in Block
No. “1”, as laid down on a map entitled, “Final Corrected I. J.
Settle’s Map of Coal Valley City Now Montgomery, W. Va.”
Recorded in the office of the Clerk of the County Court of
Kanawha County, West Virginia in Map Book 7, page 12, and
being the same property conveyed to West Virginia Board of
Regents, by Donald Joseph Riggio and Suzanne M. Riggio, his
wife, by deed dated May 21, 1975, of record in Deed Book 1762,
page 463.

TRACT FOURTEEN
TAX MAP PARCEL 156
P/O LOT 7, BLOCK 1

Beginning at a point where the eastern line of Lot No. 6, in Block
No. 1, intersects with the Northern side of Fayette Pike and
running in a northerly direction along the divide line between Lots
Nos. 6 and 7, a distance of 45’ 8” to a point; thence, at right angles
and across Lots No. 7, and in an easterly direction 40 feet to the
divide line between Lots Nos. 7 and 8, to the northern line of
Fayette Pike; thence, at right angles in a southerly direction along
the divide line between Lots Nos. 7 and 8 to the northern line of Fayette Pike; thence, along said northern line of Fayette Pike in a westerly direction a distance of approximately 40 feet to the point of beginning, this being the southern half of Lot No. 7, in Block No. 1, as laid down on the Map of the town Montgomery (formerly Coal Valley), as prepared by the late I. J. Settle, "Final corrected I. J. Settle's Map of Coal Valley now Montgomery, W. Va." Recorded in the office of the Clerk of the County Court of Kanawha County, West Virginia in Map Book 7, at page 12, and being the same property conveyed to West Virginia Board of Regents, by Macil L. Null, formerly Macil L. Jeffery, and Melvin Lee Null, her husband, by deed dated September 11, 1975 of record in Deed Book 1774, page 564.

TRACT FIFTEEN
TAX MAP PARCEL 157
P/O LOT 6, BLOCK 1

Being the Southerly portion of Lot #6, of Block One (1), of Coal Valley City, (now Montgomery), a map of same being of record in the Office of the Clerk of the County Court of Kanawha County, West Virginia, in Map Book 7, at page 12, and being more particularly bounded and described as follows:

Beginning at an old wood post in the northerly line of Fayette Pike, marking the common corner of Lots Nos. 5 and 6 of said Block One (1); thence leaving Fayette Pike and with the common dividing line between the last named Lots, N. 1° 27' W., a distances of 63.0 feet to an iron pin; thence crossing said Lot #6, N. 87° 30' E., a distance of 40.1 feet to a point in the common dividing line of Lots Nos. 6 and 7, which said point is 0.3 feet distant from a steel fence corner post; thence with the common dividing line between Lots Nos. 6 and 7, S. 2° 30' E., a distance of 60.5 feet to a one inch pipe in the said northerly line of Fayette Pike; thence with the said Fayette Pike, S. 84° 04' W., a distance of 41.3 feet to the place of beginning.

Being the same property conveyed to West Virginia Board of Regents, by Julia M. Carpenter and Brown B. Carpenter, her husband, and Sammy J. Fragale and Mildred Fragale, his wife, by deed dated July 25, 1975, of record in Deed Book 1770, page 772.
TRACT SIXTEEN
TAX MAP PARCELS 158, 159, 160
P/O LOT 6, ALL OF LOT 5, P/O LOTS 3 AND 4, BLOCK 1

BEGINNING at a two inch pipe, in the southerly line of First Avenue, in the said City of Montgomery; common front corner of Lot No. 6 and Lot No. 7 of said Block One (1); thence leaving said First Avenue, and with the common dividing line between said Lots, S. 2° 30' E., a distance of 60.4 feet, to a point in said line, which said point is S. 87° 30' W., a distance of 0.3 feet from a steel fence corner post, common corner to the parcel conveyed unto said second party by the deed last hereinbefore mentioned; thence leaving said common dividing line and with the northerly line of said last mentioned parcel, S. 87° 30' W., a distance of 40.1 feet to an iron pin in the common dividing line of Lots Nos. 5 and 6; thence S. 1° 27' E., a distance of 63.0 feet to an old wood post in the northerly line of Fayette Pike; thence with said northerly line of Fayette Pike, S. 80° 59' W., a distance of 40.5 feet to a 1.5 inch pipe, common corner of Lot No. 4 and said Lot No. 5; thence continuing with said northerly line of said Fayette Pike, S. 62° 50' W., a distance of 77.2 feet to a wood post, marking the intersection of said Fayette Pike and Jackson Street, N. 5° 50' W., a distance of 119.4 feet (passing a rock wall at 81.9 feet), to a fence post, common corner to said Fannin parcel; thence leaving said line of Jackson Street, N. 86° 56' E., crossing Lot No. 3 and said Lot No. 4, a distance of 77.1 feet to a point in the common dividing line of said Lots Nos. 4 and 5; thence with said common dividing, N. 2° 30' W., a distance of 40.3 feet to a fence post in the said southerly line of First Avenue; thence with the same and with the northerly lines of said Lots Nos., 5 and 6, N. 87° 30' E., a distance of 81.8 feet to the place of beginning, all as shown and described upon a map of the western part of said Block One (1) made by S. E. Thornton, P.E., dated June 11, 1973, which is attached hereeto and made a part hereof;

Being the same property conveyed to West Virginia Board of Regents, by Julia M. Carpenter and Brown B. Carpenter, her husband, by deed dated July 25, 1975, of record in Deed Book 1776, page 784.

TRACT SEVENTEEN
TAX MAP PARCEL 160.1
P/O LOTS 3 & 4, BLOCK 1

Beginning at a pin corner to Jackson Street, and First Avenue; thence N. 87° 40' E., a distance of 79.50 feet to a pin; thence S. 2°
20' E. a distance of 40.30 feet to a pin; thence S. 87° 06' W. a
distance of 77.11 feet to a pin; thence N. 5° 40' W. a distance of
41.14 feet to a pin, the place of beginning; and being the same
property conveyed to West Virginia Board of Regents, by Roy
Fannin and Ethel Fannin, his wife, by deed dated October 10,
1975, of record in Deed Book 1776, page 310.

TRACT EIGHTEEN
TAX MAP PARCEL 145
LOT 5, BLOCK 2

All of Lot Five (5) of Block Two (2) of the City of Montgomery,
all as shown, mentioned and described upon the map of the same,
made by Dunn Engineers, Inc., dated September 18, 1979, which
said map is of record in the office of the Clerk of the County
Commission of Kanawha County, West Virginia in Deed Book
2279, page 375.

Being the same property conveyed to The Board of Directors of
the College System, a governmental instrumentality of the State of
West Virginia, for and on behalf of West Virginia Institute of
Technology, by Charles R. Dotson and Vickie G. Dotson, his wife,
by deed dated July 20, 1991, of record in Deed Book 2279, page
375.

TRACT NINETEEN
TAX MAP PARCEL 146
LOT 4, BLOCK 2

All that certain lot or parcel of land, together with the
improvements thereon and appurtenances thereof belonging or
in any wise appertaining, situate in the City of Montgomery, Cabin
Creek, Kanawha County, West Virginia, being on the south side of
the C & O Railway right of way, fronting forty feet on First
Avenue and extending back between perpendicular parallel lines to
Fayette Pike, and being all of Lot No. 4 in Block 2.

Being the same property conveyed to The West Virginia Board of
Regents, by Earl M. Vickers and Betty Vickers, his wife, George
L. Vickers and Geraldine H. Vickers, his wife, Marietta Vickers,
Joan Vickers, and James W. Vickers and Jane G. Vickers, his wife,
by deed dated December 16, 1983, of record in Deed Book 2054,
page 256.
TRACT TWENTY
TAX MAP PARCEL 147
LOT 3, BLOCK 2

Beginning on First Avenue at corner of Lot No. 2, running east 40 feet with said First Avenue to Lot No. 4; thence at right angles and with line of Lot No. 4 south to the Giles Fayette and Kanawha Turnpike; thence west with said Turnpike to the corner of Lot No. 2; thence north with line of said Lot No. 2 to the beginning, this being all of Lot No. 3 in Block No. 2 Montgomery, Kanawha County, West Virginia, as shown on map of Coal Valley, Now Montgomery, West Virginia, made by I. J. Settle, and of record in Deed Book 364, at Page 498.

Being the same property conveyed to the State College and University System of West Virginia, by Agreed Order dated December 8, 1995, filed on December 8, 1995 with the Circuit Court of Kanawha County, West Virginia.
Tax Data

The subject property is assessed in the name of BridgeValley Community & Technical College Board of Governors in the Kanawha County Assessor’s Office in the Montgomery Corporation Tax District on Map 1 as Parcels 151, 152, 153, 154, 155, 156, 157, 158, 159, 160 and 160.1. The 2020 tax assessment for each parcel has been summarized in a chart and the properties are tax-exempt. The tax summary is shown as follows:

<table>
<thead>
<tr>
<th>Map</th>
<th>Parcel</th>
<th>Land Assessment</th>
<th>Building Assessment</th>
<th>Total Assessment</th>
<th>Appraised</th>
<th>Taxes</th>
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Class IV Tax Rate 0.032696

Total Appraisal $293,700.00

The property is appraised for $293,700.00, but it is unlikely that this has changed because there are no taxes due and no incentive for the Assessor to revalue the property. If the property were subject to taxes based on the current valuation, the annual taxes would be in the range of $5,800.00.

Area Data

West Virginia is geographically located in the mid-Atlantic region which extends as far north as Pittsburgh, Pennsylvania; as far west as Columbus, Ohio; as far east as Washington D. C.; and as far south as Richmond, Virginia. According to the 2020 Census, within this state there are approximately 1.793 million people, which is a decrease of approximately 3.2% from 2010.

The property is located in the community of Montgomery an incorporated town at the eastern end of the Kanawha Valley and the western end of the valley area of Fayette County. Montgomery is actually split by the Fayette and Kanawha County line and the subject property is located in Kanawha County. That places Montgomery approximately 40 minutes east of Charleston and 30 minutes west of Fayetteville. Residents in this area will commute to both locations but Charleston offers a larger employment base and better shopping opportunities for durable goods. The closest interstate system is the West Virginia Turnpike at Chelyan but there is a four lane US Highway traveling north and south.
through Fayette County. This description references the fact that the subject property is somewhat isolated from major transportation routes and large population centers. The historical reliance on the coal and energy markets, and the subsequent designs in those activities has defined the current economic status for the immediate area.

Charleston is the State Capitol and the County Seat of Kanawha County. The Charleston Standard Metropolitan Statistical Area includes a civilian labor force of approximately 90,700 (as of December 2021) and intersects with the Huntington Standard Metropolitan Statistical Area, which has a civilian labor force of approximately 144,400 as of December 2021. These two combined areas have slightly less than one third of the state's total population. Charleston and Huntington are located approximately fifty miles apart. The trade area encompasses portions of Ohio and Kentucky. Charleston has the heaviest concentration of governmental offices and is the financial and professional center of the state.

As of June 2013, the Federal Office of Management and Budget revised the Metropolitan Statistical Area for Charleston and Huntington-Ashland. In this revision, it was determined that Lincoln and Putnam Counties were more closely correlated with the Huntington-Ashland SMSA. The Charleston SMSA had an estimated civilian labor force of approximately 90,700 as of December 2021. Until several years of data is generated, comparison of changes in the SMSA will not be relevant.

Population

According to the United States Census Bureau and estimates by the City of Charleston, population figures for Charleston and Kanawha County since 1990 are shown below:

<table>
<thead>
<tr>
<th></th>
<th>1990</th>
<th>2000</th>
<th>2010</th>
<th>2020</th>
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<tr>
<td>Charleston</td>
<td>57,287</td>
<td>53,421</td>
<td>51,400</td>
<td>48,864</td>
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<td>Kanawha Co</td>
<td>207,619</td>
<td>200,073</td>
<td>193,063</td>
<td>180,745</td>
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</table>

As shown above, the population of the City of Charleston has decreased overall since 1980. The population of Kanawha County has also decreased overall since 1970. The population for Kanawha County for the 2020 Census was 180,745. Although the population has decreased in Charleston and Kanawha County, Charleston continues to serve a much larger area with daytime employment. The SMSA has been expanded and includes a civilian labor force of 90,700 (December 2021).

Employment

The unemployment rate in December 2021 was 2.9%, which
compares to 7.4% one year earlier. West Virginia's unemployment rate in December 2021 was 2.9%. The following summarizes employment for the county and state:

<table>
<thead>
<tr>
<th>LABOR FORCE ESTIMATES</th>
<th>DECEMBER 2021*</th>
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</thead>
<tbody>
<tr>
<td>Entity</td>
<td>LF</td>
</tr>
<tr>
<td>Kanawha Co.</td>
<td>80,530</td>
</tr>
<tr>
<td>WV</td>
<td>782,700</td>
</tr>
<tr>
<td>U.S. Unemployment Rate</td>
<td></td>
</tr>
</tbody>
</table>

*All rates are unadjusted. January 25, 2022
LF - Labor Force; E - Employed; UE - Unemployed

The following table summarizes and displays the 2019 per capita income figures on a county, state, and national level.

<table>
<thead>
<tr>
<th>2019 PER CAPITA ANNUAL INCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charleston</td>
</tr>
<tr>
<td>Kanawha County</td>
</tr>
<tr>
<td>West Virginia</td>
</tr>
<tr>
<td>United States</td>
</tr>
</tbody>
</table>

The labor participation is approximately 50%, which is one of the lowest in the nation.

As of December 2021, the total nonfarm employment was 98,150 with service providing at 90,250 and goods producing at 7,900. The most current median household income estimate is 2019 and was estimated on a county, state and national level by the US Census Bureau and is shown as follows:

<table>
<thead>
<tr>
<th>2019 MEDIAN HOUSEHOLD INCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charleston</td>
</tr>
<tr>
<td>Kanawha County</td>
</tr>
<tr>
<td>West Virginia</td>
</tr>
<tr>
<td>United States</td>
</tr>
</tbody>
</table>

The ten largest employers in Kanawha County are summarized as follows:

<table>
<thead>
<tr>
<th>Employer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. CAMC Health System</td>
</tr>
<tr>
<td>2. Kanawha County Board of Education</td>
</tr>
<tr>
<td>3. WV Department Health &amp; Human Resources</td>
</tr>
<tr>
<td>4. Thomas Health System</td>
</tr>
<tr>
<td>5. Walmart</td>
</tr>
<tr>
<td>6. WV Department of Highways</td>
</tr>
<tr>
<td>7. US Postal Service</td>
</tr>
<tr>
<td>8. Kroger</td>
</tr>
<tr>
<td>9. City of Charleston</td>
</tr>
<tr>
<td>10. WV Department of Administration</td>
</tr>
</tbody>
</table>

*March 2021 workforcewv.org
Services

The following entities provide public services for the county:

<table>
<thead>
<tr>
<th>Services</th>
<th>Provider</th>
</tr>
</thead>
<tbody>
<tr>
<td>School</td>
<td>Kanawha County</td>
</tr>
<tr>
<td>Electric</td>
<td>American Electric Power</td>
</tr>
<tr>
<td>Gas</td>
<td>Allegheny Power/Mountaineer Gas</td>
</tr>
<tr>
<td>Water/Sewer</td>
<td>Municipal/WVAWC/Local PSDs</td>
</tr>
<tr>
<td>Telephone</td>
<td>Frontier/Lumos/Suddenlink</td>
</tr>
<tr>
<td>Cable/TV</td>
<td>Suddenlink/DirectTV/Dish</td>
</tr>
<tr>
<td></td>
<td>Network</td>
</tr>
</tbody>
</table>

Transportation

Charleston is served with Interstates 64 and 77 (also known as the West Virginia Turnpike, a toll road from Charleston to Bluefield), Interstate 79, and Appalachian Corridor G (U.S. Route 119) that connects Charleston with the Kentucky border through the southwestern portion of the state. There are several major federal and state highways.

Charleston is served with Yeager International Airport, which has direct flights to major connecting hubs such as Washington, DC, Atlanta, Chicago, Houston, Charlotte, Orlando, Philadelphia and Myrtle Beach.

Passenger rail service is provided by Amtrak, while CSX and Kanawha River Railroad (formerly Norfolk Southern) are responsible for cargo traffic. Much of the cargo originating in the State is coal and is now being transported to a worldwide market.

The Kanawha River is a heavily used industrial waterway that maintains a 9' channel depth. Recent upgrades have been made to the Winfield and Marmet Locks and Dams. The Marmet Locks, according to the US Corps of Engineers, are the busiest in the Ohio River System. These systems, along with upstream dams at Bluestone and Summersville, assist in flood control efforts.

Retail Sector

The largest retail center in downtown Charleston is the Charleston Town Center, which at one time was 1,000,000 square foot mall containing approximately 130 store fronts. The project was completed in 1983, and it had a stabilizing effect in downtown Charleston. The Town Center Mall had a successful tenure until shopping trends were significantly changed by local demographics and the impact of online shopping. Sears closed in 2017 and Macy’s closed in March 2019. JC Penny is the other anchor and their corporate structure and performance has been weak for years. In late 2017, the mall ownership was placed in receivership due to default of a $94,000,000.00 loan. Foot traffic at the mall is significantly reduced and there are monthly announcements of closures of more stores. This is a significant issue that is being addressed by local business interest and political figures but the mall’s future will be based on its ability to be converted to a multi-use facility. In January 2019, the lienholder bid in the property at a public auction at $35,000,000.00. In the second quarter of 2021, the property resold to a private developer for $7,500,000.00. The private developer is a known mall operator that
plans to attract new tenants and focus on the retail design with opportunities for mixed use development.

Southridge Centre, another major retail development, is located approximately 6 miles south of Charleston on Corridor G. Southridge includes big-box tenants such as Sam's, Wal-Mart and Home Depot, along with the accompanying fast food restaurants and specialty stores such as Panera Bread, Honey Baked Ham, Olive Garden, Red Lobster and Quaker Steak N’ Lube. There is also a Hampton Inn located in this area. Cabela’s opened an 80,000 square foot retail store in August 2012.

In addition, there are two other significant developments in this area known as Dudley Farms and The Shoppes at Trace Fork. These include stores such as Target, Marshalls, Books-A-Million, Dick’s Sporting Goods, Bath & Body Works, Home Goods, Pier One, Lowe’s and Target. There are also locally owned retailers and several restaurants and a convenience store, as well as a Holiday Inn Express. This area is not immune to retail changes that have also affected the Town Center Mall. Gander Mountain closed in 2017 and it is being converted to a Hobby Lobby, but there is still a significant traffic draw to this area so there continues to be new announcements. For example, Bojangles opened a facility in 2017 and Starbucks was announced in 2018. This area has created significant activity in the southern part of Charleston and South Charleston and draw retail traffic from a broad geographic area. It appears that each retail area has sustained itself and there has been a dramatic impact on the Town Center Mall.

**Hotel Sector**

Charleston is fortunate to have major hotels located in the downtown area and at interstate interchanges. The major hotels in downtown include the following:

<table>
<thead>
<tr>
<th>Hotel</th>
<th># of Rooms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marriott Hotel</td>
<td>352 Rooms</td>
</tr>
<tr>
<td>Embassy Suites</td>
<td>252 Rooms</td>
</tr>
<tr>
<td>Four Points by Sheraton</td>
<td>200 Rooms</td>
</tr>
<tr>
<td>Civic Center Holiday Inn</td>
<td>200 Rooms</td>
</tr>
<tr>
<td>Quality Inn &amp; Suites</td>
<td>160 Rooms</td>
</tr>
<tr>
<td>Best Western</td>
<td>136 Rooms</td>
</tr>
<tr>
<td>Courtyard by Marriott</td>
<td>119 Rooms</td>
</tr>
<tr>
<td>Hampton Inn</td>
<td>113 Rooms</td>
</tr>
</tbody>
</table>

The former Charleston House Holiday Inn underwent a major renovation and has been converted to a Four Points by Sheraton. A former restaurant space on the top floor was converted to individually owned residential condominiums. A Courtyard by Marriott was completed in February of 2015 along the Kanawha Boulevard at the intersection of the Elk and Kanawha Rivers. It boasts 110 guest rooms and 9
suites. The Super 8 and Charleston Capital Hotel just filed for bankruptcy.

Office Space

Charleston is a compact office market, which includes several office towers and a host of low-rise office buildings built around downtown and in several suburban locations. The office towers create the majority of the Class A space and are shown as follows:

<table>
<thead>
<tr>
<th>Building</th>
<th># of Sq. Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laidley (Huntington) Tower</td>
<td>215,162 sq. ft.</td>
</tr>
<tr>
<td>Chase Tower</td>
<td>273,000 sq. ft.</td>
</tr>
<tr>
<td>Truist Building</td>
<td>250,429 sq. ft.</td>
</tr>
<tr>
<td>United Bank</td>
<td>151,102 sq. ft.</td>
</tr>
</tbody>
</table>

There are other mid-rise buildings in the Charleston market, and a number of older office buildings, which have been renovated in the village district. The Federal Courthouse is one of the largest buildings in Charleston.

The former Diamond Department Store renovations were completed in 1999 and this added approximately 1,000 people to downtown each day. A new office building was completed in the spring of 2012 for the Federal Bureau of Investigations and is located in the 100 block of Virginia Street, East.

Education

Charleston is served by the following colleges and universities:
- University of Charleston
- West Virginia University Medical Center
- West Virginia State University
- Marshall University & College of Graduate Studies
- BridgeValley Community & Technical College

Public Facilities

The Clay Center for the Arts & Sciences opened in June of 2003 after four years of construction. It is located just outside of the Central Business District of Charleston in a block surrounded by Lee Street, Washington Street, Leon Sullivan Way and Brooks Street. In 2008, the Kanawha County Public Library announced the launch of the Open a Modern Classic Capital Campaign to build a state-of-the-art main library in downtown Charleston. This was a difficult time to raise funds for a new library, even though a site was selected. In 2018, the library board announced that the current facility will be redesigned with a new entrance on Summers Street and major mechanical and cosmetic improvements to their existing facility. This is the best solution for preserving an important public facility that contributes to a healthy downtown business district.

The Charleston Coliseum and Convention Center provides an arena for sports, conventions and trade shows. The State Capitol Complex is also a
major tourist attraction. In October of 2014, major renovations were announced for the Charleston Coliseum and Convention Center. It was estimated to cost in the range of $70 million dollars and the initial plan was to expand and renovate the building by upgrading outdated technology, adding an outdoor plaza and an additional pedestrian entrance across from the Charleston Town Center Mall. The budget for this project has been significantly enhanced and is closer to $100,000,000.00. The initial plans include a 10,000 square foot kitchen, new food court for coliseum events and a ballroom facing the river. The design team was selected in May 2015. A groundbreaking ceremony occurred in June 2015 and the grand opening was October 2018.

Appalachian Power Park is a minor league baseball facility that was constructed in the East End of Charleston in 2003. At the time, it was viewed as a significant economic development project that would draw traffic to an area of town that needed to be redeveloped. There are examples of commercial and residential redevelopment projects that have been created in this area, but the baseball theme has not continued to attract the same volume of patrons. In 2020, the MLB discontinued their relationship with this franchise. In February 2021, the West Virginia Power announced that the club joined the Atlantic League of Professional Baseball, an independent league. That will allow the team to recruit local talent that has former MLB experience.

Construction on a new canopy at Haddad Riverfront Park was completed in June 2010. This outdoor venue hosts many special events and concerts throughout the year and a covered stage and seating area offered more flexibility for how this is used. The construction of the canopy provided a better venue for Live on the Levee, a Friday night concert series that occurs throughout the summer.
Neighborhood Data

A neighborhood is a portion of a larger community in which there is a homogenous grouping of inhabitants, buildings, or business enterprises. Neighborhood boundaries may consist of well-defined natural or manmade barriers or they may be more or less well defined by distinct changes in land use or in the character of the inhabitants. In evaluating a neighborhood, the appraiser must consider physical boundaries, legal boundaries, use patterns, and the availability of services.

The market area of the subject property is considered to be the downtown portion of Montgomery, which is essentially located between Jefferson Street to the west, the mountains to the south, the bridge to the east and the Kanawha River to the north. The majority of this area is used for commercial purposes and is zoned CBD, Central Business District, or General Purpose by the City of Montgomery. It is designed around several important physical features including the railroad, hillside and the river. There is a wide range of commercial and residential uses in the immediate vicinity. Much of this area was heavily developed before land use regulations were imposed and the area needed a lot of housing to accommodate the mineral extraction businesses and West Virginia University of Technology.

WVU Tech operated a large higher education campus in downtown Montgomery due to the size and stature of the buildings. Since West Virginia University relocated the school to Beckley in 2017, many of these buildings have been minimally occupied. Particularly the dormitories or special use buildings. The initial concept was for the KVC Health Systems to take over the entire campus to provide an educational facility for foster, adoption and behavioral health care. This was expected to peak at 500 students. That plan never materialized and the WVU Tech campus has been sold piece-meal fashion for a wide range of projects. BridgeValley gained ownership of five buildings and has consumed other space within Montgomery such as the diesel repair shop located in the former Brown Chevrolet but has mostly expanded services and operations in connection with their South Charleston campus. BridgeValley has reduced their footprint in Montgomery and several of the former WVU Tech buildings are idle. BridgeValley does not have the same volume of students as West Virginia Tech did and no traditional students requiring housing. These are all commuter and non-traditional students that may travel from 30 to 60 minutes away for educational opportunities. After a change in leadership at BridgeValley, there was a focus on limiting the real estate ownership in Montgomery and liquidating up to 5 buildings.

West Virginia Governor Jim Justice announced that Mountaineer ChalleNGe Academy Southern Campus in the 2020 State of the State Address. The Mountaineer ChalleNGe Academy
is a program operated through the West Virginia National Guard for at-risk youths from ages 16 to 18. That places the students in a 22 week, quasi-military residential program with eight core programs including the ability for students to obtain GED’s (Graduate Equivalency Diploma) through their home high school. Renovations were made to former Maclin Hall, the student union and the Baisi Athletic Center. Those facilities represent some of the core components from the former WVU Tech Campus. This also created 60 full-time equivalent jobs and headed an inaugural class of 72 cadets (students). This is the type of public outreach that has the ability to secure government funding to support programs that can compete this type of market because they are providing a public service that does not require an economic return to an investor.

A private developer, using favorable public financing, is renovating the former COBE Building into 28 senior housing units. This requires major renovations to a 35,100 square foot classroom building. Without favorable financing, this project would not be feasible. Other buildings, such as the Vining Library have been sold to the City of Montgomery. There has definitely been a concerted effort to repurpose many of the former campus buildings for the benefit of the community.

In December 2021, The City of Montgomery announced plans to take over remaining WVU Tech facilities, including the Neal Baisi Athletic Center. This is proposed as a community building, athletic facility and emergency shelter. The project is in need of $1.6 million of State funding to resolve deferred maintenance and overhaul the building, including upgrades to provide ADA access. Other assets targeted by the City of Montgomery include the football field and vacant sites where old buildings were demolished.

Montgomery is unique because part of it is located in Kanawha County and a larger portion is located in Fayette County. In fact, several of the properties are split between the two counties. The main access to the area is from Route 60, which travels east and west from Charleston to Lewisburg on the north side of the river. It is also served by an Amtrak station as the rail line goes directly through town. The Amtrak station was rebuilt in 2019. The traffic on Route 60 is now destination oriented rather than through traffic. Other than the school and the hospital, the major employers are typically mineral extraction companies or vendors for those types of operations. Service industry jobs are very prevalent in West Virginia and particularly in these areas where there is no manufacturing base. Ranger Scientific is one business that has relocated to Montgomery. Several years ago, this entity expressed interest in developing an ammunition factory on a former mine site in eastern Kanawha County. After years of no activity, they acquired a worship facility that had been fashioned out of an old school on 5th Avenue to commence manufacturing. This required demolishing the old three-
story schoolhouse, retrofitting two office wings and using the gymnasium for manufacturing. This is one of the largest private investments in the area.

The downtown area around the subject property has deteriorated over the last 30 years. There are several retail storefronts that are still vacant and there have not been any major discussions about potential employers. Most of the commercial activity in this area is now locating in Smithers, across the Kanawha River from Montgomery. Smithers has a Tudor’s Biscuit World, Taco Bell, Exxon and Grant’s Grocery Store. The Family Dollar and Dollar General are located in western end of Montgomery and another is in east Smithers.

The future for Montgomery would appear to be in a stagnant stage with the exception of small family operated businesses. The only new businesses that have opened in the area are fast food and convenience stores that do not offer good paying jobs. Discount stores are well represented and Grant’s (formerly Kroger) is the only full service grocery. The best hope for Montgomery is to help maintain the status of existing businesses, including Montgomery General Hospital. There is still a reasonable population base that needs good and services in the larger geographic area but the population of Montgomery has dwindled to the point that there is no viable pool of labor to support a significant business development and there are fewer and fewer reasons for the outside population to travel to or through Montgomery.
## Site Data

A survey of the subject property was not available, so the Kanawha County GIS and satellite images were used to understand the basic design and configuration of the site. The parcels that are included in the analysis are shown on a map in this section of the report. Other physical characteristics were determined during the site observation and are summarized as follows:

| Access: | The property is surrounded by public roads with 1<sup>st</sup> Avenue to the north, South Jackson Street to the west, South Jefferson Street to the east and Fayette Pike to the south. This places the property one block south of 2<sup>nd</sup> Avenue (WV Route 61), the main thoroughfare in Montgomery. |
| Roads: | The roads are all asphalt paved and city maintained. 1<sup>st</sup> Avenue is westbound only and the others are bidirectional. 2<sup>nd</sup> Avenue is also WV Route 61 and is state maintained. |
| Interstate Access: | Interstate 64/77 (West Virginia Turnpike) is available at the Chelyan Interchange approximately 12 miles west of the subject property. US Route 19 is the only four lane road traveling through Fayette County and it is located approximately 30 miles east at Oak Hill or Fayetteville. |
| Topography: | The northern half of the site is level and at grade with the public road and the southern half of the site is upward sloping toward the south to a level parking area along Fayette Pike. |
| Configuration: | Approximately rectangular |
| Site Size: | 34,300 square feet |
| Lot Coverage Ratio: | 26% |
| Utilities: | All available and in use |
| Zoning: | General Purpose; This classification is intended for a broad range of potential uses including commercial |
activities. The reality is that Montgomery is hopeful of new investment and approved uses should be wide ranging.

Flood Map: Floodscape Flood Hazards Map 54039C 0637 E, dated September 3, 2010

Flood Determination: Low flood risk

Site Improvements: The site improvements include asphalt and concrete paved parking areas located on the east and north sides of the building. There are drive-in garage doors on the east side with concrete apron in front. There are dock doors on the west end with a concrete apron, parking area and raised dock. Passenger vehicle parking is on the north side of the lot on asphalt paving that adjoins the public road and there is passenger vehicle parking on the south edge of the site along Fayette Pike. There is a raised, covered outside storage area along the loading dock. Concrete sidewalks are at the building entrance with the main personnel door on the north facing wall of the building. There is a secondary access to the upper floor that is accessed from stairs at the rear of the building and connecting to the parking area. The upper parking has single head pole light fixtures.

Parking: There is passenger vehicle parking for approximately 60 vehicles.

Landscaping: There are grass areas between the building and southern parking area that are basically a sloped terrain that is not buildable. There is no professional landscaping.

Public Improvements: Street lights with access to public sidewalks located on 1st Avenue

The building was constructed as a maintenance facility and was intended for warehousing access from each end with drive-thru and dock doors. While these types of uses are typically on larger sites with more outside storage area, this design functioned well due to its relationship with the rest of the WVU Tech Campus. It provided additional parking that is probably associated with
the Pathfinder and E-Lab Buildings. The site improvements are in average condition and well-suited to support the intended use of the building. The parking that is available would allow for a more intense build-out since it only has approximately 2,200 square feet of office space. That adds some flexibility to the potential uses. It is reported that some of utilities, specifically water and electric may be shared with adjacent buildings. That needs to be fully investigated so this property can be operated independently but this appraisal does not contemplate any deduction to make corrections.

Surrounding land uses include two large educational facilities previously occupied by WVU Tech and currently owned by BridgeValley. There are also single-family homes and multi-family residential rental units in the immediate vicinity. Maps, photographs and satellite images illustrating the property configuration are shown as follows:

North View Along 1st Avenue

1st Avenue Looking West

Garage Access on East End of Building

Rear View
SITE PLAN

Workforce/Maintenance Building

Legend
- Districts
- WVParcels

User Name:

Map created on February 18, 2022

Owner(s):
- No Parcel Selected

Address:
- No Parcel Selected

Class Type:
- No Parcel Selected

Legal Description:
- No Parcel Selected

WV Property Viewer: Google Maps is used to display the location of property. This map is supported by WV State Tax Department and WV GIS Interagency Group.
WV Flood Map

This map is not the official regulatory FIRM or DFIRM. Its purpose is to assist with determining potential flood risk for the selected location.

Disclaimer:
The online map is for use in administering the National Flood Insurance Program. It does not necessarily identify all areas subject to flooding, particularly from local drainage sources of small size. Refer to the official Flood Insurance Study (FIS) for detailed flood elevation data in flood plains and flood data tables. WV Flood Tool (https://www.MapWF.gov/flood) is supported by FEMA, WV NFIP Office, and WV OHS Technical Center.

Flood Info Location

<table>
<thead>
<tr>
<th>User Notes</th>
<th>Flood Hazard Area</th>
<th>Flood Zone</th>
<th>Watershed (HUC8)</th>
<th>Flood Height</th>
<th>Water Depth</th>
<th>Elevation</th>
<th>Community &amp; ID</th>
<th>FEMA Map &amp; Date</th>
<th>Parcel ID</th>
<th>E-911 Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location is NOT WITHIN identified flood hazard area, but within 75 feet of an identified flood hazard area.</td>
<td>Near Flood Zone</td>
<td>Upper Kanawha (5050006)</td>
<td>Flood Height 6a N-A</td>
<td>642.0 ft (Source: FEMA 2018-20) (NAVD88)</td>
<td>54039C0637E, Effective Date: 9/3/2010 (WGS84)</td>
<td>204740001-0158-0000</td>
<td>City of Montgomery (ID: 540029)</td>
<td>(38.179371, -81.330882)</td>
<td>800 1ST AVE, Montgomery, WV, 25136</td>
<td></td>
</tr>
</tbody>
</table>
Improvement Data

The property is improved with a maintenance facility that was constructed in 1978 and is currently occupied by maintenance staff of BridgeValley, as well as educational programs that they operate. It is one of the newer facilities associated with the campus. The basic building information was determined during the site observation and is summarized as follows:

Age: 44 years

Purpose of Building: Maintenance shop with limited office space

Gross Area: 15,400 square feet, of which 2,200 square feet is office space

Construction Style: Masonry frame structure with steel bar joists, poured concrete floor slabs and a flat roof. This is a clear span structure with masonry walls for fire separation.

Exterior

Walls: Fluted and smooth block

Roof: Rubber (replaced in 2019)

Doors: The office entrance has a retail style aluminum frame door with glass panel and secondary personnel doors are hollow metal with metal frames. There are two 10’ x 8’ electric coil doors in the drive-in bays and two 8’ x 8’ electric coil doors for the dock.

Windows: The windows are at the main office entrance and are fixed aluminum frame with double pane insulated glass. There are a few fixed frame double-pane windows for the second floor office space.

Interior

Walls: Block with limited drywall in the offices

Ceilings: Mostly unfinished except for suspended tile in the offices; The drive-in shop has an 18’ clearance.
Floors: Concrete with limited vinyl composition tile and ceramic tile in the bathrooms

Doors: Solid wood with metal frames

Lighting: The shops have T-8 fluorescent fixtures and the office has recessed fluorescent fixtures.

**Mechanical**

HVAC: There is a gas boiler for the heat system attached to local blowers with a shop office that has a P-TAC unit and the second floor office space has a central heating and cooling system.

Plumbing: The plumbing is mostly limited to one half bathroom on the first floor and a set of men’s and women’s restrooms on the second floor. The second floor men’s room is a locker room with showers and multiple stalls. There is a 40 gallon electric hot water tank.

Electrical: 600 ampere electric system and this is reportedly connected with the Pathfinder Building.

Elevator: None

Life Safety Components: Wet sprinkler system, fire alarm system, security cameras, emergency and exit lighting, and magnetic door locks

This is a fairly simple style of building that is intended for storage and training programs that require open space for tools and equipment. The building is 160 feet long and the eastern 40 feet is designated as a drive-in garage that has 18 feet of clearance and a light duty storage mezzanine. The balance of the building is two-story with a walkup design. For example, an HVAC contractor was conducting training onsite during the site observation. The second floor of the building has rigging for a lineman’s training course and there is a secure area on the first floor that has woodworking equipment. This has been continuously occupied and well-maintained with a major investment in the roof in approximately 2019. Even though some of the other finish fixtures are older, they continue to function adequately. Typical upgrades for this type of building would include LED lighting and upgrades to add more
climate controlled space to the building. It is a style of building that would easily accommodate equipment maintenance, onsite storage and the volume of parking would allow for more office build-out. Currently, the office space is on the second floor but there is a section of the first floor that could be built-out to improve the office component. Since it has resilient building materials and has been well-maintained, it is in average condition with a remaining economic life of 25 years. Photographs illustrating the building condition are shown as follows:

Shop

Shop

Training Area

Office
The definition of highest and best use is as follows:

1. “The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset’s existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (International Valuation Standards “IVS”)

3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)"

4. [For fair value determination] The use of a nonfinancial asset by market participants that would maximize the value of the asset or the group of assets and liabilities (for example, a business) within which the asset would be used. (FASB Glossary). The highest and best use of a nonfinancial asset takes into account the use that is physically possible, legally permissible, and financially feasible. (FASB 820-10-35-10B). The highest and best use of a nonfinancial asset establishes the valuation premise used to measure the fair value of the asset, as follows: (a) The highest and best use of a nonfinancial asset might provide maximum value to market participants through its use in
combination with other assets as a group (as installed or otherwise configured for use) or in combination with other assets and liabilities (for example, a business). (b) The highest and best use of the asset might provide maximum value to market participants on a standalone basis. (FASB 820-10-35-10E)

The subject property is zoned General Purpose, according to representatives of the City of Montgomery. This is a broad classification that allows for a wide range of uses. Examples include professional offices, service related businesses, educational facilities and single-family homes. All of those types of uses can be found in the immediate area, many of which were in place prior to the city ordinance being adopted in 1970. The reality is that the City of Montgomery would look favorably upon most types of investments in redeveloping portions of downtown. The subject zoning is not considered to be a significant impediment to the use of the property.

The physical characteristics of the site include a site that is nearly rectangular in shape with frontage along three public roads and access to all utility infrastructure. It is not located within a high risk flood hazard area and it is assumed to have sufficient soil bearing capacity to allow development. It has a secondary location along the south side of 1st Avenue in downtown Montgomery. There is an elevation change between 1st Avenue and Fayette Pike, but there is driving access from each of the public roads. This does create a transition area within the site and part of the southern wall of the building creates a retaining wall due to the elevation change. The site size is fairly common for this portion of downtown Montgomery and a new use would have to allow for the building site, as well as proper parking to support a potential use. There are few physical impediments to the use of the property while recognizing this size site would only support a building of approximately 5,000 to 10,000 square feet and still have sufficient onsite parking.

The best measure of the highest and best use of the site is by reviewing the use of similar sites that have been developed in the market area during the recent past. There has not been a lot of new construction in Montgomery, particularly of any significant size and there are plenty of opportunities to repurpose existing buildings. A retail store was repurposed for a medical office and an old school, previously converted to a worship facility, was purchased to be converted to an ammunition manufacturing facility. This required the oldest section of the school to be demolished and the gym converted to manufacturing. This site is not expected to attract national investment and retail uses would not be attracted to this site. Local businesses that are attracted to Montgomery will tend to repurpose existing structures as a less expensive alternative to new construction. Due to the physical characteristics of the site and the secondary location, a commercial use is
expected but there is a lack of recent new construction projects in Montgomery. There is a strong possibility that a vacant site would remain vacant for an extended period of time but this site would be well suited for a commercial use by a local business.

The property is currently improved with a two-story office and storage building that was designed as a maintenance shop and continues to be used for that purpose. It was built in 1978 with resilient building materials, has a flexible configuration and could easily be adapted to a wide range of uses. There is a low percentage of office space and a good drive-in work bay area, as well as dock doors for loading and distribution purposes. BridgeValley heavily uses this building for maintenance and training purposes and that is why it has had more updating than some of the other facilities on the old WVU Tech Campus. Due to the maintenance and upkeep, the building has a lengthy remaining economic life and is definitely part of the future highest and best use of the property.

The best measure of the highest and best use of the structure is by evaluating similar buildings that have been sold recently in the market area. There has been a limited amount of sale transactions in Montgomery, but when evaluating portions of Kanawha, Fayette and Raleigh Counties, this style of building is frequently acquired by a local business that has operations in the immediate area. The open configuration would allow for a wide range of uses with adequate parking and truck access to promote a commercial or light industrial use. The lack of outside storage area will limit some of the more intense light industrial uses, but the open interior design is well suited for storage or a service related company that requires offices and distribution space. This style of building in this location is appealing to a local business that will most likely use it in its current design and configuration. There is a slim possibility that an investor would acquire the property, but that would only be compatible if the investor has an existing lease with a long-term tenant rather than a speculative buyer.

**Appraisal Process**

The appraisal process is the analysis of the various data to arrive at an estimate of market value. In order to express a reasonable opinion of the market value of the subject property, the appraiser has considered various valuation methods. The three approaches that are available include the Sales Comparison Approach, Cost Approach and the Income Approach.

Information for each of these approaches comes from the market place and at times is interrelated.

**Sales Comparison Approach**

The Sales Comparison Approach is the most easily understood and probably the most widely used. It is most appropriate and applicable when
similar types of improved properties are available for direct comparison. This approach involves analyzing key factors of similarity and dissimilarity of similar type properties that are located in the same or competing areas. The principle underlying this technique is that it is expressive of the value established by informed buyers and sellers in the market area. This approach also serves as a reliable indicator regarding the amount of market activity. Its limitations are lack of similar data, older data and sales, which lack comparability. It is also utilized when developing an opinion of value for the land, as vacant.

Cost Approach

The Cost Approach considers the current cost of reproducing or replacing the existing improvements with consideration for depreciation and obsolescence. Replacement costs are typically used because it allows for replacing the existing improvements with modern building materials that are common in the market at the time of the appraisal. The depreciation that is deducted can come from three sources including physical deterioration, functional obsolescence and external obsolescence. The value of the land, as though vacant, is added to the depreciated value of the improvements to indicate the market value from the Cost Approach. This approach is directly related to the principle of substitution, which states that no one is likely to pay more for an existing property than what it would cost to recreate it.

Income Approach

The measure of value in this approach is directly related to the net income that the subject can create during the remaining economic life of the improvements. The process includes estimating the gross income, vacancy and expenses that are incurred by the property owner from leasing the property. Several methods are available for this approach, including capitalization of the first year’s net operating income, as well as an analysis of the discounted cash flow over a forecasted holding period. The net income is capitalized to arrive at an indication of value from the standpoint of an investment. Competing investments may include real estate, securities or a variety of investment vehicles. All of the information in this procedure must be obtained from the market to use standards, which are accepted by investors in the area. The principle underlying this method is the present worth of anticipated future benefits (net income) derived from the property.

Conclusion

The appraiser, in applying the tools of analysis to the problem in question, seeks to simulate the thought process of a probable decision maker rather than a particular one with specific individual interests. The various approaches to valuation are merely a simulation of these alternative courses of action, potentially open to the decision maker. The appraiser’s judgment concerns the applicability of
alternative tools of analysis to the facts of the problem, the data, information needed to apply these tools, and the selection of the most applicable approaches to solve the appraisal problem. Some appraisal problems will fully utilize each valuation procedure while others may lack enough data to develop each approach. In all assignments each approach will be considered.

Sales Comparison Approach - Improvements

The research for comparable building sales was conducted throughout central West Virginia including Kanawha, Fayette, Nicholas, Greenbrier and Raleigh Counties. These areas are influenced by similar economic characteristics and changes in the energy markets. The goal was to identify buildings that have open configurations with a limited amount of office space. The comparable sales that have been selected are shown as follows:
COMPARABLE IMPROVED SALE ONE

Hyperlink: S:\Main\Comp Database\Comps\Industrial Buildings\Comp-344.doc

Location: 641 Industrial Park Road, Beaver, Raleigh County, West Virginia 25813

Tax District: Shady Spring  Map/Parcel  2A/15.5

Sale Date: 3/4/2021  Recorded  5073/5614

Grantor: Alan D. Smith (Sold by Foreclosure Auction)

Grantee: PG Holdings, LLC

Verified: Prior Owner, Appraisal, Site View and Public Records

Building Size: 10,000 Square Feet  Site Size  0.885 Acres  38.550 Square Feet

Description: This is a pre-engineered building constructed circa 1999 with 2,400 SF of office and the balance as shop. There is also a 3,400 SF bonus mezzanine with low clearance. The building had sections created for material testing and specific functions that will probably be removed because those areas do not offer any utility. There had not been any significant renovations throughout the building lifecycle. The warehouse has three drive-in doors and an exterior loading dock with customer parking at the front. There is minimal storage yard.

Sale Price: $240,000.00  Unit Price  $24.00 Per Square Foot

Financing: Cash to Seller

Zoning: I-1 - Industrial

Utilities: All Available

Topography: Level

Intended Use: Owner Occupied – Flex Space

Prior Sale Data: Greater Than Three Years

Comments: The property was sold by public auction due to a foreclosure and with advertising to generate interest.
COMPARABLE IMPROVED SALE TWO

Hyperlink: \\RDS1\Main\Comp Database\Comps\Industrial Buildings\Comp-337.doc

Location: 254-256 Industrial Drive, Oak Hill, Fayette County, West Virginia

Tax District: Plateau  Map/Parcel: 14B/118

Sale Date: 1/8/2021  Recorded: 808-589

Grantor: Nancy’s, LLC

Grantee: Smith & Smith, Inc.

Verified: Courthouse, Seller, Buyer (George Smith), Prior Appraisal & Attorney

Building Size: 26,900 Square Feet  Site Size: 2 Acres

Description: The property is a large pre-engineered building with wood frame interior build-out on a concrete slab and located in an industrial park. It was originally designed as a warehouse, converted to office space around 1990 and a second floor was added in 2003. It was previously occupied by the WV DEP and considered to be in below average condition at the time of sale. The large amount of office space and limited parking created functional obsolescence.

Sale Price: $230,000.00  Unit Price: $8.55 Per Square Foot

Financing: Cash to Seller

Zoning: Light Industrial

Utilities: All Except Onsite Package Sewer System

Topography: Gentle Downward Slope From North to South

Intended Use: Speculative Investment

Prior Sale Data: 8/1/1994 - DB 514/PG 121 - $750,000.00 (Included 2 Tracts)

Comments: The property had been marketed for $1,000,000.00 for approximately 3 years. It sold based on an auction. There was a Buyer’s Premium of 10%. The buyer reported that he planned to demolish large segments of office space and restore loading docks and warehousing to attract tenants.
COMPARABLE IMPROVED SALE THREE

Hyperlink: \\Rds1\s\Main\Comp Database\Comps\Commercial Buildings\Comp-1360.doc

Location: 7002 Legends Highway, Oak Hill, Fayette County, West Virginia 25901

Tax District: Plateau District          Map/Parcel: 30E/51

Sale Date: 5/26/2020          Recorded: 793/98

Grantor: Sandra Phillips, David Goff, Diana McMillion (General Ambulance, Inc.)

Grantee: Stephen & Karen Piotrowski

Verified: Beckley MLS #C75058C, Courthouse, Assessor & Online Records

Building Size: 10,489 Square Feet          Site Size: 1.30 Acres
56,628 Square Feet

Description: This is a commercial building with 4 bay garage located just south of a US Route 19 intersection. This area of Oak Hill is not heavily commercialized, but the property does have extensive road frontage. The improvements were constructed in 1960 with an addition 2004.

Sale Price: $185,000.00          Unit Price: $17.64 Per Square Foot

Financing: Owner Finance - $65,000.00 - 48 Months at @% $1,410.18

Zoning: B-3, Business/Tourism District

Utilities: All Available

Topography: Sloping

Intended Use:

Prior Sale Data: 2015 (Related Party Sale)

Comments: The property was listed through the Fayette-Nicholas MLS system over several years. MLS information indicated it was on the market since January 2019, with an original asking price of $315,000.00. It had previously been occupied by General Ambulance and Jan Care.
**COMPARABLE IMPROVED SALE FOUR**

Hyperlink: S:\Main\Comp Database\Comps\Commercial Buildings\Comp-1473.doc

Location: Former Nitro Moose – 101 1st Avenue, Nitro, Kanawha County, West Virginia 25143

Tax District: Nitro Corporation  
Map/Parcel: 9/121, 127 & 128

Sale Date: 2/4/2022  
Recorded: 3119/914

Grantor: Moose Title Holding Company R. Douglas Calderwood, AIF

Grantee: Vance Realty

Verified: CoStar, Courthouse, Prior Appraisal, Assessor & Online Records

Building Size: 32,200 Square Feet  
Site Size: 5.17 Acres

Description: This is a three-story brick structure with steel frame that was constructed circa 1979 and designed specifically for the Moose Lodge. It was designed with commercial kitchen, bar, dance floor and stage, administrative offices, gym and catering facilities. There was onsite parking for approximately 100 vehicles.

Sale Price: $594,000.00  
Unit Price: $18.45/Square Feet

Financing: Poca Valley Bank Credit Line; $1,708,667.00

Zoning: C-1, Heavy Business District

Utilities: All Available

Topography: Level at Road Frontage; Increasing in Elevation to Rear of Site

Intended Use: Climate Control Storage

Prior Sale Data: 8/31/2020 – DB 3074/PG 867 - $200,000.00 (Foreclosure)

Comments: The property has been marketed for sale for since 2018. It was subject to a foreclosure proceeding in August 2020 where it sold for $200,000.00. Most recently, it had been listed on January 22, 2020 through the Kanawha Valley MLS with an original asking price of $1,299,000.00, subsequently reduced to $799,000.00 and was on the market for 425 days.
## Adjustment Table - Building Sales

<table>
<thead>
<tr>
<th>Comparable Sales:</th>
<th>One</th>
<th>Two</th>
<th>Three</th>
<th>Four</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sale Nos.</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sale Date</strong></td>
<td>Mar-21</td>
<td>Jan-21</td>
<td>May-20</td>
<td>Feb-22</td>
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<tr>
<td><strong>Building Size</strong></td>
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<td>26,900</td>
<td>10,489</td>
<td>32,200</td>
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<tr>
<td><strong>Site Size - Square Feet</strong></td>
<td>38,550</td>
<td>87,120</td>
<td>56,628</td>
<td>225,205</td>
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<tr>
<td><strong>Sale Price</strong></td>
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<td>$230,000.00</td>
<td>$185,000.00</td>
<td>$594,000.00</td>
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<tr>
<td><strong>Unit Price</strong></td>
<td>$24.00</td>
<td>$8.55</td>
<td>$17.64</td>
<td>$18.45</td>
</tr>
<tr>
<td><strong>Lot Coverage Ratio</strong></td>
<td>25.94%</td>
<td>15.44%</td>
<td>18.52%</td>
<td>4.77%</td>
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### ITEMS OF ADJUSTMENT

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<thead>
<tr>
<th>Sale Price / SF ($)</th>
<th>$24.00</th>
<th>$8.55</th>
<th>$17.64</th>
<th>$18.45</th>
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<tr>
<td>Property Rights Adjustment</td>
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<tr>
<td>Adjusted Price</td>
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<td>$18.45</td>
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<tr>
<td>Financing Terms Adjustment</td>
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<tr>
<td>Adjusted Price</td>
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<td>$8.55</td>
<td>$17.64</td>
<td>$18.45</td>
</tr>
<tr>
<td>Condition of Sale Adjustment</td>
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<td>Adjusted Price</td>
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<td>$17.10</td>
<td>$17.64</td>
<td>$18.45</td>
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<tr>
<td>Investment After Sale</td>
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<tr>
<td>Adjusted Price</td>
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<td>$17.64</td>
<td>$18.45</td>
</tr>
<tr>
<td>Market Conditions Adjustment</td>
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### Adjusted Price

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<tr>
<th>Adjusted Price</th>
<th>$26.40</th>
<th>$17.10</th>
<th>$17.64</th>
<th>$18.45</th>
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### Other Adjustments

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<tr>
<th>Location</th>
<th>-10%</th>
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<th>-5%</th>
<th>-10%</th>
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<td>Physical Characteristics</td>
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<tr>
<td>Size</td>
<td>-5%</td>
<td>20%</td>
<td>-5%</td>
<td>25%</td>
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<tr>
<td>Age</td>
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<td>0%</td>
<td>10%</td>
<td>0%</td>
</tr>
<tr>
<td>Condition/Quality</td>
<td>10%</td>
<td>25%</td>
<td>25%</td>
<td>10%</td>
</tr>
<tr>
<td>Site Size/Parking</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Utilities</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Additional Buildings</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Flood Zone</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Design</td>
<td>-10%</td>
<td>0%</td>
<td>-10%</td>
<td>5%</td>
</tr>
</tbody>
</table>

### Subtotal - Other Adjustments

<table>
<thead>
<tr>
<th>Subtotal - Other Adjustments</th>
<th>-15%</th>
<th>35%</th>
<th>15%</th>
<th>30%</th>
</tr>
</thead>
</table>

| Adjusted Unit Price | $22.44 | $23.09 | $20.28 | $23.98 |

There are four comparable sales that include properties in Fayette, Raleigh and Kanawha Counties. The buildings are light industrial style structures or multiple levels with open configurations and selected based on their size and relatively small lot sizes. The buildings range from 10,000 to 32,200 square feet. Common adjustments include size and design. The two-story design of the subject property is less appealing than a similar
size one-story building. That is due to the limited ability to utilize the second floor for storage or warehousing with a walkup design.

Comparable Improved Sale One is a light industrial style building located in the Airport Industrial Park in Beckley. This is a superior location because there is generally more commercial and industrial activity in that area and the property is within closer proximity to an interstate. There is a positive adjustment for condition of sale because the property was sold by auction as part of a foreclosure. This will frequently depress the price because buyers do not have the same opportunity to conduct due diligence and there can be unknowns that have to be addressed. This is a pre-engineered metal building of inferior quality and had not been as well-maintained.

Comparable Improved Sale Two is a large industrial building in Oak Hill that was gradually converted to office space. Most of the interior had been double-decked to create office space for a State agency and the buyer immediately demolished large portions of the interior build-out to accommodate more traditional warehouse space. That required a large adjustment for investment after the sale. The site did not accommodate enough parking for the office space and there were few users that would have been interested in this design. It is much larger and the condition had suffered due to the lack of reinvestment. This sale required significant adjustments.

Comparable Improved Sale Three is a pre-engineered light industrial building that was used for an ambulance service. It includes multiple garage bays and small offices that were constructed in the 1960’s with more recent additions. It is a lower quality building, but it has a one floor design that requires a negative adjustment.

Comparable Improved Sale Four is a Moose Lodge that is a three-story building of masonry construction that compares well to the multi-story design with open spaces. It is a much larger facility that was purchased to be converted to climate controlled storage. It is the most similar comparable sale for accounting for the steel and masonry frame construction and multi-story configuration, but it has a superior location. There is a slight positive design adjustment since it is three floors compared to two at the subject property.

The adjusted unit price range is between $20.00 and $24.00 per square foot, so it is relatively consistent even though some of the sales required large adjustments. Even though the percentage adjustments seem severe, that is the nature of buildings that sell for relatively low unit prices. Reinvestment after the sale can easily eclipse the original acquisition price. All of the comparable sales should receive some weight in the conclusion, so a unit value of $22.50 per square foot will be adopted. When applied to a gross building area of 15,400 square feet, the value conclusion is $350,000.00.
The Income Approach is one of the more heavily relied upon indications of value for commercial real estate. This is particularly true when a property is owned strictly as an investment. This would indicate that an investor purchases the property and then leases the land or improvements, or both, for their highest and best use. The cash flow to the property owner is viewed as the return on their investment and can be measured to develop an opinion of value. The Income Approach must take into consideration the quality, quantity and longevity of the future cash flows.

There are multiple methods that can be employed to develop the Income Approach. Two of the most common include the capitalization approach and the discounted cash flow analysis. The capitalization approach takes into consideration the first year of stabilized income and expenses and applies a capitalization rate to the net operating income. A discounted cash flow analysis will view multiple years during a hypothetical holding period and the net operating income is discounted to the current period to provide an opinion of value. In this appraisal, the capitalization method will be utilized since this methodology is frequently used by market participants, particularly for single tenant properties.

The property is being utilized by BridgeValley for their maintenance staff and training programs. This is considered to be an owner occupied facility with no leases in place to use for rent comparison. With an owner occupied property, a survey of the market area must be conducted to analyze market characteristics for this type of property. The market area will be relatively broad and include various industrial uses. A set of comparable leases is shown as follows:

**Comparable Lease One**

<table>
<thead>
<tr>
<th>Address:</th>
<th>Ragland Road, Beckley, Raleigh County, West Virginia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lessee:</td>
<td>Confidential</td>
</tr>
<tr>
<td>Date:</td>
<td>April 5, 2021</td>
</tr>
<tr>
<td>Term:</td>
<td>Year-to-Year</td>
</tr>
<tr>
<td>Renewal Options:</td>
<td>None</td>
</tr>
<tr>
<td>Building Size:</td>
<td>8,500 Square Feet</td>
</tr>
<tr>
<td>Site Size:</td>
<td>5.66 Acres</td>
</tr>
<tr>
<td>Rent:</td>
<td>$54,000.00/Year; $4,500.00/Month; $6.35/SF</td>
</tr>
<tr>
<td>Expenses:</td>
<td>Gross Lease</td>
</tr>
</tbody>
</table>
**Comparable Lease Two**

<table>
<thead>
<tr>
<th>Address:</th>
<th>Airport Industrial Park, Blue Angel Lane, Beaver, West Virginia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lessee:</td>
<td>Confidential</td>
</tr>
<tr>
<td>Date:</td>
<td>October 30, 2020</td>
</tr>
<tr>
<td>Term:</td>
<td>Year-to-Year</td>
</tr>
<tr>
<td>Renewal Options:</td>
<td>1 Year Options</td>
</tr>
<tr>
<td>Building Size:</td>
<td>6,000 Square Feet</td>
</tr>
<tr>
<td>Site Size:</td>
<td>0.43 Acre</td>
</tr>
<tr>
<td>Rent:</td>
<td>$30,000.00/Year; $2,500.00/Month; $5.00/SF</td>
</tr>
<tr>
<td>Expenses:</td>
<td>Tenant is responsible for utilities and maintaining rental insurance and the landlord is responsible for all other operating expenses.</td>
</tr>
</tbody>
</table>

**Comparable Lease Three**

<table>
<thead>
<tr>
<th>Address:</th>
<th>Ragland Road, Beckley, Raleigh County, WV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lessee:</td>
<td>Confidential</td>
</tr>
<tr>
<td>Date:</td>
<td>July 29, 2019 (renewal)</td>
</tr>
<tr>
<td>Term:</td>
<td>Three Years</td>
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<tr>
<td>Size:</td>
<td>9,000 Square Feet</td>
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<tr>
<td>Rent:</td>
<td>$54,000.00/Year; $4,500.00/Month; $6.00/SF</td>
</tr>
<tr>
<td>Landlord Expenses:</td>
<td>Real Estate Taxes and Building Insurance</td>
</tr>
<tr>
<td>Tenant Expenses:</td>
<td>Utilities and Maintenance</td>
</tr>
</tbody>
</table>

**Comparable Lease Four**

<table>
<thead>
<tr>
<th>Address:</th>
<th>Teays Valley Road, Hurricane, WV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lessee:</td>
<td>Confidential - Industrial User</td>
</tr>
<tr>
<td>Date:</td>
<td>March 1, 2021</td>
</tr>
<tr>
<td>Term:</td>
<td>5 Years</td>
</tr>
<tr>
<td>Renewals:</td>
<td>One 5 Year &amp; Three 3 Year Options</td>
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<tr>
<td>Building Size:</td>
<td>12,955 Gross Square Feet</td>
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<tr>
<td>Office:</td>
<td>2,455 Square Feet</td>
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<tr>
<td>Shop:</td>
<td>10,500 Square Feet</td>
</tr>
<tr>
<td>Site Size:</td>
<td>12.02 Acres</td>
</tr>
<tr>
<td>Rent:</td>
<td>$79,380.00/Year; $6,615.00/Month; $6.13/SF</td>
</tr>
<tr>
<td>Renewal Rent:</td>
<td>1st Option: $79,380.00/Year; $6,615.00/Month; $6.13/SF</td>
</tr>
<tr>
<td>2nd – 4th Option:</td>
<td>Prevailing Market Rate Based on Appraisal</td>
</tr>
<tr>
<td>Expenses:</td>
<td>The landlord is responsible for structural maintenance including roof, exterior walls and foundation. The tenant is responsible for real estate taxes, insurance, maintenance and utilities.</td>
</tr>
<tr>
<td>Right of First Refusal:</td>
<td>The lease grants the right of first refusal to the tenant to purchase the property at any time during the term of the lease.</td>
</tr>
</tbody>
</table>
Comparable Lease Five

Address: Spring Street, Charleston, West Virginia
Lessee: Confidential
Date: June 6, 2019
Term: 60 Months
Suite Size: 7,000 Square Feet
Base Rent:
- Months 1-4: Free
- Year 2: $43,980.96/Year; $3,665.08/Month; $6.28/SF
- Year 3: $45,300.48/Year; $3,775.04/Month; $6.47/SF
- Year 4: $46,659.48/Year; $3,888.29/Month; $6.67/SF
- Year 5: $48,059.28/Year; $4,004.94/Month; $6.87/SF
Renewal Options: One 5 Year Term Beginning at $4,125.08 Per Month and Increasing 3% Per Year
Landlord Expenses: Real Estate Taxes, Insurance & Maintenance to Major Structural or Mechanical Systems Including Major Repairs to Heating and Cooling Equipment
Tenant Expenses: Utilities, Janitorial, Snow Removal & Minor Interior Maintenance Including HVAC Maintenance up to $1,500.00 Per Year
Note: This lease specifically allocates the storage yard to this tenant.

Comparable Lease Six

Address: Greenbrier Street, Charleston, WV
Lessee: Confidential
Date: January 31, 2020 (Tenant in place since 1984)
Size: 24,100 Square Feet
Term: 2 Years
Rent: $168,700.00/Year; $14,058.00/Month; $7.00/SF
Options: 2 Five Year Renewal Options
Expenses: Landlord is responsible for maintenance to the roof and structure, replacement of HVAC components and the tenant pays all other expenses.
Note: The tenant also invested heavily in installing equipment for their benefit and supports that they plan to remain in place for more than a year.
Comparable Lease Seven

Address: MacCorkle Avenue SW, St. Albans, WV 25177
Lessee: Confidential (Flex Space)
Date: February 28, 2020
Term: 5 Years
Renewals: Three 5 Year Options
Size: 5,664 Square Feet (Per Lease Document)
Rent: $40,200.00/Year; $3,350.00/Month; $7.18/SF
   Years 6-10: $44,220.00/Year; $3,685.00/Month; $7.81/SF
   Years 11-15: $48,642.00/Year; $4,053.00/Month; $8.59/SF
   Years 16-20: $53,506.00/Year; $4,458.00/Month; $9.45/SF
Landlord Expenses: Taxes, Maintenance to Structural Components, Roof, Windows, Doors, Electric, Plumbing, HVAC Repairs (Over $300.00/Occurrence)
Tenant Expenses: Utilities, HVAC Repairs (Up to $300.00/Occurrence), Public Liability & Property Damage Insurance and Reimbursement of Building Coverage Insurance
Note: The lease states if at any time and for any reason the lessee needs to terminate the lease, the lessee will pay six full months of rent in advance at the anniversary of the next monthly rental date and will be excused from the lease and be allowed to leave immediately.

Comparable Lease Eight

Address: 4916 Kanawha Boulevard, Rand, WV
Lessee: State of West Virginia Auditor’s Office
Date: Renewed June 1, 2021
Size: 13,500 Square Feet
Term: 5 Years
Rent: $53,280.00/Year; $4,440.00/Month; $3.94/SF
Expenses: The landlord is responsible for major structural repairs, mechanical components, insurance and taxes while the tenant pays for interior maintenance and utilities.
Note: The State of West Virginia has a 30-day cancellation clause which is rarely exercised.
## Comparable Lease Nine

<table>
<thead>
<tr>
<th>Address:</th>
<th>West Virginia Dept. of Administration Real Estate Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date:</td>
<td>December 1, 2018 (Renewal)</td>
</tr>
<tr>
<td>Current Term:</td>
<td>5 Years</td>
</tr>
<tr>
<td>Size:</td>
<td>21,552 Square Feet</td>
</tr>
<tr>
<td>Rent:</td>
<td>$96,984.00/Year; $8,082.00/Month; $4.50/SF</td>
</tr>
<tr>
<td>Renewal Option:</td>
<td>None</td>
</tr>
<tr>
<td>Expenses:</td>
<td>The landlord is responsible for real estate taxes, insurance, maintenance, snow and ice removal, exterior cleaning, HVAC (existing), cosmetic. Tenant is responsible for utilities, janitorial, trash removal, personal property, equipment and fixtures; (Tenant at its consent and at written consent of Lessor may install supplemental AC units), also tenant has the right to install keycard access system or other security system.</td>
</tr>
</tbody>
</table>

**Note:** The State of West Virginia has a 30-day cancellation clause in all leases. This is rarely exercised.

Identifying a lease rate for industrial buildings is difficult because these properties tend to be owner occupied but these offer numerous examples of similar use properties. Companies that locate in southern West Virginia would be familiar with various markets, so the financial terms of a lease are frequently similar from location to location. The rates are derived from Beckley and Charleston where there is more economic activity than Montgomery and that will have a negative influence on the general rent comparison. The comparable lease rates generally range between $3.94 and $7.25 per square foot and offer a combination of office, shop or warehouse space. Those that are more warehouse oriented are at the lower end of the range. The subject property has a two-story configuration with limited outside storage associated with the building and in an inferior location compared to the comparable leases. The lease rate assigned to the subject property will be below the range at $3.75 per square foot. The potential gross income is $57,750.00 per year. This assumes that the tenant is heavily involved in maintenance and management of the property during the lease term.

Now that the potential gross income has been estimated, there are other deductions and expenses that need to be accounted for. These are the expenses that would be paid by the landlord and a summary of each is as follows:

- **Vacancy & Credit Loss** - The Town of Montgomery has been challenged with numerous changes over the last decade. The gradual decline of the energy markets had already decreased economic activity and when WVU Tech relocated in 2017, the campus facilities were not immediately backfilled. There have been projects identified to repurpose some of these
buildings, but there continue to be large vacancies, some of which may have competitive space to the subject property. There are few private businesses that could occupy this much space and the vacancy rate must contemplate that portions of the building will be underutilized. This building, closer to a major highway where there is more economic activity, would experience minimal vacancy and credit loss as businesses would be attracted to this design. If the market as a whole has a range of 5% to 10%, the vacancy rate for this asset, in Montgomery, is expected to be 12%. This helps account for the fact that there are few businesses willing and able to occupy this size facility and there is expected to be more frequent turnover.

► **Real Estate Taxes** – The property is tax-exempt, but there is assessment information that results in a tax appraisal of $293,700.00. That is within reason considering the value conclusions in this appraisal, so the taxes will be included at $5,800.00 per year.

► **Property Insurance** – The insurance premium has to be estimated based on comparison to similar size and value properties. This is estimated to be $4,500.00 per year.

► **Maintenance** – The lease assumption is that the tenant will be responsible for most maintenance, but it is not unusual for maintenance to be deferred until tenants roll over. The maintenance expense is estimated to be 5%, which is a combination of maintaining exterior components during the leases and modest renovations to the space between tenants.

► **Reserves for Replacements** – The reserves account is estimated to be 5% of effective gross income. This will set aside income on an annual basis to help maintain the capitalized improvements at the property. The limited office space and fewer short-lived building components reduce the amount of reserves that are needed.

► **Management Fee** – The management fee for the subject property will 4% since the owner will have some level of involvement in maintenance and managing tenant relationships.

► **B & O Tax** – The Town of Montgomery charges Business & Occupation Tax of 1% on gross receipts.

Based on all of these assumptions, a pro forma income statement was developed and is shown as follows:
### Pro Forma Income Statement

**BridgeValley - Maintenance/Workforce Building**  
800 1st Avenue, Montgomery, West Virginia

<table>
<thead>
<tr>
<th>Potential Gross Income</th>
<th>Size</th>
<th>Rent</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shop/Storage Space</td>
<td>15,400</td>
<td>$</td>
<td>3.75</td>
</tr>
</tbody>
</table>

| Income from Rental     | $ 57,750.00 | 113.64% |
| Less: Vacancy & Credit Loss (Commercial) | 12% | $ 6,930.00 |
| Effective Gross Income | $ 50,820.00 | 100.00% |

<table>
<thead>
<tr>
<th>Expenses</th>
<th>$</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate Taxes</td>
<td>5,800.00</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>4,500.00</td>
<td></td>
</tr>
<tr>
<td>Maintenance</td>
<td>5% 2,541.00</td>
<td></td>
</tr>
<tr>
<td>Reserves Account</td>
<td>5% 2,541.00</td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td>4% 2,032.80</td>
<td></td>
</tr>
<tr>
<td>B &amp; O Tax</td>
<td>1% 508.20</td>
<td></td>
</tr>
</tbody>
</table>

| Total Expenses         | $ 17,923.00 | 35.27% |

| Net Operating Income   | $ 32,897.00 | 64.73% |

The estimated net operating income is $32,897.00 per year.

The next step is evaluating an appropriate capitalization rate which can be applied to net operating income to indicate the overall value. This can be conducted through several methods with data derived directly from a property in the market area being the most pure form. There are several recent investment sales that involved local investors and can be considered. They are shown as follows:
CAPITALIZATION RATE COMPARABLE ONE

Hyperlink: \RDSS\Main\Comp Database\Comps\Commercial Buildings\Comp-1338.doc

Location: 4499 Appalachian Highway, Rockview, Wyoming County, West Virginia 24880

Tax District: Center District Map/Parcel: 107A/1

Sale Date: 7/22/2020 Recorded: 501/397

Grantor: Davenport Construction & Development, LLC

Grantee: TEP Pineville, LLC

Verified: CoStar, Courthouse, Assessor, Online Records

Building Size: 20,781 Square Feet Site Size: 4.50 Acres

Description: This is a large tract located along the southwest side of Appalachian Highway (Route 10), about 4 miles north of the Town of Pineville. This is a fairly rural area, but near multiple coal mines. The improvement is a one-story masonry building designed as general office space that was constructed in 2016.

Sale Price: $4,650,000.00 Unit Price: $223.76 Per Square Foot

Financing: Centennial Bank - DOT 292/836 - $3,800,000.00 (81.7% LTV)

Zoning: None

Utilities: All Available

Topography: Level

Intended Use: Investment

Prior Sale Data: 3/19/2013 - DB 460/PG 476 - $75,000.00 (Land Only)

Comments: The property is occupied by the US Department of Labor’s Mine Safety Health Administration with a remaining lease term through March 31, 2026. The annual rent was stated at $535,098.00 or $25.75 per square foot based on modified gross terms. Net operating income was stated at $434,880.00, indicating a capitalization rate of 9.35%. It would be challenging to locate a replacement tenant for this building and location at a similar rental rate.
CUTALIZATION RATE COMPARABLE TWO

Hyperlink: S:\Main\Comp Database\Comps\Commercial Buildings\Comp-1294.doc
Location: 6582 MacCorkle Avenue SW, St. Albans, Kanawha County, West Virginia 25177
Tax District: Jefferson Map/Parcel: 8E/18 & 18.3
Sale Date: 2/10/2020 Recorded: 3054/313
Grantor: Pipe Plus, Inc.
Grantee: Triton WV, LLC
Verified: Courthouse Data, Appraisal, LoopNet, Buyer, Seller
Building Size: Office: 2,550 SF Site Size: 2.07 Acres
Shop: 3,750 SF
Storage Shed: 3,665 SF

Description: The property was tenant occupied by Sunbelt Rentals, Inc., a business that specializes in equipment and tool rentals. Sunbelt has occupied the property since 1998 and signed a lease extension prior to sale through 2027. The property contains a separate office building, storage sheds and shop building.

Sale Price: $1,200,000.00 Unit Price: $120.42/SF - Building
Financing: Conventional - Truist Bank; $1,000,000.00 (83% LTV)
Zoning: None
Utilities: All Available
Topography: Mostly level except for portions of the riverbank which are steep.
Intended Use: Commercial – Investment Property (Sunbelt Rentals)
Prior Sale Data: 12/92; 2313/648; $144,000.00 and 9/94; 2347/177; $65,000.00
Comments: The property was operating under triple net lease terms and the annual income was $111,312.00 at time of sale. This results in a gross rent multiplier of 10.78 and a capitalization rate of 9.3%.
CAPITALIZATION RATE COMPARABLE THREE

Hyperlink:  \\:\Rds1\s\Main\Comp Database\Comps\Commercial Buildings\Comp-1259.doc

Location:  200 6th Avenue, St. Albans, Kanawha County, West Virginia 25177

Tax District:  St. Albans  Map/Parcel:  2/246 – 248

Sale Date:  12/19/2019  Recorded:

Grantor:  H & S Property Management

Grantee:  Triton WV, LLC

Verified:  Buyer, Seller, Site View and Courthouse Records

Building Size:  15,875 Square Feet  Site Size:  24,500 Square Feet

Description:  This is a former US Post Office constructed circa 1950 and substantially renovated as a professional office in 1994. It is designed for a single tenant and used as an engineering office. The main level is 10,450 square feet and the lower level is 5,425 square feet. The lower level includes a gym, offices, storage and a mechanical area. The building was still in very good condition and no sources of deferred maintenance. There is parking for 27 vehicles and the tenant relied on free curbside parking.

Sale Price:  $1,400,000.00  Unit Price:  $88.19 Per Square Foot

Financing:  Conventional – BB & T;

Zoning:  C - 1; Commercial

Utilities:  All

Topography:  Level

Intended Use:  Investment – Commercial Office

Prior Sale Data:  Greater Than Three Years

Comments:  The seller was previously affiliated with the tenant, Chapman Technical but they were the landlord since 2013. The lease was $134,880.00, absolute net, and continued through November 2028. This is a capitalization rate of 9.63%. The tenant is a regional engineering firm. The asking price was $1.5M and it was on the market for 6 months.
CAPITALIZATION RATE COMPARABLE FOUR

Hyperlink: `\\Rds1\s\Main\Comp Database\Comps\Commercial Buildings\Comp-1169.doc`

Location: 5495 Maple Lane, Fayetteville, Fayette County, West Virginia

Tax District: New Haven  Map/Parcel: 59/92

Sale Date: 2/11/2019  Recorded: 773/1

Grantor: Mark D. White

Grantee: RE Investments, LLC

Verified: Buyer, Appraisal, Public Records

Building Size: 7,480 Square Feet  Site Size: 32,190 Square Feet

Description: This is a one and a half story medical office building constructed circa 1999. It has traditional medical office space on the first floor and administrative and breakroom on the second floor. The building was well maintained and constructed of average quality finish components. There was surface parking for 40 vehicles. The large open space on the second floor reduced the unit value because it offers limited utility to the functionality of the first floor.

Sale Price: $575,000.00  Unit Price: $76.87 Per Square Foot

Financing: Owner - $575,000.00 (Monthly Payments of $3,800.00 at 7.93044% interest and a balloon payment by May 1, 2019)

Zoning: B-2; Business Local District

Utilities: All Available Except Sewer (On-Site Aeration System)

Topography: Level

Intended Use: Investment – Medical Office

Prior Sale Data: 1998

Comments: The property was leased for $63,971.04 per month until 3/31/2019. The NOI was $52,500.00 resulting in a capitalization rate of 9.15%.
CAPITALIZATION RATE COMPARABLE FIVE

Hyperlink: \Rds1\s\Main\Comp Database\Comps\Commercial Buildings\Comp-1148.doc

Location: 409 George Kostas Drive, Logan, Logan County, West Virginia

Tax District: Logan Corporation  Map/Parcel: 11/1.4

Sale Date: 1/31/2018  Recorded: 644/895

Grantor: The Oaks, LLC

Grantee: Elman Logan Associates, LLC

Verified: Courthouse, Site View, Costar

Building Size: 12,000 Square Feet  Site Size: 1.00 Acres

Description: This is a high quality single-tenant commercial building constructed specifically for this tenant and completed in 2017. The building was designed as office space with a small garage area for storing equipment and a fully fenced outside storage/parking lot. The building was in excellent condition and at the beginning of a long-term lease.

Sale Price: $2,950,000.00  Unit Price: $245.83 Per Square Foot

Financing: Conventional - Academy Bank; $2,050,000.00 (69.5% LTV)

Zoning: Commercial

Utilities: All Utilities

Topography: Level

Intended Use: Investment – Leased to GSA

Prior Sale Data: Land – 2015; $375,000.00

Comments: The property was marketed for $3,100,000.00 and generated NOI of $233,908.00 or net rent of $19.49 per square foot and resulted in a 7.93% capitalization rate.
This set of comparable sales is used to derive capitalization rates. As has been typical for the local market, the rates range between 7.9% and 10%. The pro forma income statement deducted reserves and management while most local owners would not. If those are included with the comparable sales, the rates adjust down.

Other methods used to develop capitalization rates that are acceptable include a Band of Investments model or by locating rates in national publications that research transactions around the country. The Band of Investments model takes into consideration local lending criteria, as well as expectations from equity investors in real estate transactions. The following is a summary of the assumptions and the outcome of the Band of Investments model:

**Band of Investment Calculations**

<table>
<thead>
<tr>
<th>Mortgage Position</th>
<th>Equity Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>LTV (M) 80%</td>
<td>Equity to Value(E) 20%</td>
</tr>
<tr>
<td>Interest Rate(Ym) 4.75%</td>
<td>Capitalization Rate(Re) 18.00%</td>
</tr>
<tr>
<td>Term(years) 20</td>
<td>Holding Period 10</td>
</tr>
<tr>
<td></td>
<td>Appreciation/yr 0.00%</td>
</tr>
</tbody>
</table>

**Rate Calculations**

<table>
<thead>
<tr>
<th>Rate Calculations</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortgage Constant</td>
<td>0.0775</td>
</tr>
<tr>
<td>Sinking Fund Factor</td>
<td>0.0362</td>
</tr>
<tr>
<td>Equity Build-Up</td>
<td>0.3837 ($0.0065)</td>
</tr>
<tr>
<td>Total Appreciation</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Appreciation Calculation</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>M X Rm</td>
<td>6.204%</td>
</tr>
<tr>
<td>E X Re</td>
<td>3.600%</td>
</tr>
<tr>
<td>Add Dep or Ded. App.</td>
<td>0.000%</td>
</tr>
<tr>
<td>Basic Rate</td>
<td>9.804%</td>
</tr>
<tr>
<td>Equity Build-Up</td>
<td>1.112%</td>
</tr>
</tbody>
</table>

**Overall Capitalization Rate**

8.692%

The estimated capitalization rate from the Band of Investments model is 8.7%. This provides a good starting point for a capitalization rate for any property in the West Virginia market. Specifics for each property should be taken into consideration before determining the final capitalization rate.

The capitalization rate from the Band of Investments method tends to overstate the impact of the low cost of debt. The equity requirement for this property is around $70,000.00, which could be challenging for many local investors. This source sets an average for all property types.
The third method to help establish a capitalization rate is by researching national publications that conduct market research. The downfall of using these sources for an appraisal in West Virginia is that the information is typically obtained from substantially larger markets such as Columbus, Pittsburgh, Richmond or Atlanta. PwC Real Estate Investor Survey prepared by PwC (f/k/a PriceWaterhouseCoopers) indicates capitalization rates for various types of commercial real estate. They are segmented by type or location. For this assignment, data from the National Warehouse and National Net Lease Markets will be considered. The data utilized is from the Fourth Quarter 2021 publication.

The National Warehouse Market overall capitalization rates (OAR) rates range from 2.6% to 6.5% with an average of 4.31%. During the last quarter, the range was between 3% and 6.5% with an average of 4.43% and one year ago the range was from 3.4% to 7% with an average of 4.85%. The following table summarizes the averages for the three reporting periods:

<table>
<thead>
<tr>
<th>National Warehouse Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Quarter</td>
</tr>
<tr>
<td>Last Quarter</td>
</tr>
<tr>
<td>One Year Ago</td>
</tr>
</tbody>
</table>

The national information from PwC Real Estate Investor’s Survey is based on properties that are appealing for institutional investors with high quality tenants. The subject property will most likely attract local tenants that have shorter durations and this property type would not be appealing to institutional investors. There would be a sizeable risk premium compared to the rates quoted from this source.

The capitalization rate information provides a reasonable range of rates for investment properties in the market area. A reasonable range is between 8% and 10% for most property types in this market. The limited economic activity in Montgomery is a negative influence on the risk and it is unlikely that investors would seek out this type of property without a long-term commitment from a tenant. Identifying tenants that can operate out of this much space is equally challenging. Without that type of arrangement, the property will experience more turnover and the possibility of tenants that cannot fully occupy the building and would expect a discount to the lease rate. The positive risk factors are that the building has been well-maintained and should not have a lot of unforeseen operating expenses. The capitalization rate will be below the midpoint of the range established by the capitalization rate data. A rate of 10% will be applied to net operating income of $32,897.00 resulting in a value conclusion of $330,000.00.
Correlation and Final Opinion of Value

In this appraisal, three approaches to value have been considered; however, the only two approaches that were fully developed were the Sales Comparison and Income Approaches. The value outcomes are stated as follows:

Sales Comparison Approach – Improvements $ 350,000.00
Income Approach $ 330,000.00

The Sales Comparison Approach is typically the most applicable methodology for this assignment because this type of building would most likely be owner occupied but there is reasonable data to develop the Income and Cost Approaches. Owner/users do not have to account for vacancy and credit loss, management fees or tenant risk. Those are factors that illustrate the difference between the values of the Sales Comparison Approach for Improvements and the Income Approach. They do show support for one another, but the Sales Comparison Approach will be assigned the most weight in the conclusion.

Based on the information in this appraisal, it is the appraiser’s opinion that the current market value of the fee simple estate of the subject property, as of the effective date of the appraisal of January 28, 2022, was:

Three Hundred Fifty Thousand Dollars
($350,000.00)

Exposure Time

The reasonable exposure time is an opinion of the length of time the property would have been exposed to the market, prior to the effective date of the appraisal, to achieve a sale at the concluded market value and as of the effective date of the report.

The only source of information regarding an estimated marketing time is the Kanawha Valley Multiple Listing Service. The problems with using this source of data is that it only tracks a handful of sales each year and does not account for properties that have been listed with several brokers. The following data was derived from the past several years regarding commercial property sales.

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>Average Price</th>
<th>Days On Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>44</td>
<td>$177,890.00</td>
<td>196</td>
</tr>
<tr>
<td>2013</td>
<td>33</td>
<td>$207,940.00</td>
<td>122</td>
</tr>
<tr>
<td>2014</td>
<td>41</td>
<td>$203,526.00</td>
<td>115</td>
</tr>
<tr>
<td>2015</td>
<td>39</td>
<td>$267,490.00</td>
<td>183</td>
</tr>
<tr>
<td>2016</td>
<td>54</td>
<td>$178,722.00</td>
<td>156</td>
</tr>
<tr>
<td>2017</td>
<td>47</td>
<td>$248,632.00</td>
<td>167</td>
</tr>
<tr>
<td>2018</td>
<td>54</td>
<td>$184,841.00</td>
<td>160</td>
</tr>
<tr>
<td>2019</td>
<td>53</td>
<td>$337,983.00</td>
<td>144</td>
</tr>
<tr>
<td>2020</td>
<td>70</td>
<td>$285,437.00</td>
<td>139</td>
</tr>
<tr>
<td>2021</td>
<td>96</td>
<td>$222,336.00</td>
<td>167</td>
</tr>
</tbody>
</table>
It is obvious that there is not enough information from that source to derive an accurate marketing time. Most of commercial real estate brokers in the market area do not participate with the local MLS. There are also many sales that are conducted through private transactions and do not involve brokers.

The appraiser is involved in the brokerage business and discusses real estate trends on a daily basis with other real estate brokers and appraisers in the area. The exposure and marketing time estimate is a judgment based on the appraiser’s knowledge of the area, rather than from data that tracks this type of information. The market value opinion is based on exposure time between 6 and 12 months. This is based on the property being priced appropriately and marketed through a real estate broker.

One of the purposes of this appraisal is to assist ZMM Architects & Engineers, as well as BridgeValley Community & Technical College in developing a Master Plan for this property. There is no doubt that part of that plan is the possibility of liquidating the ownership of this property. While the property is not currently marketed for sale, it is possible that it will be made available for sale in the foreseeable future. If there is no near-term need for large segments of the building, this would eliminate a building that consumes precious resources simply to preserve an asset that has minimal value.
CURRICULUM VITAE

Education

BS Degree in Finance - Virginia Polytechnic Institute and State University (1995)
MBA – Marshall University (1999)

Professional Memberships

Member - Local, State, and National Board of Realtors (1995 – Present)
CCIM - Certified Commercial Investment Member (REALTORS) (1999 – Present)
SIOR - Member, Society of Industrial and Office REALTORS (2006 – Present)
MAI – Member, Appraisal Institute (2012 - Present)

Teaching Experience

Adjunct Faculty Member – The College of West Virginia (2000-2001)

Licenses and Certifications

West Virginia #WV0015391 - Real Estate Associate Broker License (1995 – Present)
Virginia #0225037927 - Real Estate Sales License (2015 - Present)
West Virginia #CG255 - State Certified General Real Estate Appraiser (1996 – Present)
Virginia #4001017254 – Certified General Real Estate Appraiser (2015 – Present)

Real Estate and Appraisal Courses


Previous Clients

American Electric Power JPMorgan Chase Bank, NA WesBanco
City National Bank National Park Service Summit Bank
Huntington National Bank United Bank CAMC
Other Banks, Attorneys, Companies, and Individuals

Testimony

Qualified as an expert witness: Putnam, Lincoln, Upshur & Kanawha Circuit Courts; Kanawha and Raleigh County Family Law Courts; Federal Bankruptcy and Federal District Courts, Southern District, West Virginia

Volunteer/Community Service

Board Member - Central West Virginia Regional Airport Authority (2012 – Present)
Board Member – West Virginia Chapter, Appraisal Institute (2017 – 2019)
Chairman – Kanawha Valley Regional Transportation Authority (2009 – Present)
Member & Past President - Rotary Club of Charleston (2008 - 2009)
Past Member - Salvation Army Advisory Board (2003 – 2005)
Vestry Member and Treasurer - St. Matthews Church, Charleston, West Virginia (2004 – 2006)
State of West Virginia
WV Real Estate Appraiser Licensing & Certification Board

This is to certify that

Certified General CG255
Expiration: 9/30/2022
Todd Goldman
1014 Bridge Road
CHARLESTON, WV 25314

has met the requirements of the law, and is authorized to appraise real estate and real property in the State of West Virginia.

[Signature]
Executive Director
ITEM: 2023 Council Meeting Schedule

INSTITUTIONS: All

RECOMMENDED RESOLUTION: Resolved, That the West Virginia Council for Community and Technical College Education adopts the recommended meeting schedule for calendar year 2023 as presented.

STAFF MEMBER: Sarah Tucker

BACKGROUND:

Although consideration was given to currently scheduled, statewide and national conferences, we understand that it is difficult to avoid all scheduling conflicts. The recommended meeting schedule was also developed in consideration of joint staff whose responsibilities include preparing agenda items for both the West Virginia Council for Community and Technical College Education and Higher Education Policy Commission meetings and their attendance at these meetings.

Therefore, the following meeting schedule for calendar year 2023, is recommended for adoption by the West Virginia Council for Community and Technical College Education, with the understanding that additional meetings may be necessary for emergency or time-sensitive issues.
<table>
<thead>
<tr>
<th>DATE</th>
<th>LOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 19, 2023</td>
<td>To Be Determined</td>
</tr>
<tr>
<td>April 25, 2023</td>
<td>To Be Determined</td>
</tr>
<tr>
<td>April 26, 2023 - Training</td>
<td>To Be Determined</td>
</tr>
<tr>
<td>June 8, 2023</td>
<td>To Be Determined</td>
</tr>
<tr>
<td>August 17, 2023</td>
<td>To Be Determined</td>
</tr>
<tr>
<td>October 12, 2023</td>
<td>To Be Determined</td>
</tr>
<tr>
<td>December 7, 2023</td>
<td>To Be Determined</td>
</tr>
</tbody>
</table>
A meeting of the West Virginia Council for Community and Technical College Education, was held via Zoom, beginning at 9:30 am. Council members present were: Bill Baker, Kenneth Boggs, Robert Brown, Clinton Burch, Christina Cameron, Michael Graney, Andrew Payne, and Steve Roberts. Absent: Tracy Miller and Harry Keith White. Also in attendance were Chancellor Tucker, Council staff, community and technical college presidents, faculty, staff, students, and guests.

Call to Order

At Chairman Christina Cameron’s request, Vice Chairman Bob Brown will chair today’s meeting. Mr. Brown called the meeting to order and noted that we were expecting members to meet our quorum requirement soon, however we would move forward with the first presentation.

1. Strategic Course Scheduling Project Update

Sarah Collins, Chief Strategy Officer with Ad Astra Information Systems, delivered an update on an ongoing Council-sponsored initiative to help seven Community and Technical Colleges implement new solutions aimed at improving efficiency and student access through enhanced, data-driven course scheduling practices. Leveraging Ad Astra’s tools and technical expertise, participating institutions are working toward building course schedules that maximize enrollment in individual sections, reduce costs, and focus on delivering courses at times and through modalities that better align with student needs.

Roll Call

Vice Chairman Bob Brown asked for a roll call and then noted that a quorum was now present.

2. Approval of Minutes

Mr. Baker moved the adoption of the of minutes from the January 20, 2022, meeting of the West Virginia Council for Community and Technical College Education.

Mr. Boggs seconded the motion. Motion carried.

3. Institutional Presentation by West Virginia University at Parkersburg

Dr. Chris Gilmer, President of West Virginia University at Parkersburg, provided an update on activities at his institution. Dr. Gilmer highlighted institutional successes including that WVUP had recently been named 1 of the top 5 regional southern colleges in the United States for lowest graduating student debt.
President Gilmer invited the Council to hold its June meeting on the WVUP campus where the Council will meet students, staff and faculty and learn more about the work that is going on at the institution.

Dr. Gilmer introduced Dr. Tori Jackson, Vice President of Institutional Advancement, who expounded upon a few visionary programs and plans that are providing students with a complete experiential learning program at WVUP.

Finance and Facilities

4. Tuition and Fees AY 2022-2023

Ed Magee, Vice Chancellor for Finance, stated that West Virginia Code requires the Council to approve any resident tuition and fee increase greater than ten percent in any one year or where the increase would be more than seven percent per year. All community and technical college institutions have reported either zero percent or an increase percentage below what the Council is required to approve for FY 2023. Details regarding the breakdown of tuition and fees were provided in the agenda item.

5. Fiscal Year 2023 Higher Education Resource Assessment

Mr. Roberts moved the adoption of the following resolution:

RESOLVED, That the West Virginia Council for Community and Technical College Education approves the Higher Education Resource Assessment (HERA) for Fiscal Year 2023 to the community and technical colleges as shown in Table 1 of the agenda item.

Ms. Cameron seconded the motion. Motion carried.

6. BridgeValley Community and Technical College Ten-Year Campus Development Plan

Ms. Cameron moved the adoption of the following resolution:

RESOLVED, That the West Virginia Council for Community and Technical College Education approves BridgeValley Community and Technical College’s Ten-Year Campus Development Plan.

Mr. Roberts seconded the motion. Motion carried.

General

7. Division of Student Affairs Access Initiatives Update

Elizabeth Manuel, Senior Director of Student Services, presented an update on the many services provided by her division. Among them, she highlighted the One Stop Shop at CFWV.com and introduced the sister site Collegeforwv.com, both sites offer access to all information in the college planning process. She also presented the TXT 4 SUCCESS program where students can receive college counseling via text messages.

8. WV First 2 Network Program Update
Jade Irving, WV First2 Network Program Coordinator, Science Technology and Research Division, discussed the WV First2 Network program. She stated that most of West Virginia’s college students are first-generation students. The First2 Network is funded to learn about these first-generation students and provide research experiences and leadership opportunities for them with the aim of doubling the number of STEM (Science, Technology, Engineering, and Math) students over the course of 10 years.

9. **WV Council for Community and Technical College Education 2023 Meeting Schedule**

Mr. Roberts moved the adoption of the following resolution:

RESOLVED, That the West Virginia Council for Community and Technical College Education adopts the recommended meeting schedule for calendar year 2023 as presented.

Mr. Graney seconded the motion. Motion carried.

10. **Officer Nominating Committee Appointments**

On behalf of Chairman Cameron, Vice Chairman Brown appointed Steve Roberts, Tracy Miller, and Robert Brown to the Officer Nominating Committee. Ms. Miller was designated as Chair of the Committee.

**Adjournment**

There being no further business the meeting was adjourned.

**Upcoming Meeting**

Location: West Virginia University at Parkersburg
          300 Campus Drive
          Parkersburg, WV 26104

Date: June 9, 2022

Time: 9:30 am

____________________________________
Christina Cameron, Chairman

____________________________________
Steve Roberts, Secretary
ITEM: Academic Fees eligible for WV Invests

INSTITUTIONS: West Virginia Northern Community College

RECOMMENDED RESOLUTION: Resolved, That the West Virginia Council for Community and Technical College Education approves the academic fees eligible for WV Invests at WV Northern Community College.

STAFF MEMBER: Brian Weingart

BACKGROUND:

Senate Bill 335 that was passed during the 2021 legislative session expanded the West Virginia Invests Grant to include academic program fees. The legislation requires all academic program fees charged in addition to base tuition to be approved by the Council to be eligible for the West Virginia Invests Grant.

<table>
<thead>
<tr>
<th>West Virginia Northern Community College</th>
<th>Requested Rate Per Semester 2022-23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child &amp; Family Specialist Fee</td>
<td>$20</td>
</tr>
<tr>
<td>Early Childhood: Care and Education Fee</td>
<td>$20</td>
</tr>
<tr>
<td>Law Enforcement Training Fee</td>
<td>$20</td>
</tr>
<tr>
<td>Radiologic Tech (Degree Completion) Fee</td>
<td>$20</td>
</tr>
<tr>
<td>Business Office, Business Career Studies Fee</td>
<td>$20</td>
</tr>
<tr>
<td>Industrial Technology Fee</td>
<td>$164</td>
</tr>
</tbody>
</table>
ITEM: Higher Education Adult Part-Time Student (HEAPS) In-Demand Programs

INSTITUTIONS: Community and Technical Colleges, Public School Technical Centers and Proprietary Schools

RECOMMENDED RESOLUTION: Resolved, That the West Virginia Council for Community and Technical College Education approves areas of training for skill development and demand occupations for the workforce development component of HEAPS for fiscal year 2023.

STAFF MEMBER: Brian Weingart

BACKGROUND:

West Virginia code requires that twenty-five percent of HEAPS appropriations be dedicated to workforce development programs for individuals in need of additional training to upgrade their employment skills or to enter a new occupation. For fiscal year 2023, it is recommended that the Council approve the occupational fields and training programs listed on the following page to be given priority consideration for the twenty-five percent workforce development component of HEAPS.
## Workforce Development Component of HEAPS
### High Demand Occupations - FY 2023

<table>
<thead>
<tr>
<th>Education and Business Occupations</th>
<th>Jobs 2022</th>
<th>Jobs 2023</th>
<th>Openings 2021-2023</th>
<th>Avg. Annual Openings</th>
<th>Avg Hourly Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paralegals and Legal Assistants</td>
<td>1,593</td>
<td>1,587</td>
<td>365</td>
<td>183</td>
<td>$ 25.42</td>
</tr>
<tr>
<td>Human Resource Specialists (Assistants)</td>
<td>629</td>
<td>629</td>
<td>135</td>
<td>68</td>
<td>$ 18.76</td>
</tr>
<tr>
<td>Manicurists &amp; Pedicurists</td>
<td>538</td>
<td>562</td>
<td>165</td>
<td>83</td>
<td>$ 18.15</td>
</tr>
</tbody>
</table>

### Healthcare Practitioners, Technicians, and Support Occupations

| Licensed Practical and Licensed Vocational Nurses                     | 5,882     | 5,919     | 991                | 496                  | $ 18.73             |
| Medical Records and Health Information Technicians                    | 2,158     | 2,182     | 365                | 183                  | $ 20.60             |
| Surgical Technologists                                                | 863       | 874       | 153                | 77                   | $ 19.18             |
| Radiologic Technicians                                                | 1,593     | 1,605     | 271                | 136                  | $ 25.85             |
| Physical Therapist Assistants                                         | 833       | 853       | 240                | 120                  | $ 26.42             |
| Massage Therapists                                                    | 718       | 752       | 228                | 114                  | $ 29.38             |
| Respiratory Therapists                                                | 1,118     | 1,146     | 171                | 86                   | $ 25.19             |
| Dental Hygienists                                                     | 1,095     | 1,102     | 160                | 80                   | $ 29.86             |
| Firefighters                                                          | 864       | 872       | 150                | 75                   | $ 17.81             |
| Emergency Medical Technicians & Paramedics                            | 2,143     | 2,163     | 387                | 194                  | $ 14.67             |

### Installation, Maintenance, and Repair Occupations

| Automotive Service Technicians and Mechanics                          | 4,372     | 4,354     | 909                | 455                  | $ 16.61             |
| Aircraft Mechanics & Service Technicians                              | 553       | 557       | 108                | 54                   | $ 28.15             |
| Heating, Air Conditioning, and Refrigeration Mechanics / Installers   | 1,728     | 1,705     | 344                | 172                  | $ 21.29             |
| Telecommunications Equipment Installers and Repairers                 | 631       | 630       | 164                | 82                   | $ 28.21             |
| Chemical Operators & Technicians                                      | 686       | 682       | 167                | 84                   | $ 28.99             |
| Computer Network Support Specialists                                  | 738       | 740       | 129                | 65                   | $ 29.29             |
| Environmental Science /Health Protection Technicians                  | 475       | 478       | 128                | 64                   | $ 21.75             |

### Transportation and Material Moving Occupations

| Civil Engineering Technicians                                         | 720       | 720       | 144                | 72                   | $ 23.36             |
| Heavy and Tractor-Trailer Truck Drivers                               | 11,577    | 11,578    | 2,800              | 1,400                | $ 22.16             |

Data by Economic Modeling Specialists Intl. (EMSI)
ITEM: Revisions to Legislative Rule, Series 27, Workforce Development Initiative Grant Programs: Learn and Earn, Technical Program Development, and West Virginia Advance Rapid Response Grants

INSTITUTIONS: All

RECOMMENDED RESOLUTION: Resolved, That the Council approves the proposed revisions to Legislative rule, Series 27, Workforce Development Initiative Grant Programs: Learn and Earn, Technical Program Development, and West Virginia Advance Rapid Response Grants, to be filed with the Secretary of State for a thirty-day, public comment period, and if no substantive comments are received, forward the rule to the Legislative Oversight Commission on Education Accountability for approval and further legislative action.

STAFF MEMBER: Chris Treadway

BACKGROUND:
The 2022 Legislature passed House Bill 4604, abolishing the Workforce Development Initiative Advisory Council (Advisory Council). The purpose of this bill was to enable the Council for Community and Technical College Education to administer the Learn and Earn grant program in a more efficient and effective manner, while still allowing appropriate input from stakeholders.

1.1. Scope. – The West Virginia Council for Community and Technical College Education (Council) consistent with provisions of West Virginia Code §18B-3D-2, §18B-3D-6, §18B-1-6 and §18 bB - 2 bB - 6, This rule adopts the procedures and guidelines for the administration of the Workforce Development Programs: Learn and Earn, Technical Program Development, and West Virginia Advance Rapid Response grant programs. Specifically, this rule sets forth provisions for the administration of grant funding, criteria for grant applications, determination and distribution of funds, and performance evaluation for the Learn and Earn, Technical Program Development, and West Virginia Advance Rapid Response grant programs.


1.3. Filing Date. – March 29, 2019

1.4. Effective Date. – March 29, 2019

1.5. Sunset Date. – This rule shall terminate and have no further force or effect on March 29, 2024.


2.1 Closely align West Virginia community and technical colleges with the economic development efforts of the state. “Applicant” means the community and technical college applying for a Workforce Development Initiative Program grant.

2.2 Provide funding to community and technical colleges for program delivery to advance the economic development goals of the state. “Application” means the written request submitted to the Council by the applicant on forms provided by the Council.

2.3 Provide an opportunity to build the capacity of community and technical colleges to sustain workforce development efforts and make a major impact on the economic development efforts of the state. “Chancellor” means the chancellor for community and technical college education, as that term is defined by W. Va. Code § 18B-2B-2, or his or her designee.

2.4 Provide West Virginia workers with world-class transferable and portable skills across industries. “Community and technical college” means the state institutions of higher education that deliver community and technical college education, as that term is defined by W. Va. Code § 18B-1-2.
2.5 Provide West Virginia employers a highly skilled workforce, thus providing an arena for recruiting and retaining business. “Council” means the West Virginia Council for Community and Technical College Education.

2.6 Increase the per capita income of West Virginia workers by increasing their workforce skill levels. “Grant” means the applicable Workforce Development Initiative Program grant: Learn and Earn, Technical Program Development, or Advanced Rapid Response, as appropriate to the context.

“Grantee” means the entity to which the Council has awarded a grant.

“Submission deadline” means the latest date and time that the Council must receive an application in order to consider it for funding, which is determined by the Chancellor and communicated to the applicant at the time the applicant submits a request for a grant application.


3.1 The purpose of this rule is to set forth provisions for the administration of grant funding, criteria for applications, determination and distribution of funds, and performance evaluation for the Learn and Earn, Technical Program Development, and West Virginia Advance Rapid Response grant programs that strengthen the quality of the state’s workforce by linking the existing postsecondary education capacity to the needs of business, industry and other employers by utilizing available funding to provide explicit incentives for partnerships between employers and community and technical colleges to develop comprehensive workforce development services.

3.2 Eligible community and technical colleges shall use grants to effectuate the purposes of the Workforce Development Initiative Program established in W. Va. Code § 18B-3D-1, et seq.

3.3 Applicants must tender applications to the Council by the submission deadline for consideration in the next grant cycle. Expenses incurred by the Applicant before the Council awards the grant shall not be covered by the grant awarded.

3.4 The Council reserves the right to limit the amount of a grant in accordance with the amount of money in the Council’s grant funds available for distribution as Workforce Development Initiative Program grants.


4.1 The program will focus on workforce delivery programs that develop high-performance work organizations and provide workers with world-class transferable skills enabling them to master technology and foster innovation.

4.2 The program will provide the development of specific occupational/technical competencies and workforce skills in critical thinking, problem solving, ability to work in teams, communication, math, science, and other critical competencies required for West Virginia workers and companies to be competitive in a global economy.

4.3 The emphasis of the program is skill-based training that can be certified through national, State, or local assessments resulting in a credential and meeting the economic development goals of the State as determined by the West Virginia Development Office.
4.4. The program is intended to provide services to West Virginia companies, but may provide education or training at out-of-state locations with the approval of the Chancellor or his or her designee.

4.5. The West Virginia Advance Rapid Response program will focus on providing services to employers that have a positive economic outcome on West Virginia. The program will support projects for:

4.5.1. Existing West Virginia companies that are expanding and creating new jobs;

4.5.2. Existing West Virginia companies that are requiring employees to obtain new job skills in order to retain their positions and keep or make the company more competitive;

4.5.3. Existing West Virginia companies that are upgrading present employees to access high-skill, high-wage occupations within the company;

4.5.4. Companies or industry sectors or clusters that are targeted by the West Virginia Development Office as critical to West Virginia’s economic development;

4.5.5. New companies locating in West Virginia that require a skilled workforce for start-up;

4.5.6. West Virginia Development Office projects, targeted industries, or local economic development initiatives;

4.5.7. Pre-employment training or preparation to enter a program leading to a high-demand occupation;

4.5.8. Workers displaced by company closings or reductions in the workforce;

4.5.9. Entrepreneurship development programs that have a positive economic impact on a region or community, particularly rural areas, and produce individual employment opportunities.


5.1. The program will provide funding for Certificate of Applied Science or Associate Degree programs that meet documented needs of employers and/or compliment the economic development needs of the State or region.

5.2. The program must target high-demand occupations resulting in participant placement with an average wage range of $12.00 per hour or more at least $15.00 per hour.

5.3. The program is intended to provide participants with the general education and technical skill competencies for high-skill, high-wage occupations.

5.4. The program is intended to increase the capacity of community and technical colleges to better serve the needs of employers and individuals through the development of new technical programming.


6.1. Eligible community and technical colleges may partner with employers to provide cooperative education opportunities for students. At a minimum, Learn and Earn programs must:
6.1.1. Document and validate the program is a high-demand occupation for the State;

6.1.2. The cooperative education program must be a paid work experience that pays the student no less than $10.00 per hour at least $15.00 per hour;

6.1.3. The experience must provide the student with a supervised work experience in the student’s expected career field or program of study and reinforce learning that has occurred in the academic program;

6.1.4. The experience must have clearly stated measurable learning goals and objectives reflecting on what the student’s expected learner outcomes will be throughout the experience;

6.1.5. The experience must be part of the academic program and carry college credit as determined by program faculty. The Chancellor may waive this requirement for training in high-demand occupation areas;

6.1.6. The experience must have an assessment component that documents the student has adequately mastered the expected learner outcomes; and

6.1.7. The experience must be for a defined period of time and may be on a part- or full-time work basis.


7.1. Under the provisions of this rule, higher education institutions designated by West Virginia Code §18B-1-2, as a community and technical colleges are eligible to apply for grant funding.

7.2. To be eligible for a grant under this program, a community and technical college must:

7.2.1. Complete the proposal application for grant funding on forms provided by the Council and submit the application electronically on or before any specified application date the submission deadline;

7.2.2. Develop programs that meet documented employer needs;

7.2.3. Involve and collaborate with employers in the development of programs; and

7.2.4. Develop customized training programs skill sets, Certificates of Applied Science, or Associate of Applied Science degrees that provide for the changing needs of employers and are offered at flexible times and locations to accommodate employer scheduling;

7.2.5. For programs that carry academic credit, establish programs of study agreements with public school systems for the seamless progression of students from the secondary level through community and technical college Certificate of Applied Science and Associate of Applied Science degree programs;

7.2.6. Assist with the ongoing assessment of workforce development needs of the community and technical college consortia district, as defined by W. Va. Code § 18B-3C-4;

7.2.7. Actively participate in a community and technical college consortia planning district and facilitate the involvement of consortia members in the development of applications for funding through this Workforce Development Initiative Program;
7.2.8. Agree to share curricula developed with funding through these programs with other public West Virginia community and technical colleges;

7.2.9. Establish a special revolving fund under the jurisdiction of the community and technical college dedicated solely to workforce development initiatives;

7.2.10. Agree to establish a separate account with an identifiable account number for each grant award; and

7.2.11. Agree to adhere to all terms, conditions, and deliverables as specified in the application for proposals and this rule.


8.1. The Chancellor shall provide grant applications to all eligible institutions.

8.2. For the Technical Program Development program, the Chancellor shall appoint a committee to review proposals and make recommendations to the Council for funding. For the Learn and Earn program, the Chancellor shall appoint an Advisory Committee consistent with the provisions of West Virginia Code to review applications and make recommendations to the Chancellor for funding. The Council’s staff shall review West Virginia Advance Rapid Response, Technical Program Development, and Learn and Earn program proposals applications may be reviewed by Council staff for the purpose of providing a recommendation to the Chancellor for immediate implementation without committee review or the Council as appropriate. The Council shall award Technical Program Development grants, and the Chancellor shall award Learn and Earn and Advance Rapid Response Grants.

8.3. At the Chancellor’s discretion, the committees may meet as often as necessary to review grant proposals.

8.4. In evaluating grant proposals, the committees shall give priority to proposals involving businesses with fewer than fifty employees.

8.5. The West Virginia Council for Community and Technical College Education may delegate authority for all grant approval to the Chancellor.


9.1. Each proposal for a Learn and Earn, Technical Program Development, and/or West Virginia Advance Rapid Response grant shall, at a minimum:

9.1.1. Identify the goals and objectives of the program, the specific business sector training needs, and the job market demand for the program/ or training;

9.1.2. Identify the number of participants to be served during the grant period, anticipated placement rate, and wage benefit of completers;

9.1.3. Identify private and public sector partners, including those with public school career-technical education which minimizes duplication of programming and maximizes the use of existing facilities;
9.1.4. Provide a letter of support for the proposal from the local Workforce Development Board and/or Regional Economic Development Authority;

9.1.5. Provide a detailed work plan, a budget, and an evaluation plan to gauge the progress of the program;

9.1.6. Provide letters of commitment from private or public sector partners confirming the actual funding amount provided for the match requirements where applicable; and,

9.1.7. Provide a plan for sustaining the program after grant funding is exhausted.

9.2. In addition to the provisions of 9.1., those community and technical colleges applying for grant funding to support a Learn and Earn project shall:

9.2.1. Complete the Learn and Earn section of the application describing in detail the cooperative education work experience reflecting the provisions contained in Section 6.1 of this Rule; and

9.2.2. Provide a written agreement between the community and technical college and the participating employer describing a formalized work plan for the work experience component.

§135-27-10. Accountability and Reporting.

10.1. A community and technical college receiving a grant under the provisions of these programs shall submit to the Chancellor all requested programmatic accountability data and budgetary reports including, but not limited to:

10.1.1. Annual financial reports detailing program expenditures;

10.1.2. Annual reports on activities conducted and dates completed; and,

10.1.3. An evaluation of accomplishments in implementing the application’s proposal; and

10.1.34. A final report on goals achieved, number of participants served, number of completers, number of completers placed in employment or obtaining a wage increase, cost of training per participant, and other information deemed necessary by the Council.

10.2. Community and technical colleges may not sell, dispose of, or use for purposes other than those specified in the application equipment purchased or upgraded with grant funds under this the Workforce Development Initiative Program may not be sold, disposed of, or used for purposes other than those specified in the grant proposal without approval of the Council.


11.1. Generally, grants will be awarded on a one-time basis. Technical Program Development and Advance grants may be for multiple years reflecting the duration of the career-technical program or training being provided. Community and technical colleges shall submit applications to renew Learn and Earn applications must be submitted annually.

11.2. The Chancellor may authorize the expenditure of carry-forward funds upon written request by the institution community and technical college.
11.3. Subject to meeting the stated goals and timeframes of the Workforce Development Initiative Program, with the recommendation of the Advisory Committee (for Learn and Earn projects), and the provisions of Council Series 2, the System’s rule on finance, the Chancellor may renew a grant up to five years following the initial grant award. The Chancellor may award Workforce Development Initiative Program grants for a period not to exceed one year. A grantee may obtain subsequent grants by submitting a renewal application to the Chancellor for Learn and Earn and Advance Rapid Response grants or to the Council for Technical Program Development grants, so long as the grantee has completed all the objectives of the current grant to the Chancellor’s or the Council’s satisfaction. Subject to annual review by the Chancellor or the Council and justification by the grantee, the Chancellor or the Council may renew Workforce Development Initiative Program grants each year for not more than five years following the initial grant award.

§135-27-12. Grant Withdrawal and Penalty; Unexpended Funds.

12.1. The Council reserves the right to withdraw a grant upon determination of the grantee’s unsatisfactory compliance with either this rule or the specifications of the grant application.

12.2. The Council may cancel a grant in the event a grantee fails to commence Workforce Development Initiative Program activities within 90 days after receiving a notice of award from the Council.

12.3. A grantee shall reimburse to the Council the total sum of a grant not properly used or accounted for pursuant to this Rule.

12.4. The Council reserves the right to conduct on-site inspections or audits of a grantee’s Workforce Development Initiative Program and program records during or after the grant period for a period of three years after the Council awards the grant.

12.5. The grantee shall return any unexpended funds remaining at the end of the grant period to the Council.
ITEM: Series 2, Emergency and Legislative Rules, Performance-Based Funding Formula

INSTITUTIONS: All

RECOMMENDED RESOLUTION: Resolved, That the West Virginia Council for Community and Technical College Education approves the proposed revisions to Legislative Rule Series 2, Finance, by striking the title and everything thereafter, and inserting in lieu thereof the Performance-Based Funding Formula rule, which will be promulgated as an emergency rule, in accordance with W.Va. Code §29A-3A-16.

Further Resolved, That the Council approves the proposed Legislative rule, Series 2, Performance-Based Funding Formula, to be filed with the Secretary of State for a thirty-day, public comment period, and if no substantive comments are received, forward the rule to the Legislative Oversight Commission on Education Accountability for approval and further legislative action.

STAFF MEMBER: Chris Treadway

BACKGROUND:

The 2022 Legislature passed House Bill 4008, directing the Council to establish a performance-based funding formula to be used in the development of base budget requests for all public two-year institutions under the Council’s jurisdiction beginning with the fiscal year 2024 budget cycle. HB 4008 also authorized the promulgation of emergency and legislative rules governing the development, implementation and administration of the new funding formula.
§135-2-1. General.

1.1. Scope: This rule governs finance for the Council for Community and Technical College Education (Council) and affiliated community and technical colleges.

1.2. Authority: West Virginia Code §§ 18B-1-6, 18B-2B-6(c)(2)

1.3. Filing Date: April 17, 2009

1.4. Effective Date: April 20, 2009

§135-2-2. Purpose.

2.1. The purpose of this rule is to set forth a system of financing community and technical college education in West Virginia. Consistent with that overarching purpose, the rule addresses:

2.1.1. The purposes for which the Council would prefer to receive state appropriations from the West Virginia Legislature;

2.1.2. The procedure by which the Council would allocate any funds that it receives from the Legislature; and

2.1.3. The process by which the Council will review proposed institutional tuition and fee adjustments.

2.2. Consistent with the mandate contained in Senate Bill No. 595 (2008) (Vision 2020 accountability system), the Council has developed an innovative, performance-based funding system that aligns with state and system goals and priorities.

2.2.1. The rule outlines a system for allocating funding to develop, expand and sustain high-demand technical programs.

2.2.2. The rule outlines a comprehensive system for allocating funding to institutions for enrolling, retaining and graduating students with additional funding if students require developmental education or started or returned to school as adults.

2.2.3. The rule modifies the current peer equity formula for allocating equity funding to allow for the use of the most currently
available system enrollment and funding data, while allowing for meaningful comparison of shortfalls with peer institutions.

2.3. The performance-based funding system supports the goals for delivery of comprehensive community and technical college education set forth in the Council's master plan:

2.3.1. To provide access to affordable comprehensive community and technical college education in all regions of West Virginia;

2.3.2. To produce high-quality graduates with the general education and technical skills to be successful in the workplace or subsequent education;

2.3.3. To provide high-quality workforce development programs that meet the demands of West Virginia's employers and enhance the economic development efforts of the State;

2.3.4. To collaborate with other providers in delivering education and training programs to the community and technical college district; and

2.3.5. To collaborate with the public school system to increase the college-going rate in West Virginia.


3.1. Adults. Individuals age 25 and older.

3.2. Auxiliary Fees. Charges levied to all students to support auxiliary enterprises or optional charges levied only on students using the auxiliary service. Auxiliary fees include sales and service revenue from entities that exist predominantly to furnish goods or services to students, faculty or staff such as residence halls, faculty and staff housing, food services, intercollegiate athletics, student unions, bookstores, parking and other service centers.

3.3. Base Budget. The amount of funding that a community and technical college receives through a state appropriation for its operations and for which there are no significant restrictions on expenditure.

3.4. Campus. A site identified as a "campus" by the Higher Learning Commission of the North Central Association of Colleges and Schools.

3.5. Capital Fees. Charges levied on students to support debt service, capital projects and facilities maintenance and renewal.

3.6. Developmental Education Courses. Community and technical college courses, generally in areas of mathematics, reading and writing, offered to
those who lack the fundamental education competencies to be successful in college-level work.

3.7. Educational and General Fees. Charges levied on all students of that class or category to support educational and general program services or optional charges levied for education and general services collected only from students using the service or from students for whom the services are made available. Educational and general expenditures include instruction, research, academic support, student services, institutional support, operation and maintenance of plant and scholarships and fellowships. Education and general expenditures do not include expenditures for auxiliary enterprises or independent operations.

3.8. Higher Education Price Index. Inflation index designed specifically to track the main cost drivers in higher education and to measure the change in the price of the goods and services purchased by colleges and universities as measured by the Commonfund Institute.

3.9. Momentum Point. A level of student achievement that makes it more likely that a student will be successful in reaching an additional level of academic achievement, obtaining employment at a higher wage, or maintaining employment where the acquisition of increased skills is necessary.

3.10. Peer. A higher education institution located in another state that is similar to a West Virginia community and technical college.

3.11. Required Fees. Charges levied to all students of a particular class or category (e.g., undergraduate).

§135-2-4. Goals. The Council seeks to achieve the following goals and objectives with its finance rule:

4.1. To ensure that state funding is requested from the Legislature to achieve strategic priorities of the State and distributed by the Council in a manner that is consistent with the following principles:

4.1.1. Only new state funding shall be allocated in a manner that is consistent with the provisions of this rule. In the absence of a compelling justification, current state base budget allocations may not be redistributed among community and technical colleges.


4.1.2.1 State priorities for the delivery of comprehensive community and technical college education identified by the Legislature as put forth in West Virginia Code §18B-1D-3 and the Council's master plan include the delivery of high demand technical programs; recruitment, retention
and graduation of students, particularly adult students; providing access to comprehensive community and technical college education in all regions of the State; and providing a skilled workforce to meet the needs of employers and enhance the state’s economic development efforts.

4.1.2.2. Most new funding requested from the Legislature by the Council will align with state priorities, and the Council’s master plan for community and technical college education.

4.1.2.3. Any funding appropriated by the Legislature to address a state priority shall be allocated by the Council in a manner that is most likely to maximize achievement of that state priority across the Community and Technical College System.


4.1.3.1. Some new funding requested from the Legislature by the Council will seek to ensure that the quality of current community and technical college education, including faculty and staff salaries, is sustained over time and that investments are made to support the renewal of facilities and equipment.

4.1.3.2. Any funding appropriated by the Legislature to ensure the sustained quality of community and technical college education shall be allocated by the Council on an equal percentage basis or utilizing an allocation formula, unless there are disparate needs.


4.1.4.1. Some new funding requested by the Council will seek to ensure that base budget appropriations are relatively equitable among institutions and seek to remedy past inequities.

4.1.4.2. Any funding appropriated by the Legislature to address equity among community and technical colleges shall be allocated utilizing a formula that compares the relative funding of West Virginia community and technical colleges and their peer institutions nationally and devotes greater amounts of funding to community and technical colleges that are farthest away from their peers in terms of funding.
4.2. To allow community and technical colleges to charge and collect sufficient tuition and fee revenue to operate effectively while at the same time striving to ensure that the cost of attendance at community and technical colleges does not unduly limit student access or leave students with excessive debt at the conclusion of their educations.

§135-2-5. State Priorities Funding: High-Demand Technical Programs.

5.1. Objective. The Council, in partnership with the Governor’s Office and Legislature, shall “[d]evelop a stable funding stream for state institutions of higher education to pay for essential programs which are expensive to deliver, are in high demand and/or are critical to the state’s capacity to replace an aging workforce as employees retire. This objective has a particular impact on community and technical colleges which deliver high-cost technical programs.” W. Va. Code §18B-1D-3(b)(6).

5.2. Findings. The Council finds:

5.2.1. Community and technical colleges must develop new, and expand and maintain existing, high-demand technical programs to meet State workforce needs.

5.2.2. High-demand technical programs typically cost more to develop, expand and maintain than do other types of programs.

5.2.3. The State of West Virginia has made a significant investment in community and technical college capital construction and renovation to support advanced technology centers and other flexible space in which high-demand technical programs can be offered.

5.2.4. The State of West Virginia has made a significant investment to expand existing high-demand allied health programs, but has not developed a funding strategy to ensure the long-term sustainability of these programs.

5.2.5. The State of West Virginia has made an ongoing investment in technical program development, which funds the development of new high-demand technical programs. There currently is no ongoing funding available to support the expansion of high-demand technical programs.

5.2.6. The State of West Virginia has made almost no investment to ensure that high-demand programs, once developed or expanded, are maintained over time. Peer equity funding, while taking into consideration program mix as part of the peer selection process, certainly does not ensure that high-cost and high-demand programs are supported financially. As a result, community and technical
colleges have little financial incentive to develop, expand and/or maintain high-demand technical programs.

5.2.7. A successful funding program for high-demand technical programs will have three mechanisms:

5.2.7.1. A mechanism to support the development of new high-demand technical programs; and

5.2.7.2. A mechanism to support the expansion of existing high-demand technical programs; and

5.2.7.3. A mechanism to support the maintenance of existing high-demand technical programs.

5.3. Funding Model. A hybrid funding model shall be utilized to address both the development and expansion and the maintenance of high-demand technical programs.

5.3.1. Development and Expansion of High-Demand Technical Programs.

5.3.1.1. The Council shall utilize technical program development grant funding to support both new and expanded high-demand technical programs.

5.3.1.2. Technical program development grant funding shall be allocated to institutions through a Request for Proposals (RFP) process.

5.3.1.3. Separate RFPs shall be developed for new high-demand technical programs and expanded high-demand technical programs.

5.3.1.4. Priority for technical program development grant funding shall be given to programs for which there is a demonstrable statewide or regional workforce demand.

5.3.1.5. Priority for technical program development grant funding generally shall be given to new programs over expanded programs.

5.3.1.6. Technical program development grant funding shall support new or expanded high-demand technical programs for a period of up to three years.

5.3.1.7. Technical program development grant funding is intended to provide one-time funding to cover programmatic costs. Grant funds may be used for any type of expense, including
staffing, other types of operating costs, and capital and equipment purchases.

5.3.1.8. New Programs. The following rules shall apply to new high-demand technical programs:

5.3.1.8.1. To qualify for funding for a new program, a community and technical college shall submit a grant application, including a detailed budget, for a program that it currently does not offer.

5.3.1.8.2. The Council annually shall establish a maximum amount for all such awards.

5.3.1.9. Expanded Programs. The following shall apply to expanded high-demand technical programs.

5.3.1.9.1. To qualify for expansion funding, a community and technical college shall submit a grant application, including a detailed budget, for a program that it currently offers.

5.3.1.9.2. Awards shall be calculated based on the increased number of full-time-equivalent (FTE) students to be served by the expanded program.

5.3.1.9.3. If a community and technical college fails to enroll the number of FTE students it has committed to enroll, it shall reimburse the Council on an FTE student basis.

5.3.1.10. At the end of the three-year funding cycle, the high-demand technical programs funded through this program, if also high-cost, shall be incorporated into the maintenance funding model described in section 5.3.2 of this rule.

5.3.1.11. Technical program development funding is intended to be a revolving pool of grant funds. Once a grant ends, the program moves from the development grant funding pool to the maintenance pool described in section 5.3.2 of this rule, and newly unencumbered technical program funds shall be made available for a new cycle of grant awards.

5.3.1.12. The Council may promulgate a procedural rule to govern the administration of the technical program development program.

5.3.2. Maintenance of High-Demand, High-Cost Technical Programs.
5.3.2.1. The Council shall request funding from the Legislature to support the maintenance of high-demand, high-cost technical programs.

5.3.2.2. The Council annually shall determine which technical programs qualify as both high-demand and high-cost and thus shall be considered for maintenance funding. The Council may assign greater weights to programs it deems of either higher demand or higher cost than other high-demand, high-cost technical programs.

5.3.2.2.1. Factors to be evaluated in determining whether a technical program is high-demand include: whether economic or survey data indicate that jobs that pay a living wage are available for students who complete the technical program.

5.3.2.2.2. Factors to be evaluated in determining whether a technical program is high-cost include, but are not limited to: specialized programmatic accreditation; required low faculty-student ratio; high cost of faculty; a high percentage of program content involving courses with laboratory and/or on-campus clinical components; and/or the necessity for expensive equipment or specialized facilities to operate the program.

5.3.2.3. Maintenance funding shall be allocated to each community and technical college based upon the number of credit hours students completed in high-demand, high-cost technical programs during the prior two academic years.

5.3.2.4. Credit hours produced in programs receiving new or expanded technical program grant funding shall not count for maintenance funding during the academic year(s) in which grant funding is provided.

5.3.2.5. Maintenance funding shall never become part of a community and technical college’s base budget.

5.3.2.6. The Council shall promulgate a procedural rule to govern the administration of the technical program maintenance program.

§135-2-6. State Priorities Funding: Student Momentum Points.

6.1. Objectives. The Council, in partnership with the Governor’s Office and Legislature, shall develop a consistent funding stream to address
complementary sets of objectives for community and technical colleges, including:

6.1.1. “Making maximum effort to recruit and retain adults twenty-five years old or over.” W. Va. Code § 18B-1D-3(b)(4); and

6.1.2. “Increasing the percentage of functionally literate adults in each region of the state.” W. Va. Code § 18B-1D-3(b)(9); and

6.1.3. “Increasing the percentage of entering students who persist to receive a degree, a certificate or an industry-recognized credential.” W. Va. Code §18B-1D-3(b)(3).

6.2. Findings. The Council finds:

6.2.1. If community and technical colleges are to increase enrollment, they should do so primarily by recruiting more adult students, who historically have participated in postsecondary education at very low levels in West Virginia.

6.2.2. The State provides need-based financial aid for eligible students through the Higher Education Grant Program and Higher Education Adult Part-time Student (HEAPS) Grant Program. The Higher Education Grant Program, however, contains numerous barriers to access that make it challenging for adult students to qualify for awards. Additionally, the State currently provides no special financial support for institutions to recruit adult students or special rewards to institutions for their ultimate persistence and completion of degrees or certificates.

6.2.3. If West Virginia’s functional literacy rates are to improve, community and technical colleges must increase their efforts to assist students to successfully complete developmental education classes to persist and complete postsecondary education.

6.2.4. The State currently provides no special financial support to institutions for successfully assisting developmental education students who persist and complete their certificates and/or degrees.

6.2.5. If West Virginia’s educational attainment rates are to increase, community and technical colleges must do a better job of retaining and graduating all types of students, not just developmental students and adult students.

6.2.6. Research concludes that students who persist through one year of postsecondary education and earn a credential, certificate and/or degree have increased earning power over their lifetime.
6.2.7. The State currently provides no financial incentive for institutions to improve student persistence and completion rates.

6.3. Funding Model. A hybrid funding model shall be utilized to address enrollment, persistence and completion rates of all students, but particularly for students who need developmental education and adult students. The first part of this model will focus on giving institutions additional resources to address these challenges. The second part of this model will focus on rewarding institutions for student persistence and completion.

6.3.1. Funding for Adult Student Coordinators. The Council shall request funding for one Community and Technical College Adult Student Coordinator at each community and technical college.

6.3.1.1. The coordinator will recruit and assist non-traditional adult students to enroll, persist and complete courses, improve skills sets, obtain certificates and/or degrees within the community and technical college system. The coordinator also will be responsible for collaborating and coordinating efforts of the Adult Basic Education (ABE) program.

6.3.1.2. The intent of this base allocation is to provide an individual to assist each community and technical college in ensuring that adult students are equipped to be successful within the college system.

6.3.2. Enrollment, Persistence and Completion Momentum Points. The Council shall request funding to reward institutions for certain types of student enrollment, persistence and completion.

6.3.2.1. Enrollment Enhancement

6.3.2.1.1. Adults. Each community and technical college shall be allocated an established dollar amount for each new adult student who enrolls in college for the first time or after a two or more year absence from college.

6.3.2.1.2. Developmental Students. Each community and technical college shall be allocated an established dollar amount for each student who successfully completes the highest level of developmental courses in math and English and is academically prepared to enter into traditional college courses and programs.
6.3.2.2. Persistence Enhancement

6.3.2.2.1. All Students. Each community and technical college shall be allocated an established dollar amount for each student who successfully completes at least thirty (30) credit hours of instruction or earns a certificate.

6.3.2.2.2. Adult Students. In addition to any allocation under section 5.3.2.2.1 of this rule, each community and technical college shall be allocated an established dollar amount for each adult student who successfully completes at least thirty (30) credit hours of instruction or earns a certificate.

6.3.2.2.3. Developmental Students. In addition to any allocation under sections 5.3.2.2.1 or 5.3.2.2.2 of this rule, each community and technical college shall be allocated an established dollar amount for each student who successfully completes one or more developmental courses within five (5) years before going on to complete at least thirty (30) credit hours of instruction or earn a certificate.

6.3.2.3. Completion Enhancement.

6.3.2.3.1. All Students. Each community and technical college shall be allocated an established dollar amount for each student who successfully earns an associate degree.

6.3.2.3.2. Adult Students. In addition to any allocation under section 5.3.2.3.1 of this rule, each community and technical college shall be allocated an established dollar amount for each adult student who successfully earns an associate degree.

6.3.2.3.3. Developmental Students. In addition to any allocation under sections 5.3.2.3.1 or 5.3.2.3.2 of this rule, each community and technical college shall be allocated an established dollar amount for each student who successfully completes one or more developmental courses five (5) or fewer years before earning an associate degree.
6.3.2.3.4. Board of Governors’ Associate of Applied Science Degree and Associate of Applied Science in Occupational Development Degree Recipients. In addition to any allocation under sections 5.3.2.3.1, 5.3.2.3.2 and 5.3.2.3.3 of this rule, each community and technical college shall be allocated an established dollar amount for each adult student who earns a Board of Governors’ Associate of Applied Science or Associate of Applied Science in Occupational Development degree.

6.3.2.4. Each benchmark that moves a student closer to a certificate or an associate’s degree shall be rewarded with a higher dollar incentive than the previous benchmark.

6.3.2.5. Institution awards shall be made as soon after Council receipt of enrollment and graduation data as possible.

6.3.2.6. The Council shall promulgate a procedural rule to govern the administration of the technical program development program.

§135-2-7. State Priorities Funding — Regional Access.

7.1. Objective. The Council, in partnership with the Governor’s Office and Legislature, shall develop a stable funding stream to “assure uniform delivery of community and technical college education for all regions of the state.” W. Va. Code § 18B-1D-3(b)(7).

7.2. Findings. The Council finds:

7.2.1. In order to ensure uniform delivery of community and technical college education across the state, some community and technical colleges must operate multiple campuses.

7.2.2. Multiple small campuses cost more money to operate than does one large campus, or an instructional site, because of the necessary redundancy of certain services.

7.2.3. The State currently provides no financial incentive for community and technical colleges to operate multiple campuses. No consideration is given to multi-campus funding in either the peer selection or peer-equity funding process.

7.3. Development of Funding Model. A funding model to address regional access needs to be developed.
7.3.1. On or before July 1, 2009, the Council shall develop a proposed system to provide enhanced funding to community and technical colleges that operate multiple campuses.

7.3.2. In defining what constitutes a campus, the Council shall utilize the definition and designations of the Higher Learning Commission of the North Central Association of Colleges and Schools (HLC).


8.1. Objective. The Council, in partnership with the Governor’s Office and Legislature, shall develop stable funding streams at both the state and institution levels to support statewide workforce and economic development. W. Va. Code § 18B-1D-3(a)(1).

8.2. Findings. The Council finds:

8.2.1. Institutions must have access to funding to meet employers’ short-term workforce and economic development needs. Workforce training and development often are provided through non-credit instruction.

8.2.2. The State does not have an interest in supporting financially all non-credit instruction, but rather only non-credit instruction that supports workforce and economic development.

8.2.3. The Council currently receives funding through a program called WV ADVANCE to support employers’ customized training needs. There, however, currently is no stable funding mechanism at the institution level.

8.2.4. Currently institutions do not always track, and the Council does not collect, complete data on non-credit instruction that could serve as a basis for allocating funding for such instruction.

8.3. Development of Funding Model. A funding model to address workforce-and-economic-development-based non-credit instruction needs to be developed.

8.3.1. Effective with the 2008-2009 academic year, institutions shall begin collecting and reporting on non-credit instruction to the Council.

8.3.2. On or before July 1, 2010, the Council will develop a proposed formula-based system to fund non-credit instruction that supports the State’s workforce and economic development needs.

8.3.3. Over the period while these changes are being made, the Council shall continue to rely exclusively upon state funding through WV
ADVANCE to support workforce and economic development goals.

8.4. Even with the development of a funding model, WV ADVANCE funding will be needed to address state needs in partnership with entities such as the Governor’s Office and the West Virginia Development Office.


9.1. The Council, in partnership with the Governor’s Office and Legislature, may develop additional appropriation requests and allocation methodologies that align with other state priorities identified in statute or the Council’s master plan.

9.2. The Council may request additional funding for any state priority for which the Council deems funding to be inadequate for its stated purpose up to the level that the Council determines to be adequate.

9.3. Once the Council deems an appropriation to be adequate to address a state priority, the Council may request increases in funding at a rate that is equivalent to the prior year’s increase in the Higher Education Price Index (HEPI) or other appropriate inflationary benchmark.

§135-2-10. Sustained Quality Funding — Inflationary Adjustments to Institution Base Budgets.

10.1. Objectives. The Council, in partnership with the Governor’s Office and Legislature, may develop appropriation requests that address the following objectives:

10.1.1. “Sustaining the quality” of community and technical colleges. W. Va. Code § 18B-1A-5; and

10.1.2. “Adequately compensating faculty, classified employees and other employees at a competitive level to attract and retain high quality personnel.” W. Va. Code § 18B-1-1a(d)(9).

10.2. Findings. The Council finds:

10.2.1. Inflationary pressures result in the cost of providing students with an education to increase.

10.2.2. Overall, community and technical college faculty, classified employees and other employees are paid below market averages, which make it difficult to attract, retain and motivate quality employees.

10.2.3. The average salary increases of community and technical college employees should keep pace with the average salary increases of workers in comparable markets.
10.2.4. The gap between the salaries of community and technical college employees and the salaries of workers in comparable markets should be reduced over time to make salaries more competitive.

10.2.5. If the State does not offset all or a portion of the increased cost of education resulting from inflation, students bear much of the burden of the increased costs in the form of increased tuition and fees.

10.2.6. Low community and technical college tuition removes barriers to access to higher education and reduces the debt load of community and technical college students.

10.3. Funding Model. The Council sets forth the following guidelines to govern requests for and distribution of increased sustained quality funding to institution base budgets:

10.3.1. Appropriations to Institution Base Budgets.

10.3.1.1. The Council annually may request funding to increase institution base budget appropriations by a rate that is equivalent to the prior year’s increase in the HEPI or other appropriate inflationary benchmark.

10.3.1.2. The Council shall allocate any state appropriation aimed at assisting institutions in offsetting inflationary increases on a pro rata basis.

10.3.1.3. Any increase in an institution’s base budget appropriation shall be considered part of the institution’s base budget for future years.

10.3.2. Appropriations for Faculty and Staff Salaries and Benefits.

10.3.2.1. The Council annually may request funding to increase institution base budget appropriations by an amount that is equivalent to the prior year’s overall percentage increase nationally in community and technical college faculty and staff salaries.

10.3.2.2. The Council annually also may request funding to reduce the gap between actual faculty and staff salaries and salaries in external markets.

10.3.2.3. The Council may request one-time or ongoing funding annually to support education, training and development of faculty and staff.
10.3.2.4. Any increase in an institution’s base budget appropriation for salaries and benefits shall be considered part of the institution’s base budget for future years.


11.1. Objective. The Council, in partnership with the Governor’s Office and Legislature, may develop an appropriation request to “fund the replacement, upgrading and purchase of equipment to implement and/or maintain technical education programs.” W. Va. Code § 18B-1D-3(b)(6)(B)(iii).

11.2. Findings. The Council finds:

11.2.1. The State is making a significant one-time capital investment in facilities and a significant ongoing investment in technical program development to facilitate the expansion of technical programs at community and technical colleges.

11.2.2. The majority of technical programs that community and technical colleges offer are equipment intensive.

11.2.3. To keep pace with changes in the workplace, community and technical colleges must update and replace equipment on an ongoing basis.

11.3. Funding Model. The Council sets forth the following guidelines to govern requests for and distribution of increased sustained quality funding for instructional equipment:

11.3.1. The Council, in collaboration with community and technical colleges, shall develop an equipment replacement schedule to be utilized to determine the minimum amount of funding each community and technical college should set aside annually for instructional equipment upgrades.

11.3.2. The Council shall request ongoing funding to replace instructional equipment utilized by community and technical colleges consistent with the annual equipment upgrade cost calculation.

11.3.3. The Council may request one-time funding to replace instructional equipment utilized by community and technical colleges.

11.3.4. The Council shall allocate funding received for instructional equipment either utilizing an allocation formula or based on demonstrated need.

12.1. Objectives. The Council, in partnership with the Governor’s Office and Legislature, may develop an appropriation request that addresses the following objective: “developing a state-level facilities plan and funding mechanism to reduce the obligation of students and parents to bear the cost of higher education capital projects and facilities maintenance.”—W. Va. Code § 18B-1D-3(b)(1).

12.2. Findings. The Council finds:

12.2.1. Historically, West Virginia has been one of the very few states in the nation that has not funded community and technical college capital projects through state appropriations, but rather through student capital fees.

12.2.2. At most of West Virginia’s former administratively-linked community and technical colleges, tuition and required fees are significantly higher than the national average and the average at West Virginia’s long-standing free-standing community and technical colleges because of student capital fees.

12.2.3. Student capital fees create barriers to community and technical college student access and increase student debt loads.

12.2.4. A way to remove the significant variation in tuition and required fees across the community and technical system is to reduce or eliminate the student capital fees.

12.2.5. The State is in the process of making significant new investments in the construction and renovation of community and technical college facilities.

12.2.6. To maximize the useful life of community and technical college facilities, adequate funds must be set aside to address both routine maintenance and capital maintenance.

12.3. Funding Model. The Council sets forth the following guidelines to govern requests for and distribution of increased sustained quality funding for capital projects, facilities maintenance and instructional equipment.

12.3.1. Major Capital Projects.

12.3.1.1. The Council may request sufficient ongoing funding for capital projects to allow for periodic bond issues to finance major capital projects, including both the renovation of existing facilities and the construction of new facilities.
12.3.1.2. The Council periodically may request one-time funding for major capital projects, including both the renovation of existing facilities and the construction of new facilities, through a bond issue or other means.

12.3.1.3. The Council shall allocate capital project funding based on clearly defined system priorities.

12.3.1.4. The Council shall develop procedures to ensure that state funding provided for major capital projects is spent effectively and efficiently.

12.3.2. Facilities Maintenance.

12.3.2.1. The Council shall utilize a building renewal formula to determine the minimum amount of funding each community and technical college should set aside annually for maintenance.

12.3.2.2. The Council regularly shall request sufficient ongoing state funding to ensure that both routine and capital maintenance is not deferred.

12.3.2.3. The Council also may request one-time funding for high priority facilities maintenance projects, even though this should not be viewed as a preferred funding approach.

12.3.2.4. The Council shall allocate ongoing state funding for routine and capital maintenance utilizing a building renewal formula.

12.3.2.5. If state funding is not provided, or is inadequate by itself to avoid having maintenance projects deferred, the Council shall ensure that community and technical colleges collect adequate capital fees to cover both routine and capital maintenance costs.


13.1. Objectives. The Council, in partnership with the Higher Education Policy Commission, Governor’s Office and Legislature, may develop appropriation requests that address the following objectives:

13.1.1. “Removing such financial barriers to the individual’s education goals as may remain after he or she has utilized all resources and work opportunities available.” W. Va. Code § 18C-1-1(a)(2)(B).

13.2. Findings. The Council finds:

13.2.1. The State provides significant funding for both merit-based and need-based student financial aid.

13.2.2. Need-based student financial aid generally benefits community and technical college students more than does merit-based student financial aid.

13.2.3. Community and technical college students expend a significant proportion of their family incomes on higher education, even after accounting for federal, state, and other grant aid.

13.2.4. At a minimum, the State's investment in need-based student financial aid should keep pace with institution increases in tuition and required fees.

13.3. Financial Aid.

13.3.1. The Council annually may request funding to increase need-based financial aid at a percentage that is equivalent to the prior fiscal year's average increase in tuition and required fees.

13.3.2. The Council annually also may request additional funding for need-based financial aid to serve more students and/or to decrease the debt being incurred by students.

13.3.3. Any request for additional need-based financial aid should take into consideration changes in federal Pell grant program funding.


14.1. Objectives. The primary purpose of selecting peer institutions is to provide a means of comparing West Virginia community and technical colleges to comparable institutions across the nation. W.Va. Code §18B-1A-3(b)(3). Peer comparisons shall be made:

14.1.1. To determine how to allocate from legislative peer equity funding among West Virginia community and technical colleges;

14.1.2. To evaluate appropriate levels of tuition and fees;

14.1.3. To determine comparable faculty and staff teaching requirements and other workloads; and

14.1.4. For such other purposes as the law may require or the Council finds useful or necessary.

14.2. Findings. The Council finds:
14.2.1. Overall, West Virginia’s community and technical colleges are funded significantly below, both in terms of state revenue and overall revenue, than their peer institutions nationally.

14.2.2. Some community and technical colleges are significantly below their peers in terms of funding than are other community and technical colleges.

14.2.3. Community and technical colleges that are significantly below their peers in terms of funding should receive additional funding, all other things being equal, than other community and technical colleges.


14.3.1.1. The Commission shall select and adjust peers for community and technical colleges under the jurisdiction of the Council in collaboration with the Council.

14.3.1.2. Final peer selection is subject to the approval of the Legislative Oversight Commission on Education Accountability.

14.3.2. Frequency. Peer institutions for each West Virginia public higher education institution shall be adjusted at least every six years or as necessary based on:

14.3.2.1. Changes in missions of West Virginia public higher education institutions as approved in institutional compacts; or

14.3.2.2. Changes at peer institutions.

14.3.3. Pool. Peer institutions shall be selected from among public higher education institutions throughout the United States.

14.3.4. Number of Peers. At least twenty (20) peer institutions shall be selected for each West Virginia public higher education institution.

14.3.5. Factors. In selecting peer institutions for West Virginia public higher education institutions, the Commission and Council may consider the following non-financial factors available from National Center for Education Statistics Integrated Postsecondary Education Data System (IPEDS) and other sources, including, but not limited to, student headcount and full-time equivalent enrollment, percentage of part-time students, and program mix.
14.3.6. Fiscal Year. For purposes of identifying peer institutions, Commission staff shall rely on data from the latest three fiscal years for which complete comparison data is available.

14.4. Process. The Commission, in consultation with the Council, shall select and adjust peer institutions for each West Virginia community and technical college through an open, deliberative, and objective process and in consultation with each institution’s boards of governors.

14.4.1. Staff shall begin the peer selection or adjustment process by contracting with a national, independent education consulting firm to assist in the process.

14.4.2. Staff and/or the consulting firm shall develop a proposed list of peer institutions for each West Virginia public higher education institution using the process established in this rule.

14.4.3. Staff and/or the consulting firm shall review each proposed list of peer institutions to identify potential peer institutions that should be stricken.

14.4.4. Staff shall provide a copy of the proposed list, including an explanation of any strikes previously made, to the chairman of the institution’s board of governors and to the institution’s President. The proposed list shall contain at least five (5) alternate institutions.

14.4.5. Within sixty (60) days of delivery of the proposed list of peer institutions, the board of governors may object in writing to any institutions, including alternates, on the proposed list. The objection shall identify with specificity the reason for the objection.

14.4.6. Staff and/or the consulting firm shall review each board objection and make a recommendation for the Commission’s and Council’s consideration.

14.4.7. If staff and/or the consulting firm determine that an objection is valid, they shall review the remaining list of potential peer institutions to determine whether other institutions should be stricken for the same reason.

14.4.8. Before making a decision concerning a proposed list of peer institutions, the Commission or Council shall give a representative of the West Virginia public higher education institution an opportunity to address the staff recommendation.

14.4.9. Once the Commission and Council have approved a proposed list of peer institutions, the proposed list shall be forwarded to the Legislative Oversight Commission on Education Accountability.
for its consideration and approval.

§135-2-15. Peer Equity Funding—Funding Formula.

15.1. Objective. The primary objective of peer equity funding is to provide a mechanism to increase internal equity in the funding of West Virginia higher education institutions by adjusting the operating budgets of State institutions so that they are comparable with the operating budgets of peer institutions.

15.2. Data.

15.2.1. Enrollment Data:

15.2.1.1. In determining enrollment levels at West Virginia community and technical colleges, Council staff shall rely on annualized FTE enrollment data provided by the institutions and published in the Commission’s and Council’s official reports.

15.2.1.2. In determining enrollment levels at peer institutions, Council staff shall rely on data contained in IPEDS.

15.2.2. Financial Data.

15.2.2.1. For West Virginia community and technical colleges, Council staff shall rely on financial data from institutions’ audited financial statements.

15.2.2.2. For peer institutions, Council staff shall rely on financial data submitted by peer institutions to IPEDS.

15.2.3. Fiscal Year. For purposes of comparing funding of West Virginia community and technical colleges to their peer institutions, Council staff shall rely on:

15.2.3.1. Data from the latest two fiscal years for which complete data is available for West Virginia community and technical colleges; and

15.2.3.2. Data from the most recent fiscal year for which complete data is available for peer institutions, which typically is one year behind the most recent data for West Virginia community and technical colleges. The single year of data shall be adjusted utilizing HEPI to provide a comparable comparison.

15.3. External Comparison.

15.3.1. Goal. The primary goal of external peer equity funding
comparison is:

15.3.1.1. To calculate the amount each West Virginia community and technical college receives per FTE student to cover instruction-related costs (hereinafter known as variable $A$); and

15.3.1.2. To calculate the average amount a West Virginia community and technical college’s peer institutions receive per full-time-equivalent student to cover instruction-related costs (hereinafter known as variable $B$); and

15.3.1.3. To calculate a percentage ratio of West Virginia community and technical college funding per FTE student to average peer funding per FTE student (hereinafter known as variable $C$).

Formula: $C = \frac{A}{B}$

15.3.2. Calculating Revenue Per Student

15.3.2.1. To calculate the amount a West Virginia community and technical college receives per FTE student to cover instruction-related costs ($A$), Council staff shall divide the institution’s number of annualized FTE students (hereinafter known as variable $D$) by the sum of the following categories of revenue for the community and technical college’s audited financial statements:

15.3.2.2. State appropriations (hereinafter known as variable $E$) less any clearly identifiable appropriations for capital projects, non-credit instruction, public service or research (hereinafter collectively known as variable $F$); and

15.3.2.3. Local appropriations, if any (hereinafter known as variable $G$); and

15.3.2.4. Net student tuition and fees (hereinafter known as variable $H$); and

15.3.2.5. Tuition discounts and allowances (hereinafter known as variable $I$).

Formula: $A = \frac{[(E - F) + G + H + I]}{D}$

15.3.3. To calculate the average amount a West Virginia community and technical college’s peer institutions receive per FTE student to
cover instruction-related costs \((B)\), Council staff shall divide all peer institutions’ numbers of annualized FTE students (hereinafter known as variable \(J\)) by the sum of the following categories of revenue reported through IPEDS for all peer institutions:

15.3.3.1. State appropriations (hereinafter known as variable \(K\));

and

15.3.3.2. Local appropriations (hereinafter known as variable \(L\));

and

15.3.3.3. Net student tuition and fees (hereinafter known as variable \(M\)); and

15.3.3.4. Tuition discounts and allowances (hereinafter known as variable \(N\)).

Formula: \(B = \frac{(K + L + M + N)}{J}\)

15.4. Internal Comparison.

15.4.1. Goal. The primary goal of internal peer equity funding comparison is to provide a principled methodology for distributing peer equity funding among West Virginia community and technical colleges.

15.4.2. Pools. Peer equity funding shall be divided into three equal pools.

15.4.2.1. 70% Funding Goal Pool. The first funding pool shall be divided among all West Virginia community and technical colleges funded at 70% or less of their peers.

15.4.2.2. 80% Funding Goal Pool. The second funding pool shall be divided among all West Virginia community and technical colleges funded at 80% or less of their peers.

15.4.2.3. 90% Funding Goal Pool. The third funding pool shall be divided among all West Virginia community and technical colleges funded at 90% or less of their peers.

15.4.3. Allocation Per Pool. In allocating funding among West Virginia community and technical college in any pool, Council staff shall:

15.4.3.1. Calculate each West Virginia community and technical college’s total funding deficiency (hereinafter known as variable \(O\)) by multiplying the institution’s number of annualized FTE students (variable \(D\)):

15.4.3.1.1. By the difference between the amount the West Virginia institution receives per FTE...
student to cover instruction-related costs (variable A) and the average amount a West Virginia institution’s peer institutions receives per full-time equivalent student to cover instruction-related costs (variable B); and

15.4.3.1.2. By the percentage funding goal (70%, 80%, 90%) (hereinafter known as variable P).

Formula: $O = D \times (B - A) \times P$

15.4.3.2. Calculate the total funding deficiency of all West Virginia community and technical colleges eligible to participate in the funding pool (hereinafter known as variable Q).

Formula: $Q = O_1 + O_2 + O_n ...$

15.4.3.3. Allocate the available funding to each eligible West Virginia community and technical colleges (hereinafter known as variable R) by multiplying the total amount of available funding (variable S) by the ratio of the institution’s total funding deficiency (variable O) to the total funding deficiency of all institutions (variable Q).

Formula: $R = S \times \frac{O_n}{Q}$

15.4.4. Special Rules.

15.4.4.1. If the amount available for allocation (variable R) at any funding level exceeds the total funding deficiency for all eligible West Virginia institutions at that funding level (variable Q), the excess funding available for allocation shall be allocated among institutions at the next funding level.

15.4.4.2. In allocating funding at successive funding levels, institutional deficiencies shall be calculated taking into consideration allocations provided at previous funding levels.

§135-2-16. Tuition and Fee Adjustments.

16.1. Objectives. The Council, in partnership with the governing boards of the community and technical college system, shall enhance education opportunities for the widest range of state citizens:
16.1.1. "by establishing tuition and fee levels for in-state students that do not inhibit access to public education nor cause students to incur excessive debt”; W. Va. Code § 18B-1D-3(a)(2)(B); and

16.1.2. “by establishing tuition and fee rates for out-of-state students at levels which, at a minimum, cover the full cost of instruction unless doing so is inconsistent with a clearly delineated public policy goal established by the Legislature ... or the Council.” W. Va. Code § 18B-1D-3(a)(2)(B).

16.2. Findings: The Council finds:

16.2.1. Students attending community and technical colleges in West Virginia pay a significantly higher proportion of their family income for tuition and fees than do students in most other states.

16.2.2. The average tuition and fee rate for community and technical colleges in West Virginia exceeds the national average for public community and technical colleges.

16.2.3. Providing opportunities for adult students to enroll in community and technical college programs is a priority, and tuition and fee rates must remain affordable for this targeted population.

16.2.4. A delicate balance exists between the need for tuition increases to address increasing institutional operating costs and the impact on accessibility and affordability for students.

16.3. Approval of Tuition and Required Fee Adjustments:

16.3.1. Approval Guidelines. By January of each year, the Council shall establish guidelines and ranges for increases, for institutions to follow in proposing tuition and fee adjustments for Council approval.

16.3.2. In establishing guidelines, the Council may consider such items as:

16.3.2.1. The HEPI, or other appropriate inflationary benchmark, which new allocations to the institution’s base budget for the next fiscal year did not offset;

16.3.2.2. Continued achievement of benchmarks in the institution compact;

16.3.2.3. Institution pursuit of the statewide compact for postsecondary education;

16.3.2.4. The per capita income of West Virginia families and their ability to pay for college;
16.3.2.5. Institution distance from peer equity levels; and

16.3.2.6. Institution funding per full-time equivalent student.

16.3.3. Each governing board shall provide the Council with an annual report that details:

16.3.3.1. All tuition and fee rates presently charged and the estimated number of students currently being charged the tuition and fees;

16.3.3.2. The proposed total increase in any tuition and fees for the next fiscal year;

16.3.3.3. The estimated number of students who will be charged the increased tuition and fees; and

16.3.3.4. The estimated increase in revenue to be generated from the increased tuition and fees.

16.3.4. All tuition and required fees shall be approved by the Council.

16.3.5. A governing board may propose tuition and required fee increases for resident students each fiscal year of up to four and three-quarters (4.75) percent. If existing tuition and fee rates at an institution are below the state average in required tuition and fees paid by all resident community and technical college students, a governing board may propose increases in excess of the four and three-quarters (4.75) percent.

16.3.6. A governing board shall propose tuition and required fee rates for non-resident students at levels that, at a minimum, cover the average full cost of instruction unless doing so is inconsistent with a clearly delineated public policy goal established by the Legislature or the Council.

16.3.6.1. The Council annually shall inform each institution of the full cost of instruction per full-time-equivalent student at that institution for the prior fiscal year. The full cost of instruction shall be calculated annually utilizing functional classifications in institution audited financial statements.

16.3.6.2. Tuition and fee rates for non-resident students in the next fiscal year shall not be below the full cost of instruction per full-time-equivalent student.

16.3.6.3. The Council declares as a public policy goal entering into reciprocity agreements with nearby out-of-state higher
education institutions whereby institutions make available programs and courses that are not available at the reciprocating institution.

16.3.6.3.1. Governing boards may enter into reciprocal regional and interstate agreements, including agreements with the Southern Regional Education Board, that allow non-resident students to be charged resident tuition and fee rates, when the agreements are mutually beneficial to the students of the participating states.

16.3.6.3.2. Reciprocity agreements shall be approved by the Council. Any request for approval shall include an estimate of the total participants from West Virginia and other states over the life of the agreement.

16.3.6.3.3. Tuition and required fees for non-resident students subject to reciprocity agreements shall be charged by community and technical colleges in a manner that is consistent with the Council-approved reciprocity agreement.

16.3.7. Calculating increases. In calculating the percentage increase in tuition and required fees for purposes of the caps set out in section 15.3.5 of this rule, only those tuition and fees charged to all students may be considered.

16.3.8. Special Fees. Fees not charged to all students do not require Council approval. The Council, however, may take into consideration the amount of special fees charged and collected in approving tuition and fee required fee adjustments.
§135-2-1. General.
1.1. Scope. -- This rule governs development, implementation, and administration of the performance-based funding formula for community and technical colleges under the jurisdiction of the Council for Community and Technical College Education.


1.3. Filing Date. --

1.4. Effective Date. --

1.5. Sunset Provision. -- This rule shall terminate and have no further force or effect upon the expiration of 5 years from its effective date.

§135-2-2. Purpose.

2.1. The purpose of this rule is to define the parameters governing the establishment and administration of a performance-based funding formula (funding formula or formula) to be used in the development of annual budget requests, beginning with the 2024 fiscal year budget cycle, for the nine public community and technical colleges under the jurisdiction of the Council.


3.1. “Academically Underprepared Student” means a West Virginia resident student enrolled in a community and technical college who has at least one of the following risk factors:

3.1.1. Cumulative high school grade point average below 2.50; or

3.1.2. Admitted to the institution based on standardized test scores (ACT, SAT, or ACCUPLACER) that would qualify the student for developmental or remedial placement in mathematics or English based on placement criteria established by 135 C.S.R. 21, Freshman Assessment and Placement Standards.

3.2. “Academic/Technical Certificate Degrees Awarded” means the combined total number of students earning a certificate degree, as defined by 135 C.S.R. 11 § 3 (Degree Designation, General Education Requirements, New Program Approval, and Discontinuance of Existing Programs), during an academic year. Students earning multiple degrees within an academic year shall be counted as a single outcome for model calculations. In such cases, the outcome score will be calculated based on the degree that yields the institution the highest possible total score with all premium multipliers applied.

3.3. “Adults or Adult Students” means West Virginia Resident students with an approximate age of 25 and older, calculated by subtracting the individual’s year of birth from the submission year for those data used in the calculation of model outcomes.

3.4. “Associate and Bachelor’s Degrees Awarded” means the combined total number of students earning associate or bachelor’s degrees, as defined by 135 C.S.R. 11 § 3, during an academic year. Students earning multiple certificates, associate degrees and/or bachelor’s degrees within an academic year shall be counted as a single outcome for model calculations. In such cases, the outcome score will be calculated based on the degree that yields the institution the highest possible total score with all premium multipliers applied.
3.5. “Awards per 100 Full-Time Equivalent (FTE) Students” means the combined total number of unique students earning at least one certificate, associate, or bachelor's degree within an academic year for every 100 full-time equivalent (FTE) degree-seeking students.

3.6. “Base Appropriation” means the amount of funding that a community and technical college receives through a state appropriation for its operations and for which there are no significant restrictions on expenditure.

3.7. “Chancellor” means the Chancellor for Community and Technical College Education, as that term is defined by W. Va. Code §§ 18B-2-1 and 18B-2B-2(d), or his or her designee.

3.8. “Classification of Instructional Programs (CIP) Code” means a numerical identifier assigned by the National Center for Education Statistics to an academic discipline to support tracking and reporting data at the field-of-study level.

3.9. “Community and Technical College,” in the singular or plural, means the State’s public community and technical colleges, as that term is defined by W. Va. Code § 18B-2-1.


3.11. “Focus Population” means West Virginia resident students identified as academically underprepared, adults, and/or low-income based on the criteria defined by this Rule.

3.12. “Full-Time Equivalent (FTE) Student” is an enrollment metric calculated by dividing the total number of credit hours generated by a degree-seeking student in credit-bearing classes during the summer, fall, and spring semesters of an academic year by 30.

3.13. “Higher Education Price Index (HEPI)” is an inflation index designed specifically to track the main cost drivers in higher education and to measure the change in the price of the goods and services purchased by colleges and universities as measured by the Commonfund Institute.

3.14. “Hold-Harmless Provision” means a safeguard in the funding formula designed to provide stability and predictability in the formula by preventing an institution’s outcomes-based funding allotment from decreasing by more than five percent (5%) from one academic year to the next.

3.15. “Low-Income Student” means a West Virginia resident student who, based on current and historical records, is identified as having received financial assistance through the Federal Pell Grant program for at least one semester at any State institution of higher education.

3.16. “Premium” is a mathematical weighting factor applied to certain formula calculations for West Virginia resident students identified as belonging to one or more focus populations or certificates or degrees awarded in fields identified as State Priority Fields.

3.17. “Progression Outcomes” means the number of full-time and part-time certificate-, associate degree- and/or bachelor’s degree-seeking students whose cumulative credits earned at the institution at the beginning of a semester are less than the established credit hour threshold benchmarks of 15, 30, or 45 student credit hours and whose cumulative credit hours earned at the end of the semester are equal to or greater than the credit hour threshold benchmarks during the academic year.

3.18. “Residual Funds” means funding that is not obligated through formula calculations as a result of a decline from one year to the next in the total number of outcomes across all institutions.
3.19. “Scaling Factor” is a mathematically derived value used in formula calculations for the purpose of adjusting outcome values across different metrics to values of comparable magnitude.

3.20. “State Priority Programs” means certificate, associate degree, or bachelor’s degree programs identified by the West Virginia Department of Commerce as being aligned with occupations in high or critical demand statewide, or within an institution’s service region as defined by W. Va. Code § 18B-3C-4.

3.21. “Transfers to a Four-Year Institution” means the number of certificate, associate, or bachelor’s degree-seeking students who transferred to any West Virginia public baccalaureate institution in an academic year and accumulated at least 15 student credit hours from the originating community and technical college. The student must have been enrolled at the originating community and technical college at any time one academic year or less prior to transferring (i.e., “continuously enrolled”). Students transferring to a baccalaureate institution in the fall after being enrolled at a community and technical college the previous spring, but not the previous summer, are included in this outcome.

3.22. “West Virginia Resident” or “Resident” means an individual enrolled at a community and technical college with an in-state tuition and fee status as defined by 135 C.S.R. 25, Residency Classification for Admission and Fee Purposes.

3.23. “Workforce Completions” means the number of individuals completing short-term training programs deemed eligible by the Chancellor, within a 12-month period as defined by the Chancellor, generally in programs of study below the one-year certificate level.

3.24. “Workforce Outcomes” means the total number of unduplicated graduates completing a certificate, associate, or bachelor’s degree within an academic year who two years after graduation were either enrolled in further higher education or were earning annual reported wages of at least two times the federal poverty level for a single household. Annual wages are based on quarterly earnings reported through the West Virginia Unemployment Compensation Wage Records.

3.25. “Workforce Training Contact Hours” means the cumulative total number of instructional hours completed by students enrolled in short-term training programs deemed eligible by the Chancellor, within a 12-month period as defined by the Chancellor, generally in programs of study below the one-year certificate level.

§135-2-4. Formula Development, Implementation, and Administration.

4.1. The Chancellor shall develop, in consultation with the Funding Formula Advisory Committee, as defined in section 4.3 of this Rule, a funding formula for the community and technical colleges that will serve as a broad framework for efforts to improve student outcomes and institutional efficiency. The Council shall use the funding formula to determine the annual base budget request for each community and technical college, beginning with the fiscal year 2024 budgeting cycle. The formula shall, at a minimum:

4.1.1. Apply to thirty percent (30%) of each institution’s base appropriation, referred to herein as the Outcomes-Based Funding Pool;

4.1.2. Set aside seventy percent (70%) of each institution’s base appropriation, referred to herein as the Base Operating Budget, which shall be exempt from outcomes-based funding calculations;

4.1.3. Hold institutions accountable for increasing the educational attainment levels of West Virginia citizens by addressing the State’s economic development and workforce needs and promoting
increased degree production, with a particular emphasis on degrees awarded in academic programs aligned with State Priority Fields:

4.1.4. Acknowledge the unique mission of each community and technical college;

4.1.5. Be based on a set of objective performance metrics that reflect and support the State’s higher education goals and priorities;

4.1.6. Incorporate safeguards to ensure stability of the funding formula, including, but not limited to:

4.1.6.a. A Hold Harmless Provision; and

4.1.6.b. To the extent possible, employment of a three-year rolling average for all data metrics; and

4.1.7. Apply an annual inflation adjustment, calculated utilizing the Higher Education Price Index, to each institution’s Base Operating Budget, Outcomes-Based Funding Pool, and the system-wide rate per weighted outcome.

4.2. Nothing in this rule shall be interpreted as prohibiting an institution from submitting requests for special appropriations to support capital projects or other projects or initiatives.

4.3. Funding Formula Advisory Committee

4.3.1.a. The Chancellor shall appoint a Funding Formula Advisory Committee (Advisory Committee) whose membership shall be comprised of the president of each community and technical college or a president’s designee and additional members with relevant expertise as deemed appropriate and necessary by the Chancellor.

4.3.1.b. The Chancellor or his or her designee shall serve as the chair of the Advisory Committee.

4.3.1.c. The Advisory Committee shall meet at least annually at a time and place determined by the Chancellor.

4.3.1.d. The Advisory Committee shall review the funding formula components and identify needed revisions, additions, or deletions to the formula.

4.3.1.e. The Chancellor shall not be bound by the advice of the Advisory Committee.

4.4. Amendments or Revisions to the Funding Formula. – The Chancellor, in consultation with the Advisory Committee and upon approval by the Council, may revise the metrics comprising the funding formula outlined in Subsection 4.5 below as necessary based on changes in State priorities.

4.5. Funding Formula Elements.

4.5.1. Funding Formula calculations shall, at a minimum, be based on the following data metrics:

4.5.1.a. Progression outcomes.

4.5.1.b. Completion Outcomes.
4.5.1.b.1. One-year certificate completers;
4.5.1.b.2. Associate and bachelor’s degree completers;
4.5.1.b.3. Students transferring to a four-year institution;
4.5.1.b.4. Workforce training contact hours completed; and
4.5.1.b.5. Students completing short-term workforce training programs.

4.5.1.c. Workforce Outcomes
4.5.1.c.1. Graduates earning wages in West Virginia; and
4.5.1.c.2. Graduates enrolled in continued postsecondary education.

4.5.1.d. Efficiency Outcomes, based on the number of students earning certificates and degrees per 100 full-time equivalent (FTE) students.

4.5.1.e. Other metrics as defined by the Chancellor, in consultation with the Council and the Advisory Committee.

4.5.2. Mission Weighting
4.5.2.a. The Funding Formula shall incorporate mathematical factors to provide for differential weighting of data metrics based on institutional mission.
4.5.2.b. Mission weights shall be established in consultation with institutional leadership, within parameters established by the Chancellor, and must be approved by each institution’s board of governors. The boards of governors shall notify the Chancellor of such institutional mission weights by letter from the board’s chair or the chair’s designee.
4.5.2.c. Should a board of governors fail to adopt institutional mission weights and submit notification of the same to the Chancellor prior to the established deadline, the Chancellor shall determine that institution’s mission weights on the board’s behalf.
4.5.2.d. Mission weights shall be finalized at the beginning of each five-year funding cycle and may not be amended or adjusted prior to the end of the cycle; Provided, that the Chancellor may grant exceptions for good cause shown.

4.6. Data Collection Requirements
4.6.1. Each institution is responsible for the timely submission to the Council of all data necessary for the administration of the funding formula.
4.6.2. On or before July 1 of each year, the Council shall publish and distribute a calendar specifying due dates for the submission of data elements required for the administration of the funding formula.
4.6.3. Should an institution fail to submit all necessary data prior to the deadline prescribed by the Council, the institution’s budget request shall be based on the recommended funding level from the most recent fiscal year in which all data were provided, with the Outcomes Based Funding Pool amount reduced by five percent (5%) and no adjustment for inflation applied.
4.6.4. Each institutional board of governors shall adopt a policy pursuant to W. Va. Code § 18B-1-6 establishing procedures and internal controls that ensure the integrity and validity of data submitted in support of the funding formula. The boards shall submit their initial policies to the Council no later than June 30, 2023 and any subsequent amendments thereto in accordance with statutory rulemaking procedures.

4.6.5. The Council may conduct periodic audits of institutional data submissions, institutional processes and procedures governing the collection and submission of data, any source data upon which submitted data files are based, and any other funding formula related data determined necessary by the Chancellor. The cost of such audits shall be borne by the Council.

4.7. State Priority Degree Fields

4.7.1. The funding formula shall incentivize undergraduate certificate, associate degree, and bachelor’s degree production in certain fields identified by the West Virginia Department of Commerce as State Priority Programs.

4.7.2. As the State’s workforce needs are everchanging, the Department of Commerce may recommend designating a new State Priority Program at any point in the funding cycle.

4.7.3. Once identified as a State Priority Program, a program shall maintain the Priority designation for a period of at least five full academic years.

4.7.4. State Priority Programs shall be identified by the Classification of Instructional Programs (CIP) Code associated with the program of study in the Council’s official inventory of degree programs.

4.7.5. An institution may request to change the CIP Code of an existing program to a code on the State Priority Programs list but must provide sufficient documentation demonstrating that the coursework and content delivered through an approved program of study align with the proposed new CIP discipline.

4.7.6. For any new academic program assigned a CIP Code on the State Priority Programs list, the Chancellor may require an institution to submit documentation demonstrating that the coursework and content delivered through an approved program of study align with the proposed new CIP discipline.

4.7.7. The Chancellor may disqualify any new or existing academic program from being identified as a State Priority Program if it is determined that the coursework and content delivered through an approved program of study do not align sufficiently with the proposed new CIP discipline.

4.7.8. An institution may appeal any decision by the Chancellor to disqualify a State Priority Program. Such appeal shall be made in writing to the Council for consideration at the Council’s next regular meeting. Changes to the State Priority Program inventory resulting from an appeal shall have no retroactive effect on model calculations.

§135-2-5. Formula Calculations

5.1. The funding formula shall operate on a five-year cycle, beginning with fiscal year 2024 budgeting cycle.

5.2. Benchmarking

5.2.1. In the first year of each funding cycle, abbreviated herein as year zero (y_0), the Council shall establish baseline values for each metric based on an average of the three most recent full academic
years of available data. The baseline data shall provide a basis of comparison upon which institutional performance shall be gauged in subsequent years of the funding cycle (years one through four).

5.2.2. In each year following y₀, each institution’s recommended funding level shall be calculated based on the increase or decrease of the institution’s total outcomes score as compared to the y₀ benchmark value.

5.3. Funding Formula Calculations

5.3.1. At the beginning of each annual budget cycle, the following values shall be calculated and used in the determination of each institution’s recommended base appropriation request:

5.3.1.a. The number of outcomes achieved within each data metric, with weighting factors applied where appropriate for:

5.3.1.a.1. Students representing Focus Populations; and

5.3.1.a.2. Certificates or degrees awarded in State Priority Programs;

5.3.1.b. The Total Outcomes Score based on an average of the three most current years of data for each of the metrics established in Section 4.5 of this rule;

5.3.1.c. The net increase or decrease in outcomes score between the current year and the benchmarking year (y₀);

5.3.1.d. The inflation-adjusted rate per outcome;

5.3.1.e. The Base Operating Budget, adjusted for inflation; and

5.3.1.f. The prior year’s Outcomes Based Funding level, adjusted for inflation.

5.3.2. Each institution’s base appropriation request shall be determined by the following calculations:

5.3.2.a. The net increase or decrease in outcomes score is multiplied by the system-level rate per outcome to determine the net change in Outcomes Based Funding. This value is added to the inflation-adjusted Outcomes Based Funding level from the prior year.

5.3.2.b. The prior year’s Base Operating Budget is adjusted for inflation and added to the Outcomes Based Funding pool, calculated in paragraph 5.3.2.a of this rule.

5.3.2.c. Any annual reduction to an institution’s Outcomes Based Funding pool shall not exceed five percent (5%).
ITEM: Sunset Date Extension for Series 12, Legislative Rule, Capital Project Management and Series 55, Legislative Rule, Human Resources Administration

INSTITUTIONS: All

RECOMMENDED RESOLUTION: Resolved, That the West Virginia Council for Community and Technical College Education confirms a five-year Sunset Date Extension for Series 12, Legislative Rule, Capital Project Management and Series 55, Legislative Rule, Human Resources Administration.

STAFF MEMBER: Kristin Boggs

BACKGROUND:

In 2016 the Legislature declared that all new or revised legislative rules would require a five-year sunset provision for the purpose of promoting agency review to either revise, renew, or revoke rules. Series 12 and Series 55 will sunset in June and July of 2023; staff of the Division of Finance and Facilities and the Division of Human Resources have reviewed the rules and concluded that the rules do not need to be revised and remain necessary.

Series 12 establishes the policy for the strategic planning, financing, development, and maintenance of public higher education capital assets.

Series 55 establishes policy in a number of areas regarding human resources administration for Commission employees and the public institutions of higher education under the jurisdiction of the Commission. It also provides guidelines for institutional governing boards pertaining to public higher education employees.
§135-12-1. General.

1.1. Scope. This rule establishes the policy for the strategic planning, financing, development, and maintenance of public higher education capital assets.

1.2. Authority. -- West Virginia Code §18B-1-6 and §18B-19-17.

1.3. Filing Date.-- June 8, 2018

1.4. Effective Date. -- June 8, 2018

1.5. Sunset Date. -- This rule shall terminate and have no further force or effect on June 8, 2023. June 8, 2028.

§135-12-2. Purpose.

2.1. The purpose of this rule is to provide the West Virginia Council for Community and Technical College Education (Council) and the West Virginia Higher Education Policy Commission (Commission) authority to establish policies and procedures to meet the legislative objective stated in West Virginia Code §18B-1D-3 for the development of a state-level facilities plan and funding mechanism except for the exempt institutions that are not subject to this rule. The plan and funding mechanism must reduce the obligation of students and parents to bear the cost of higher education capital projects and facilities maintenance. The implementation of the plan must result in the following outcomes:

2.1.1. Development by the Council and Commission of a compact with elected state officials to fund a significant portion of higher education capital project needs from dedicated state revenues;

2.1.2. Development by the Council and Commission of a system to establish priorities for institution capital projects in a manner that is consistent with state public policy goals for higher education;

2.1.3. Implementation of facilities maintenance plans by institutions to ensure that maintenance needs are not deferred inappropriately;

2.1.4. Efficient use of existing classroom and other space by institutions, while maintaining an appropriate deference to the value judgments of the institutional governing boards;

2.1.5. New capital funding is applied effectively to projects that have a demonstrated need for new facilities or major renovations;

2.1.6. The cost of operating and maintaining the facilities and physical plants of institutions are appropriate for the size and mission of the institution; and

2.1.7. Capital and facilities maintenance planning that gives careful consideration to the recommendations arising from the committee established by the Joint Committee on Government and
Finance for the purpose of making a specific and detailed analysis of higher education capital project and facilities maintenance needs.

§135-12-3. Definitions.


3.2. Alteration. Projects addressing changing use of space.

3.3. Asset preservation. Projects that preserve or enhance the integrity of building systems or building structure, or campus infrastructure.

3.4. Auxiliary enterprise. An entity that exists to furnish goods or services to students, faculty, staff or others; charges a fee directly related to, although not necessarily equal to, the cost of the goods or services; and is managed as essentially self-supporting.

3.5. Auxiliary facility. A building or structure that is used for an auxiliary enterprise including, but not limited to, residence halls, food services, parking, intercollegiate athletics, faculty and staff housing, student unions, bookstores and other service centers.

3.6. Auxiliary fees. Funds derived from, but not limited to, the following sources:

3.6.1. Parking fees received from any source;

3.6.2. Revenues received from athletic events, including ticket sales, television revenues and skybox fees;

3.6.3. Bookstore revenues except revenues from bookstore commissions from a private entity, which must be set aside for non-athletic scholarship funds;

3.6.4. Student union vendor and user fees;

3.6.5. Donations or grants from any external source;

3.6.6. Facility rental fees; and

3.6.7. Fees assessed to students to support auxiliary enterprises.

3.7. Board of Governors. The board of governors of public higher education institutions not defined as “exempt schools” as defined in this rule.

3.8. Building envelope. Any work done to the exterior of an individual building, including windows, brick repointing, exterior doors and other exterior components.

3.9. Building systems. Any work done on the mechanical, HVAC, electrical, plumbing, and other building systems within individual buildings.

3.10. Capital planning. A purposeful activity that focuses attention on long-term physical plant objectives which should be accomplished in a logical sequence over time as opportunities arise and resources become available.
3.11. Capital project management. Planning, designing, bidding and providing construction administration and oversight of architectural, engineering and construction contracts and projects.

3.12. Capital projects. The construction or renovation of a fixed asset, including buildings, fixed equipment and infrastructure.

3.13. Confirmation. When used in reference to action by the Commission, means action in which substantial deference is allocated to the governing authority of a governing board under its jurisdiction and the action of the Commission is to review whether the proposed institutional action is consistent with law and established policy.

3.14. Cost. The total dollar amount of a capital improvement including real property acquisition, legal fees, construction and labor, whether consisting of state dollars or alternative third party financing.


3.16. Deferred maintenance. Repair, maintenance and renewal of capital facilities which should be part of normal maintenance management, but which have been postponed to a future budget cycle or until funds become available.

3.17. Economic operations. Projects that result in a reduction of annual operating costs or capital savings.

3.18. Educational and general capital fees. The fees collected from students to pay debt service for capital improvement bonds issued by the Commission and governing boards for educational and general facilities, for the maintenance of those facilities and to fund capital improvements in those facilities on a cash basis.

3.19. Educational and general facility. A building or structure used for instruction and instructional support purposes, and includes classroom, laboratory, library, computer laboratory, faculty and administrative office and other academic support spaces.

3.20. Exempt Schools. West Virginia University, including West Virginia University Potomac State College and West Virginia University Institute of Technology; Marshall University; and the West Virginia School of Osteopathic Medicine.

3.21. Extraordinary circumstance. A situation involving life-safety issues, issues that would result in extensive damage to a facility if not addressed immediately, any unforeseen opportunity to use external funds, or any other situation the Council or Commission determines should warrant special consideration.

3.22. Facilities maintenance expenditures. The expenditures for activities related to routine repair and maintenance of buildings and other structures, including normally recurring repairs and preventive maintenance.

3.23. Facilities maintenance to capital expenditure ratios. The annual facilities maintenance expenditures divided by the capital expenditures reported in the institution’s annual financial statements capital assets footnote.

3.24. Grounds infrastructure. Any work done to the hardscape and softscape on campus. Examples include signage, sidewalks, roads and flower beds.
3.25. Governing board, state institution of higher education, and institution under the jurisdiction of the Council or Commission. All state institutions of higher education including Marshall University and West Virginia University and their respective governing boards.

3.26. Life-safety. A condition existing on a campus that, if not corrected immediately, would jeopardize the safety and property of students, faculty, staff and the visiting public.

3.27. Life/Safety/Code. Code compliance issues and institutional safety priorities or items that are not in conformance with current codes, even though the system is “grandfathered” and exempt from current code.

3.28. Maintenance. The work necessary within a budget cycle to realize the originally anticipated life of a fixed asset, including buildings, fixed equipment and infrastructure.

3.29. Modernization. The replacement of components before the end of their life expectancy.

3.30. New construction. The creation of new stand-alone facilities or the creation of an addition to an existing facility.

3.31. Physical plant age ratio. The annual financial statement’s accumulated depreciation divided by depreciation expense. The ratio estimates institutional deferred maintenance as well as the operating efficiency of the existing plant facilities.

3.32. Physical plant package. The type of renovation or improvement.

3.33. Program improvement. Projects that improve the functionality of space, primarily driven by academic, student life and athletic programs or departments. These projects are also issues of campus image and impact.

3.34. Project backlog. The list of capital projects that have not been funded.

3.35. Reliability. Issues of imminent failure or compromise to the system that may result in interruption to program or use of space.

3.36. Repair/Maintenance. The replacement of components that have failed or are failing, or planned replacement at the end of a component’s life expectancy.

3.37. Replacement value. The cost to replace an item on the present market.

3.38. Renovation. Enhancements made to restore or renew a building or building component.

3.39. Space renewal. Any work done on interior spaces that does not impact any of the building’s core systems. This would include painting, carpet replacement, fixture replacement and furniture renewal.

3.40. Staffing ratios. The facilities management staffing ratios defined by the American Association of Physical Plant Administrators to calculate facilities performance indicator.

3.41. State capital funding. Financial resources provided from state government revenues or debt financing exclusive of funds from higher education sources.

3.42. Synthetic financial products. Financial products that are primarily used to manage interest rate risk or asset/liability balance.
3.43. Transitional. Physical facilities that require a full renovation, adaptive reuse or demolition.

3.44. Utility infrastructure. Projects completed on components of the energy distribution systems outside of the building. This would include steam lines, central plant, water lines and electrical lines and other utility components.

§135-12-4. System Capital Development Planning.

4.1. By December 31, 2017, the Council and Commission shall, jointly or separately, develop a system capital development oversight policy for approval by the Legislative Oversight Commission on Education Accountability. This oversight policy must include the following constraints:

4.1.1. State capital funding will focus on educational and general capital improvements, not capital projects.

4.1.2. Renovations of existing buildings will generally receive greater consideration for state funding than new construction.

4.1.3. Institutions will fund maintenance and deferred maintenance needs as the Legislature increases funding for new education and general capital improvements and major renovations and supplants existing educational and general debt.

4.1.4. The effect of additional debt loads on students and the financial health of institutions will be considered.

4.1.5. State capital funding and institutional capital fees will be used primarily for maintenance and deferred maintenance needs.

4.1.6. Institutions will not be rewarded with state capital funding if they neglect to address facilities maintenance needs or do not prudently manage their capital resources.

4.2. At a minimum, the system capital development oversight policy will include the following:

4.2.1. System goals for capital development.

4.2.2. An explanation of how system capital development goals align with established state goals, objectives and priorities and with system master plans.

4.2.3. A description of how the Council and Commission will prioritize their recommendations for prioritizing capital projects for state funding based on their ability to further state goals, objectives and priorities and system capital development goals. The following data elements will be used for this process:

4.2.3.a. Physical plant needs segregated by the following asset groups:

4.2.3.a.1. Education and General.

4.2.3.a.2. Auxiliary.

4.2.3.a.3. Transitional.

4.2.3.b. Physical plant needs by project category:
4.2.3.b.1. Repair/Maintenance.
4.2.3.b.2. Modernization.
4.2.3.b.3. Alteration.
4.2.3.b.4. New Construction.

4.2.3.c. Physical plant investment needs segregated by the following categories:

4.2.3.c.1. Reliability.
4.2.3.c.2. Asset Preservation.
4.2.3.c.3. Program Improvement.
4.2.3.c.4. Economic Operations.
4.2.3.c.5. Life/Safety/Code.
4.2.3.c.6. New Construction.

4.2.3.d. Physical plant package needs segregated by the following categories:

4.2.3.d.1. Building Envelope.
4.2.3.d.2. Building Systems.
4.2.3.d.3. Life/Safety/Code.
4.2.3.d.4. Space Renewal.
4.2.3.d.5. Utility Infrastructure.
4.2.3.d.6. Existing Grounds Infrastructure.
4.2.c.4.G. New Construction.

4.2.4. A building renewal formula to calculate a dollar benchmark that shall be collected annually and invested in facilities to minimize deferred maintenance and to provide the Council and Commission objective information to determine if the investments in maintenance are occurring. The following components will be included in the formula:

4.2.4.a. A net asset value for each building determined by using the following formula:

\[ NAV = \frac{ReplacementValue - ProjectBacklog}{ReplacementValue} \]

4.2.4.b. Space utilization percentage.

4.2.4.c. Square feet.
4.2.4.d. Needs segregated by:

4.2.4.d.1. Asset Group.

4.2.4.d.2. Project Category.

4.2.4.d.3. Investment Needs.

4.2.4.e.4. Physical Plant Package.

4.2.4.e. Funding will be prioritized for each institution in accordance with institutional plans confirmed by the Commission or approved by the Council.

4.2.4.f. Facility utilization rates will be an important factor in prioritizing capital projects across the systems.

4.2.4.g. Institutions with overall net asset values and capacity utilization rates that exceed or equal thresholds set annually by the Council and Commission are the presumptive priority for new facilities. If these projects do not replace an existing facility, they would be included in the Program Improvement category.

4.2.4.h. Capital project funds will be distributed to institutions for capital projects in the following investment category order:

4.2.4.h.1. Reliability.

4.2.4.h.2. Life/Safety/Code.

4.2.4.h.3. Asset Preservation.

4.2.4.h.4. Program Improvement.

4.2.4.h.5. Economic Operations.

4.2.4.h.6. New Construction.

4.2.4.i. Institutions may request funding for new facilities that replace aged and obsolete structures. The investment categories will be used to analyze the cost of the improvements resulting from the new construction.

4.2.4.j. An aggregate net asset value percentage change resulting from the proposed funding will be calculated for each institution.

4.2.5. A process for governing boards to follow in developing and submitting campus development plans to the Council for approval and confirmation by the Commission; and

4.2.6. A process for governing boards to follow to ensure that sufficient revenue is generated for and applied toward facilities maintenance. This process will incorporate the following benchmark comparisons:

4.2.6.a. Facilities maintenance expenditures.
4.2.6.b. Facilities maintenance to capital expenditure ratios.

4.2.6.e. Net Asset Value.

4.2.6.f. Facility staffing ratios.

4.2.6.g. Physical plant age ratios.

4.3. The system capital development plan shall be created in consultation with governing boards and appropriate institution staff. Before approving the system capital development plan, the Council and Commission shall afford interested parties an opportunity to comment on the plan through a notice-and-comment period of at least thirty days.

4.4. The Council and Commission shall update its system capital development plan at least once in each ten-year period.

§135-12-5. Campus Development Plan.

5.1. Each governing board shall update its current campus development plan and submit the updated plan to the Council for approval or the Commission for confirmation. A campus development plan shall be developed for a ten-year period and shall align with criteria specified in the following sources:

5.1.1. The system capital development oversight policy;

5.1.2. The institution's approved master plan and compact; and

5.1.3. The current campus development plan objectives.

5.2. Campus development plans are intended to be aspirational; however, an institution's plan shall be appropriate to its size, mission, and enrollment and to the fiscal constraints within which the institution operates. At a minimum the campus development plan shall include the following:

5.2.1. The governing board's development strategy;

5.2.2. An assessment of the general condition and suitability of buildings and facilities using the following data elements:

5.2.2.a. Physical plant needs segregated by the following asset groups:

5.2.2.a.1. Educational and general.

5.2.2.a.2. Auxiliary.

5.2.2.a.3. Transitional.

5.2.2.b. Physical plant package needs segregated by the following by project categories:

5.2.2.b.1. Repair/Maintenance.

5.2.2.b.2. Modernization.
5.2.2.b.3. Alteration.

5.2.2.b.4. New Construction.

5.2.2.c. Physical plant package investment needs segregated by the following categories:

5.2.2.c.1. Reliability.

5.2.2.c.2. Asset Preservation.

5.2.2.c.3. Program Improvement.

5.2.2.c.4. Economic Operations.

5.2.2.c.5. Life Safety/Code.

5.2.2.c.6. New Construction.

5.2.2.d. Physical plant package needs segregated by the following categories:

5.2.2.d.1. Building Envelope.

5.2.2.d.2. Building Systems.

5.2.2.d.3. Life/Safety/Code.

5.2.2.d.4. Space Renewal.

5.2.2.d.5. Utility Infrastructure.

5.2.2.d.6. Grounds Infrastructure.

5.2.3. An assessment of the impact of projected enrollment and demographic changes on building and facility needs;

5.2.4. A comprehensive list of deferred maintenance projects individually exceeding $75,000 that need to be addressed for each campus by building or facility including an estimated cost for each;

5.2.5. An analysis as to all buildings and facilities as to the need for renovations, additions, demolition or any combination thereof;

5.2.6. A list of major site improvements that are needed, including vehicular and pedestrian circulation, parking and landscaping;

5.2.7. An analysis of telecommunications, utilities and other infrastructure improvements that are needed;

5.2.8. A delineation of clear property acquisition boundaries that are reasonably appropriate for campus expansion;

5.2.9. A list of proposed new facilities and building sites;
5.2.10. A list of capital projects in priority order;

5.2.11. Estimates of the timing, phasing and projected costs associated with individual projects;

5.2.12. If an institution has multiple campuses within 50 miles of each other, a delineation of how the campuses should interact and support each other to minimize duplication of facilities, improve efficiency and be aesthetically compatible;

5.2.13. A statement of the impact of the plan upon the local community and the input afforded local and regional government entities and the public with respect to its implementation;

5.2.14. An estimate of the plan’s impact on the institution’s capacity utilization, operating costs including depreciation, and projected financial status; and

5.2.15. Any other requirement established by the Council and Commission in these rules.

5.3. Campus development plans shall incorporate all current and proposed facilities, including educational and general and auxiliary facilities.

5.4. Not later than the next regularly scheduled meeting of the Council or Commission following the fifth anniversary date after the Commission confirms or the Council approves, as appropriate, the development plan of a governing board, the governing board shall report on the progress made in the first five years to implement the campus development plan for each campus under its jurisdiction. In addition, the governing board shall report on its plans to implement the remaining five-year period of its campus development plan.

5.5. Each governing board shall update its campus development plan at least once during each ten-year period and any update is subject to the confirmation of the Commission or approval by the Council.

5.6. A governing board may not implement a campus development plan or plan update that has not been approved by the Council and confirmed by the Commission, as appropriate. The purchase of any property for the construction of a facility that is not included in the campus development plan creates an update to the campus development plan that must be approved by the Council or confirmed by the Commission, as appropriate, prior to its purchase. In the case of institutions governed by the Council, this provision applies equally to property acquired by any means, whether by purchase or otherwise.

§135-12-6. Capital Appropriation Requests.

6.1. The Council and Commission each shall submit a prioritized capital appropriation request annually to the state budget office in accordance with state law consisting of major capital projects and maintenance projects. The dollar value threshold distinguishing major projects from other projects will be set annually by the Council and Commission for their respective institutions.

6.2. The Council and Commission, and governing boards shall use the following process in reviewing and submitting a list of major educational and general capital projects so that a prioritized major capital project list, prepared by the Commission in conjunction with the Council may be submitted to the state budget office by the applicable deadline:

6.2.1. The governing board's major capital project list shall be submitted in accordance with timelines established by the Council and Commission and include the following items:
6.2.1.a. Projects identified in the governing board's approved campus development plan or plans. A project may not be included which is not contained in the approved plan, except when extraordinary circumstances otherwise warrant;

6.2.1.b. A current estimate of each project's estimated cost accounting for inflation since completion of the campus development plan and the estimated cost of operation and maintenance and if an existing facility, the estimated cost of repair and renovation, if applicable, of the facility. The size and scope of the project may not change unless the campus development plan has been updated and confirmed or approved as provided in accordance with West Virginia Code §18B-19-4 and section four of this rule; and

6.2.1.c. Any additional information required to be provided by the Council and Commission, or state budget office.

6.2.2. The Council and Commission each shall rank the major capital projects submitted by the governing boards according to priority consistent with the criteria outlined in the system capital development plan. Such criteria shall include but not be limited to the cost of the project, its conformity to the mission of the institution, the future maintenance and operational costs, the cost of any renovation or repair if an existing facility, and other criteria as determined by the Council and Commission.

6.3. The Council and Commission, and governing boards shall adhere to the following process in submitting a list of major maintenance projects so that a prioritized maintenance project list, approved by the Council and Commission may be submitted to the state budget office by the applicable deadline.

6.3.1. The Council and Commission shall provide each governing board annually a recommended building renewal calculation that identifies the funds that should be collected and invested in its buildings and facilities during the next fiscal year to maintain them and minimize deferred maintenance.

6.3.2. As soon as the governing board receives the building renewal calculation, each governing board shall make realistic revenue estimates of the funds available for maintenance projects from educational and general capital fees, from auxiliary and auxiliary capital fees and from any other revenue that may be used for maintenance projects, as well as any anticipated reserves. The governing boards then shall identify and submit to the Council or Commission, proposed major maintenance projects, consistent with its campus development plan or plans, to be funded from these revenues for projects more than $3 million for institutions subject to oversight by the Commission and $500,000 for those subject to oversight by the Council.

6.3.3. The Council and Commission each shall report to the Legislative Oversight Commission on Education Accountability on the revenue available to governing boards for educational and general and auxiliary maintenance projects, as well as any shortfalls based on building renewal formula calculation, and major maintenance projects that institutions propose to undertake during the upcoming fiscal year.

6.3.4. The Council and Commission shall work with institutions under their respective jurisdiction to ensure that adequate funds are generated to fund maintenance and build adequate reserves from educational and general and auxiliary capital fees and other revenue consistent with the building renewal formula.

§135-12-7. Capital Project Financing.

7.1. The Commission and governing boards, jointly or singly, may issue revenue bonds for capital project financing in accordance with West Virginia Code §18B-10-8.
7.2. A governing board may seek funding for and initiate construction or renovation work only for projects contained in confirmed or approved campus development plan.

7.3. A governing board may fund capital improvements on a cash basis, through bonding or through another financing method that is approved by the Council or Commission.

7.3.1. If the cost of an improvement project for an institution subject to oversight by the Council exceeds $1 million, the governing board first shall obtain the approval of the Council, as appropriate. If the cost of an improvement project for an institution subject to the oversight of the Commission and the provisions of this rule exceeds $3 million, the governing board shall first obtain the approval of the Commission. In determining cost, all dollars associated with the project, whether state or private funds, will be calculated. Subject to the provisions of this section, the governing board will submit a completed Financial Feasibility Study in the format required by the Council or Commission sixty days in advance of the deadline for submitting agenda items to the Council or Commission (Appendix A).

7.3.2. Each institution will establish a Debt Policy to ensure that debt is prudently used to meet the goals of institutional strategic and capital plans. The policy will include the following components:

7.3.2.a. Debt Structure.

7.3.2.b. Debt Ratios.

7.3.2.c. Synthetic Financial Products.

7.3.3. Prior to approving bonding or any alternative financing method, the Council or Commission, as appropriate, shall evaluate the following issues:

7.3.3.a. The institution's debt capacity and ability to meet the debt service payments for the full term of the financing;

7.3.3.b. Compliance with the institution’s debt policy;

7.3.3.c. The institution's capacity to generate revenue sufficient to complete the project;

7.3.3.d. The institution's ability to fund ongoing operations and maintenance;

7.3.3.e. The impact of the financing arrangement on students; and

7.3.3.f. Any other factor considered appropriate.

7.4. A governing board shall notify the Joint Committee on Government and Finance at least thirty days before beginning construction or renovation work on any capital project in excess of $1 million.

7.5. The Council and Commission may pledge all or part of the fees of any or all state institutions of higher education as part of a system bond issue.

7.6. Any fee or revenue source pledged prior to the effective date of this section for payment of any outstanding debt remains in effect until the debt is fully repaid or refunded.

8.1. The Council and Commission, and governing boards shall ensure that capital funds are spent appropriately and that capital projects are managed effectively. Project management shall be conducted in all respects according to sound business practices and applicable laws, and rules.

8.2. The Commission shall employ a sufficient number of competent facilities staff experienced in capital project development and management that is suitable for the number, size and complexity of the capital projects being managed. By December 31, 2013, and continuing thereafter, at least one employee shall be Leadership in Energy and Environmental Design (LEED) certified.

8.3. A governing board under the jurisdiction of the commission is exempt from the provisions of subsections 8.5 and 8.6 of this rule, and its capital projects management shall be governed by the provisions of subsection 8.4 of this section regardless of the rolling five year construction expenditures, if it meets each of the following criteria:

8.3.1. Employs at least one Leadership in Energy and Environmental Design (LEED) certified administrator; and

8.3.2. Employs at least one Certified Facilities Manager (CFM) as credentialed by the International Facility Management Association or employs at least one Project Management Professional (PMP) as certified by the Project Management Institute.

8.4. An institution that has entered into construction contracts averaging more than $50 million over the most recent rolling five-year period is responsible for capital project management at that institution if it meets the following additional conditions:

8.4.1. The governing board shall employ a facilities staff experienced in capital project development and management that is suitable for the number, size and complexity of the capital projects being managed and, by December 31, 2013, and continuing thereafter, at least one of these employees shall be Leadership in Energy and Environmental Design (LEED);

8.4.2. The governing board shall promulgate and adopt a capital project management rule in accordance with West Virginia Code §18B-1-6. The capital project management rule shall include at least the following items:

8.4.2.a. Delineation of the governing board's responsibilities with respect to capital project management and the responsibilities delegated to the institution's president;

8.4.2.b. A requirement for the use of the state's standard contract documents for architectural, engineering, construction, construction management and design-build services as appropriate to a particular project;

8.4.2.c. The governing board's requirements for the following procedures:

8.4.2.c.1. Monitoring and approving project designs to ensure conformance with the state and system goals, objectives and priorities and the governing board's master plan, compact and campus development plan;

8.4.2.c.2. Approving project budgets, including a reasonable contingency reserve for unknown or unexpected expenses and for bidding;

8.4.2.c.3. Approving architectural, engineering and construction contracts exceeding an amount to be determined by the governing board;
8.4.2.c.4. Approving contract modifications and construction change orders; and

8.4.2.c.5. Providing a method for project closeout and final acceptance of the project by the governing board.

8.4.3. The institutional capital project management rule shall be filed with the Commission no later than one hundred eighty days following the effective date of this rule required of the Commission and Council in West Virginia Code §18B-19-17.

8.4.4. The Commission may review or audit projects greater than $5 million periodically to ascertain that appropriate capital project management practices are being employed.

8.5. For institutions that have entered into construction contracts averaging at least $20 million, but not more than $50 million, over the most recent rolling five-year period:

8.5.1. The governing board, with assistance as requested from the Commission, shall manage all capital projects if the governing board meets the following conditions:

8.5.1.a. Employs at least one individual experienced in capital project development and management; and

8.5.1.b. Promulgates and adopts a capital project management rule in accordance with West Virginia Code §18B-1-6 that is approved by the Commission. The capital project management rule may be amended at the discretion of the governing board, but amendments shall be submitted to the Commission for review and approval before becoming effective.

8.5.2. The capital project management rule of the governing board shall include at least the following items:

8.5.2.a. Delineation of the governing board's responsibilities with respect to capital project management and the responsibilities delegated to the institution's president;

8.5.2.b. A requirement for the use of the state's standard contract documents for architectural, engineering, construction, construction management and design-build services as appropriate to a particular project; and

8.5.2.c. The governing board's requirements for the following procedures:

8.5.2.c.1. Monitoring and approving project designs to ensure conformance with the state and system goals, objectives and priorities and the governing board's master plan, compact and campus development plan;

8.5.2.c.2. Approving project budgets, including a reasonable contingency reserve for unknown or unexpected expenses and for bidding;

8.5.2.c.3. Approving architectural, engineering, construction and other capital contracts exceeding an amount to be determined by the governing board;

8.5.2.c.4. Approving contract modifications and construction change orders; and
8.5.2.c.5. Providing a method for project closeout and final acceptance of the project by the governing board.

8.5.3. If an institution does not meet the provisions of this subsection, the Commission shall manage all capital projects exceeding $1 million.

8.5.4. The Commission staff shall review and audit periodically all projects greater than $1 million to ascertain that appropriate project management practices are being employed. If serious deficiencies are identified and not addressed sufficiently within ninety days, Commission staff may assume management of all projects. Institutions must inform the Commission of any decisions to undertake a capital project in excess of $1 million.

8.6. For institutions that have entered into construction contracts averaging less than $20 million over the most recent rolling five-year period and for all community and technical colleges, the Council and Commission shall manage capital projects exceeding $1 million. The following procedures shall be utilized in the planning, development and execution of capital projects:

8.6.1. After review and recommendation by the governing board, the Council and Commission shall monitor and if acceptable, approve project designs to ensure conformance with the state and system goals, objectives and priorities and the governing board's master plan, compact and campus development plan;

8.6.2. After review and recommendation by the governing board, the Council and Commission shall, if acceptable, approve project budgets, including a reasonable contingency reserve for unknown or unexpected expenses and for bidding;

8.6.3. After review and recommendation by the governing board, the Council and Commission shall, if acceptable, approve architectural, engineering, construction and other capital contracts;

8.6.4. After review and recommendation by the governing board, the Council and Commission shall, if acceptable, approve contract modifications and construction change orders; and

8.6.5. After review and recommendation by the governing board, the Council and Commission shall, if acceptable, provide a method for project closeout and final acceptance of the project by the governing board.


9.1. Each governing board shall ensure that facilities under its jurisdiction are maintained and that a listing of any major deferred maintenance projects is provided annually to the Council and Commission.

9.2. Each governing board shall strive to invest annually an amount for maintenance that is consistent with the building renewal formula developed and approved by the Council and Commission and to generate a reserve sufficient to address unexpected maintenance needs.

9.3. The Council and Commission shall determine whether a governing board is devoting sufficient resources for maintenance based on the following criteria:

9.3.1. The amount of maintenance expenditures compared to building renewal formula estimates of appropriate expenditures; and

10.1. The Council and Commission shall develop and maintain a higher education facilities information system. The higher education facilities information system shall serve as a vehicle for carrying out the following functions:

10.1.1. Acquisition of statewide data;

10.1.2. Statewide analysis of space use and classification based on nationally recognized standards and measurements to facilitate comparisons among postsecondary education institutions within the state and in the region and nation; and

10.1.3. Other purposes as determined by the Council and Commission without burdening or interfering unnecessarily with the governance responsibilities which are placed upon the governing boards.

10.2. At a minimum, the higher education facilities information system shall serve the following purposes:

10.2.1. Develop and maintain a statewide inventory of higher education facilities, including those acquired by long-term lease, lease-purchase or other arrangement whereby the institution has long-term beneficial use. The inventory shall include, but is not limited to, the institution and campus location of the facility, the construction date, the original cost, square footage, floor plans, type of construction, ownership status, the purposes for which it is used, the current replacement cost and any other data the Council and Commission considers appropriate;

10.2.2. Develop and maintain an inventory of all rooms within each facility, which includes, but is not limited to, the room number, the square footage, room usage, number of student stations and any other data the Council and Commission considers appropriate;

10.2.3. Provide a vehicle for institutions to submit capital appropriation requests to the Council and Commission;

10.2.4. Provide a vehicle to track the status and cost of institution capital projects from inception to completion, including major maintenance and deferred maintenance projects; and

10.2.5. Provide information on facilities needed to calculate the building renewal formula.

10.3. The Council or Commission, as appropriate, shall establish benchmarks for space use including an analysis of utilization for the fall of each academic year. The benchmarks will calculate density by measuring the number of occupants per 100,000 gross square feet. This calculation will include faculty, staff, students and visitors. Separate calculations will be made for education and general and auxiliary facilities.

10.4. Each governing board and any institution under its jurisdiction shall participate and cooperate with the Council and Commission in all respects in the development and maintenance of the higher education facilities information system.

10.5. The higher education facilities information system may be used for other purposes set forth by the Council and Commission as specified by these rules.
§135-12-11. Authorization to Sell Property; Use of Proceeds.

11.1. The Council, Commission and governing boards each may sell all or part of any real property that it owns, either by contract or at public auction, and retain the proceeds of the transaction provided the following steps are taken:

11.1.1. Providing for property appraisal by two independent licensed appraisers. The property may not be sold for less than the average of the two appraisals;

11.1.2. Providing notice to the public in the county in which the real property is located by a Class II legal advertisement pursuant to West Virginia Code §59-3-2;

11.1.3. Holding a public hearing on the issue in the county in which the real property is located;

11.1.4. For real property with a proposed sale price of $50,000 or greater, ten days prior to the placement of the Class II legal advertisement, providing written notice to the county commission and municipalities in the county in which the real estate property is located and all members of the legislature; and

11.1.5. In case of the Commission, notifying the Joint Committee on Government and Finance.

11.2. The Council, Commission or a governing board may not lease real property for an annual amount of greater than $50,000 without satisfying the obligations of 11.1.b. through 11.1.e.

11.3. The Council, Commission or a governing board shall deposit the net proceeds from the sale, lease, conveyance or other disposal of real property into a special revenue account in the State Treasury to be appropriated by the Legislature in the annual budget bill for the purchase of additional real property, equipment or technology, or for capital improvements or maintenance at the institution that sold the surplus real property.

11.4. For purposes that further the state goals, objectives and priorities for higher education set out in State code, the Council, Commission and each governing board may lease, as lessor, any real property that it owns, either by contract or at public auction, and retain the proceeds of the lease. The Council, Commission and each governing board may convey, transfer or exchange any real property it owns to any other public body.

§135-12-12. Authorization to Lease-Purchase.

12.1. The Council and Commission may enter into lease-purchase agreements for capital improvements, including equipment, on behalf of, or for the benefit of, a state institution of higher education or the Council or Commission.

12.2. After the Council or Commission has granted approval for a lease-purchase agreement, which is $1.5 million or higher for institutions subject to oversight by the Commission and $500,000 or higher for those subject to oversight by the Council, to a governing board, the board may enter into a lease-purchase agreement for capital improvements, including equipment.

12.3. A lease-purchase agreement constitutes a special obligation of the State of West Virginia. The obligation may be met from any funds legally available to the Council, Commission or the institution and shall be cancelable at the option of the Commission, Council, or governing board at the end of any fiscal year. The obligation, or any assignment or securitization of the obligation, never constitutes an indebtedness.
of the State of West Virginia or any department, agency or political subdivision of the state, within the meaning of any constitutional provision or statutory limitation, and may not be a charge against the general credit or taxing powers of the state or any political subdivision of the state. The facts shall be plainly stated in any lease-purchase agreement.

12.4. A lease-purchase agreement shall prohibit assignment or securitization without consent of the lessee and the approval of the agreement as to form by the Attorney General. Proposals for any agreement shall be requested in accordance with the requirements of this section and rules of the Commission. In addition, any lease-purchase agreement that exceeds $100,000 total shall be approved as to form by the Attorney General.

12.5. The interest component of any lease-purchase obligation is exempt from all taxation of the State of West Virginia, except inheritance, estate and transfer taxes. It is the intent of the Legislature that if the requirements set forth in the Internal Revenue Code of 1986, as amended, and any regulations promulgated pursuant thereto are met, the interest component of any lease-purchase obligation also is exempt from the gross income of the recipient for purposes of federal income taxation and may be designated by the governing board or the president of the institution as a bank-qualified obligation.


13.1. The Council, Commission and governing boards may lease, or offer to lease, as lessee, any grounds, buildings, office or other space in the name of the state.

13.2. The Council, Commission and governing boards have sole authority to select and to acquire by contract or lease all grounds, buildings, office space or other space, the rental of which is required necessarily by the Council, Commission or institutions.

13.3. Before executing any rental contract or lease, the Council, Commission or a governing board shall determine the fair market value for the rental of the requested grounds, buildings, office space or other space, in the condition in which they exist, and shall contract for or lease the premises at a price not to exceed the fair market value.

13.4. The Council, Commission and each governing board may enter into long-term agreements for buildings land and space for periods longer than one fiscal year but not to exceed forty years.

13.5. Any lease shall contain, in substance, all the following provisions:

13.5.1. The Council, Commission or governing board, as lessee, has the right to cancel the lease without further obligation on the part of the lessee upon giving thirty days’ written notice to the lessor at least thirty days prior to the last day of the succeeding month;

13.5.2. The lease is considered canceled without further obligation on the part of the lessee if the Legislature or the federal government fails to appropriate sufficient funds for the lease or otherwise acts to impair the lease or cause it to be canceled; and

13.5.3. The lease is considered renewed for each ensuing fiscal year during the term of the lease unless it is canceled by the Council, Commission, or governing board before the end of the then current fiscal year.

13.6. The Council, Commission or institution that is granted any grounds, buildings, office space or other space leased in accordance with this section may not order or make permanent changes of any type thereto, unless the Council, Commission or governing board has first determined that the change is
necessary for the proper, efficient and economically sound operation of the institution. For purposes of this section, a "permanent change" means any addition, alteration, improvement, remodeling, repair or other change involving the expenditure of state funds for the installation of any tangible thing that cannot be economically removed from the grounds, buildings, office space or other space when vacated by the institution.

13.7. Leases and other instruments for grounds, buildings, office or other space, once approved by the Council, Commission or governing board, may be signed by the chief executive officer, or designee, of the Council, Commission or institution.

13.8. Any lease or instrument exceeding $100,000 annually shall be approved as to form by the Attorney General. A lease or other instrument for grounds, buildings, office or other space that contains a term, including any options, of more than six months for its fulfillment shall be filed with the State Auditor.

§135-12-14. Real Property Contracts and Agreements.

14.1. Except as provided elsewhere in the capital projects law, any purchase of real estate, any lease-purchase agreement and any construction of new buildings or other acquisition of buildings, office space or grounds resulting from these transactions, shall be approved by the Council or Commission, and provided to the Joint Committee on Government and Finance for prior review, if the transaction exceeds $1 million.

14.2. Notwithstanding any provision of this rule to the contrary, any acquisition, bequest, donation or construction of new buildings, office space or grounds exceeding $1 million in appraised value or requiring $1 million in repairs and renovation or lease payments over the life of the lease, made or accepted by an institution’s research corporation established by §18B-12 of the West Virginia Code or an affiliated foundation of an institution under the jurisdiction of the Council, shall receive prior approval by the Council.

14.3. The Council, Commission and each governing board shall provide the following to the Joint Committee on Government and Finance:

14.3.1. A copy of any contract or agreement to which it is a party for real property if the contract or agreement exceeds $1 million; and

14.3.2. A report setting forth a detailed summary of the terms of the contract or agreement, including the name of the property owner and the agent involved in the sale.

14.4. The copy and report required by 14.3.b. of this section shall be provided at least thirty days before any sale, exchange, transfer, purchase, lease-purchase, lease or rental of real property, refundings of lease-purchases, leases or rental agreements, construction of new buildings, and any other acquisition or lease of buildings, office space or grounds.

14.5. A contract or agreement that is for the lease purchase, lease or rental of real property, where the costs of real property acquisition and improvements are to be financed, in whole or in part, with bond proceeds, may contain a preliminary schedule of rents and leases for purposes of review by the committee.

14.6. For renewals of contracts or agreements required by this section to be reported, the Council, Commission, or governing board shall provide a report to the Joint Committee on Government and Finance setting forth a detailed summary of the terms of the contract or agreement, including the name of the property owner.
14.7. The Joint Committee on Government and Finance shall meet and review any contract, agreement or report within thirty days of receipt.

14.8. Each governing board shall provide to the Commission or Council a copy of any contract or agreement submitted to the Joint Committee on Government and Finance pursuant to this section.


15.1. A governing board may sell any building that is on unencumbered real property to which the board holds title and may lease back the same building if the governing board obtains approval of the Council or confirmation of the Commission before incurring any obligation. The board shall deposit the net proceeds of the transaction into a special revenue account in the State Treasury to be appropriated by the Legislature for the use of the institution at which the real property is located. Prior to such action, the board shall take the following steps:

15.1.1. Provide for the property to be appraised by two licensed appraisers. The board may not sell the property for less than the average of the two appraisals; and

15.1.2. Providing notice to the public in the county in which the real property is located by a Class II legal advertisement pursuant to section two, article three, chapter fifty-nine of this code;

15.1.3. Holding a public hearing on the issue in the county in which the real property is located;

15.1.4. For real property with a proposed sale price of $50,000 or greater, ten days prior to the placement of the Class II legal advertisement, providing written notice to the county commission and municipalities in the county in which the real estate property is located and all members of the legislature, and

15.1.5. Retain independent financial and legal services to examine fully all aspects of the transaction.

15.2. The sale may be made only to a special purpose entity that exists primarily for the purpose of supporting the institution at which the building is located.

§135-12-16. Construction and Operation of Auxiliary Facilities; Fees for Auxiliary Enterprises.

16.1. A governing board may provide, construct, erect, improve, equip, maintain and operate auxiliary facilities, as defined in section three of this rule for students, employees and visitors on land it owns or leases.

16.2. The cost of construction, erection, improvement or equipment may be paid with the proceeds of revenue bonds authorized by this code or by any other financing method provided in law and approved by the Council or Commission. The issuance of revenue bonds is subject to the approval of the Council or Commission.

16.3. A governing board may engage experts in engineering, architecture and construction and other experts as it considers necessary and may specify the payment and contract terms which are included in the cost of the project.

16.4. A governing board may promulgate and adopt rules and charge fees for use of its facilities. The fees and other amounts charged shall be structured so as to generate funds sufficient for the following purposes:
16.4.1. To maintain payment of the principal of and interest on any revenue bonds, and for reserves for the revenue bonds;

16.4.2. To operate the auxiliary enterprise;

16.4.3. To satisfy annual building renewal formula requirements; and

16.4.4. To build a reserve for major renovation or replacement.

16.4.5. All moneys collected for the use of auxiliary facilities shall be paid to the credit of and expended by the governing board of that institution in accordance with West Virginia Code §18B-10-13.

§135-12-17. Condemnation Generally.

17.1. The Council, Commission, and governing boards each may acquire land or buildings by condemnation for the use and benefit of any state institution under its jurisdiction. A condemnation proceeding conducted pursuant to this section is governed by Chapter 54 of the West Virginia Code.

17.2. The Council, Commission, and governing boards each may condemn any interest, right or privilege, land or improvement, which in its opinion is necessary, in the manner provided by law for the acquisition by this state of property for public purposes. The state is under no obligation to accept and pay for any property condemned and may pay for the property only from the funds provided for that purpose.

17.3. In any proceeding to condemn, the order shall be made by the court having jurisdiction of the suit, action or proceedings. A bond or other security may be required by the court securing the property owner against any loss or damage to be sustained by reason of the state's failure to accept and pay for the property. The bond or security may not impose liability or debt on or of the state as contemplated by the Constitution of the State in relation to state debt.

§135-12-18. Reporting.

18.1. The Council and Commission shall annually provide a general status report to the Legislative Oversight Commission on Education Accountability on the progress being made in implementing the state-wide capital development plan and on the progress of the governing boards in implementing the objectives of institutions' campus development plans. The report will include current and proposed projects.

18.2. The governing boards shall report to the Council or Commission on an annual basis their progress in implementing the objectives of institutions' campus development plans. Said reports shall include a copy of the campus development plan and their specific progress in meeting the objectives of the plan. For objectives not met, the institution shall provide a reasonable timeline to meet said objectives and a method to measure their progress in the future toward meeting the objectives.
West Virginia Higher Education Policy Commission  
West Virginia Council for Community and Technical College Education

FINANCIAL FEASIBILITY STUDY

This Financial Feasibility Study is being submitted for the following project (must be submitted 60 days in advance of the deadline for submitting agenda items to the Commission or Council):

Submission Date

Name of Institution

Project Name

Project Amount $ ______________

Project Type (check one):

- Education & General (E&G) Project
- Auxiliary Enterprise Project
- Property Acquisition
- Public/Private Development or Design/Build
- Other (specify):

Proposed Financing Arrangement (check one):

- No Debt - Paid from Institution Cash On-Hand or from Reserves
- Revenue Bond by Institution
- Capital Lease
- Alternative Financing Method
- Other (specify)

Requested Type of Financing (should not exceed 30 years):

- Educational & General (E&G) Capital Fee Financing Amount: $ ______________
- Auxiliary & Auxiliary Capital Fees Financing Amount: $ ______________
- Debt secured by revenue stream – identify source and provide Code citation that authorizes the pledge of this revenue stream for issuance of revenue bonds or to incur debt. Amount: $ ______________

Prepared by:

Name: ____________________________________________
Title: ____________________________________________
E-mail: __________________________________________
Telephone No.: __________________________________
Fax No.: _________________________________________
The attached Financial Feasibility Study has been prepared using information and projections believed to be reliable and accurate for the purpose of estimating the demand and affordability of the proposed capital project.

Signature (Chief Financial/Fiscal Officer)

Forward original to:

WV Council for Community and Technical College Education
1018 Kanawha Boulevard, East, Suite 700
Charleston, WV 25301
Attn: Richard Donovan
Email: Rich.Donovan@wvhepc.edu
Section 1 - General Information – To be completed for all projects.

1. Describe the project in sufficient detail so that an uninformed reader has a clear understanding of the project. Indicate whether the project is new construction, renovation/addition to an existing facility or property acquisition.

2. Describe how the project is essential to fulfilling the institution's mission. Address the alternatives available if the project is not undertaken.

3. Is the project identified in the institution’s capital appropriation request for this fiscal year? If yes, what is its priority in relation to the other projects? If no, why was it not included and why is it being proposed now?

4. Is the project included in the institution’s approved Ten Year Campus Masterplan? If so, what is the priority in relation to other projects in Masterplan and what is the estimated project cost identified in the Masterplan? If it is not included in the Masterplan, why is it being proposed ahead of the projects in approved in the Masterplan?

5. Describe the effect the project will have on those students or users who will financially support the project.

6. Explain how the project will affect the institution's need for student financial aid.

7. Describe the probable effects of the project on the community and environment, including changes to the value of property as a result of the project.

8. Explain how the project and its impact have been conveyed to local officials and their reaction/response.

9. Describe any other positive or negative effects the project may have.

10. Briefly describe the financing proposal. Indicate if this proposal is for a revenue bond financing, a capital lease or lease purchase, or some other less traditional financing arrangement. Indicate anticipate closing date.

11. Are specific revenues planned to support debt service or lease payments? (If so, please complete Section 3.)
   ___ Yes ___ No

12. What impact does the construction of this project have on the institution’s compliance with federal Title IX requirements?

Private Use

13. Will any person or entity other than the institution provide (directly or indirectly) any part of debt service on the portion of the bonds issued for the project? For example, will a private business entity, private foundation or federal agency be required (or expected) to make an annual contribution toward the payment of debt service.
   ___ Yes ___ No. If yes, please identify the person or entity and the percent of debt service to be provided.

14. Do you anticipate that any person or entity other than the institution will have a contractual right, different from the
rights available to the general public or students, to use any part of the project or to use or buy goods or services produced at the project? For instance, have you contracted parking spaces in a parking deck to a nearby corporate office?

___Yes ___No. If yes, briefly summarize the planned contractual agreement.

15. Do you contemplate any part of the project being managed or operated by any person or entity other than the institution under a management or service contract, incentive payment or other “privatized” arrangement? Examples include contracts for food service, parking service, dormitory management, bookstore management, etc.

___Yes ___No. If yes, summarize the anticipated contractual arrangement (i.e., contract term, renewal options, compensation arrangements, etc.).

Note: These arrangements may impact whether the project is eligible for tax-exempt financing. Once tax-exempt bonds have been issued, entering into this type of contract or arrangement may affect the bond’s tax-exempt status and as a result, could have an adverse affect on the bondholders. **So long as the bonds are outstanding**, the terms of any such arrangement must be reviewed and approved by the Bond Counsel and the Policy Commission staff prior to the execution of any contract.

**Property Acquisition by Purchase, Lease or Lease Purchase**

Property acquired by purchase, lease or lease/purchase exceeding $1 million ($15 million for Marshall University and West Virginia University) must be approved in advance by the Commission or Council as applicable.

16. What is the purchase price of the property? What is the appraised value of the real property and improvements? The institution must engage a licensed appraiser experienced and certified for the property being appraised. Attach a copy of the appraisal.

17. Does the institution have a Phase 1 Environmental Study for the property? If so, please provide a copy. Does the Phase 1 Study identify the need for a Phase 2 Environmental Study? If so, please provide a copy to the Phase 2 Study.

___Yes ___No. If yes, please provide a copy. If no, this study must be performed by a firm experienced and qualified to perform this study prior to purchase. Include contact person with WV DEP.

18. Has a title search been performed? If so, are there any issues preventing the institution obtaining a general warranty deed? Are there any easements, encroachments, or encumbrances affecting the property? A title search must be performed prior to purchase.

___Yes ___No. If yes, please provide a copy. If no, a title search must be performed prior to purchase.

19. Is the property within the property acquisition boundaries of the approved Ten Year Campus Masterplan?

___Yes ___No. If no, the acquisition must be approved in advance by the Commission or Council as applicable no matter the dollar value.

20. Has there been an architectural/engineering firm retained for any portion of the project (feasibility study, site selection, schematic drawings)?
21. If so, was the firm selected and retained following West Virginia Code §18B-19-7?
   ___ Yes ___ No.

22. If a firm has been selected, will this firm be retained as the project continues?
   ___ Yes ___ No.

23. If a selected firm will not be retained as the project continues, will there be a separate RFP distributed to select an
   Architectural /Engineering firm for the next phase?
   ___ Yes ___ No.

24. If a design firm has been selected for schematic design and/or feasibility study and/or site selection are they aware
   of their role, and that they will have their responsibility either fulfilled or will continue upon completion of this
   phase? Explain if necessary.
   ___ Yes ___ No.

25. If a firm has been retained, have the necessary drawings and specifications been submitted to the HEPC Central
   Office?
   ___ Yes ___ No.

26. Does this project fall under West Virginia Code §18B-19-8 and was it submitted as required?
   ___ Yes ___ No.

27. If this project is taking precedent over a deferred maintenance project submitted previously, explain here.

Section 2 – Cost Information (complete for all projects)

28. Do you anticipate the need for capitalized interest on any bond financing (i.e., to pay interest during construction)?
   If so, for how many months? When is construction to begin and completed? (Interest cannot be capitalized more
   than six months post construction)

29. Itemize the capital costs of the project. Estimate the costs of issuance at 2% of the cost of the project if it is to
   be financed by a bond issue. Please subtotal project costs net of the 2% cost of issuance and then show a gross
   cost of project including the cost of issuance. Note that the total cost should be used as the AMOUNT
   BORROWED field of the worksheet. Attach the CO-2 estimate or further estimate of project cost, if available.
   (Note: The term of any financing plan or arrangement should be for 30 years or less.)
30. What is the anticipated useful life of the project?

31. Discuss the need for a Reserve Fund to support the proposed project, any anticipated uses of the reserve during the life of the bonds, and the plan for replenishment of the reserve. The Reserve Fund Limit in the spreadsheet should be approximately 10% of the project cost.

32. List and describe any initial Non-Recurring Costs related to the project and the source of funding for each of these items.

33. List and estimate the Incremental Annual Operating Expenses. Provide any supporting documentation and illustrate how your estimate was made. These expenses include personnel costs, utilities, contractual services, supplies and materials, indirect costs, equipment, etc.

**Section 3 - Revenue Information. (Complete for all revenue-producing projects)**

34. Describe the Revenue Sources that will be used for payment of debt service and the expenses associated with these revenues. Consider what other expenses are planned to be supported by the revenues, and how much revenue will actually be available for debt service. *(Note: The term of any financing plan or arrangement should be for 30 years or less.)*

35. If revenues will be derived from a group of similar facilities (a system) and an increase in system revenues will be used to support the debt, provide justification for any system contribution and any marginal increase in system-wide fees.

36. If revenues will be derived from just one facility of several similar facilities in a campus system, show all fees for all similar facilities and justify any differential in pricing between the facilities.

37. Will project revenues or revenues pledged to the payment of debt service be available prior to completion of the project? Describe the timing of revenues and when they will be available and sufficient to begin servicing the debt.

38. What studies have been completed to demonstrate the demand for the facility and the reliability of the revenue stream? (Attach copies if available.)

39. If any portion of the revenues are already pledged or otherwise committed to other debt service payments, provide a schedule of debt service payments (by issue) and cumulatively. Clearly identify the portion of the revenue source that is committed or being used to pay debt service.
40. If any revenues are projected to increase, explain how the projections were calculated. Do not use an automatic growth rate.

41. If institutional reserves are to be used to service the debt, include the source of funds, balances for the last five years, and impact on future balances. Identify the authorization for using these funds to pay debt service and other costs.

42. If any amounts currently used for debt service are expected to be available and used for debt service on this project (i.e., the existing debt will be retired), provide the name(s) of the existing project(s), the bond series, and the annual amount to be available. Address the status of the existing facility's physical condition and plans for repair or maintenance. Conversely, explain why any such amounts scheduled to be available are not planned for use for debt service on this project.

43. Provide a copy of the institution’s debt policy approved by the Board of Governors

Using the information described above, complete Spreadsheet #2 – Revenue Components

Section 4 - General Financial Condition - Complete this section for all projects.

Provide the following FTE enrollment and admissions information

<table>
<thead>
<tr>
<th>Enrollment</th>
<th>FY 20__</th>
<th>FY 20__</th>
<th>FY 20__</th>
<th>FY 20__</th>
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<td>Undergraduate</td>
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<tr>
<td>Graduate &amp; 1st Prof.</td>
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</tr>
<tr>
<td>Total</td>
<td></td>
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<tr>
<td>On-Campus</td>
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<tr>
<td>Off-Campus</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Admissions</th>
<th>FY 20__</th>
<th>FY 20__</th>
<th>FY 20__</th>
<th>FY 20__</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applications Accepted</td>
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<td></td>
</tr>
<tr>
<td>Students Enrolled</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

44. What is the estimated enrollment change resulting from this project?

45. Provide the following ratios and Composite Financial Index for the current year budget as adjusted for the project, the current year budget excluding the new project, and the two preceding fiscal years.

<table>
<thead>
<tr>
<th>Ratios (Excluding OPEB liability):</th>
<th>Adjusted FY 20__</th>
<th>Budgeted FY 20__</th>
<th>Actual FY 20__</th>
<th>Actual FY 20__</th>
</tr>
</thead>
<tbody>
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<td>Primary Reserve Ratio</td>
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<td>Net Operating Revenue Ratio</td>
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<td>Viability Ratio</td>
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<tr>
<td>Composite Financial Index</td>
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<td>0.000</td>
<td>0.000</td>
</tr>
</tbody>
</table>
Section 5 - Capital Lease Projects – Complete only if the financing involves a capital lease.

46. Discuss the alternatives that were considered before deciding that the capital lease structure was the best option.

47. Who is the Lessor (full name and address)? Who is the Lessee (full name and address)?

48. Who will manage the facility during and after construction?

49. Who will be issuing bonds or otherwise financing the project? Will it be tax-exempt debt?

50. If debt is issued, what portion will not be tax-exempt?

Section 6 - Public/Private Partnership & Design Build – Complete this section only if the financing involves a public/private partnership or is a design build project.

51. Discuss the alternatives that were considered before deciding on a public/private partnership or design build as the best option.

52. Design build projects are subject to the “Design Build Procurement Act,” West Virginia Code §5-22A. The provisions of this Act must be used to select design-builders for authorized projects that are constructed and owned, potentially owned, or ultimately owned by any agency/state institution of higher education. Please describe your plans for complying with the Design Build Procurement Act.

53. If this is a public/private partnership, please describe the nature of the arrangement and the parties involved.

54. What type of financing vehicle will be used to fund the project? (Please describe in detail)

Section 7 - Sustainability and Energy Efficiency

55. Do you have access to the most current version of the HEPC’s standards for sustainability and energy efficiency?

   ___ Yes  ___ No

56. Will this project be proposed as a LEED project?

   ___ Yes  ___ No

57. If it is to be a LEED project, have you engaged with the necessary professionals to enter the process?

   ___ Yes  ___ No

58. If you have not engaged the necessary professionals, do you need assistance?

   ___ Yes  ___ No
59. If is not proposed as a LEED project are you aware of the minimal guidelines required to insure the project is completed using the most current guidelines and standards? (ASHRE 90.1, LEED – see USGBC.org website)

60. Have you explored any potential existing energy rebates available from your local utilities specific to this project?

61. Do you need further assistance in proceeding with any of the answers required in this application?
Definitions of Terms

**Auxiliary and Auxiliary Capital Fees Bonds (W. Va. Code §18B-10):** Revenue bonds issued to finance the planning, design, construction and equipping of an auxiliary facility i.e., Student Unions and Recreation Facilities, Residence Halls, Dining Halls, Athletic Facilities, Bookstores, Faculty and Staff Housing and other facilities not considered E&G Facilities. Auxiliary fees are pledged to pay debt service for these revenue bonds.

**Capital Lease:** In accordance with the Financial Accounting Standards Board (FASB), capital leases are defined as leases which meet any one (or more) of the following criteria:

1. Transfer of ownership of the property to the lessee at the end of the lease term;
2. Bargain purchase option at the end of the lease term;
3. Lease term equal to 75% or more of the estimated economic life of the leased property; and
4. Present value of the net minimum lease payments equal to or exceeding 90% of the fair market value of the property.

Capital leases are considered long-term obligations for accounting purposes.

**Capitalized Interest:** Interest to be paid on the bonds during the period of construction that is financed as part of the bond issue (i.e., paid with bond proceeds). Capitalizing interest increases the overall cost of borrowing, but may be necessary in cases where project revenues are to be used to pay debt service. Conversely, where revenues are already being collected (i.e., a fee or fee increase has already been implemented), the use of capitalized interest may not be appropriate.

**Educational and General (E&G) Capital Fees Bonds (W. Va. Code §18B-10):** Revenue bonds issued to finance the planning, design construction and equipping of E&G facilities Fees collected by the institutions to support existing and future system-wide debt and institutional debt, capital projects funded on a cash basis, campus and building renewal, and repairs and alterations of E&G Facilities.

**Educational and General (E&G) Facility:** A building or structure used for instruction and instructional support purposes, and includes classroom, laboratory, library, computer laboratory, faculty and administrative office and other academic support spaces.

**Incremental Annual Operating Expenses:** The increase in operating costs attributable to the project. For example, a new dormitory added to a dormitory system would presumably increase system operating costs (e.g., supplies & material, utilities, personnel (janitorial, maintenance), equipment, etc.)

**Non-recurring costs:** One-time project costs (e.g., land acquisition, special utility fees, etc.) required for project completion.

**Other:** Debt secured by another revenue stream than those identified above. Please identify source and provide Code citation that authorizes the pledge of this revenue stream for issuance of revenue bonds or to incur debt.

**Private Use:** Private use means any use (directly or indirectly) by a trade or business that is carried on by persons or entities other than state or local governmental entities. Such use could involve ownership, management, service or incentive payment contracts, research agreements, leases, subleases, loans, or any other arrangement that conveys special legal entitlements or economic benefit to the non-governmental entity from the beneficial use of the project.

**Reserve Fund:** An amount set aside, usually from project revenues or bond proceeds, to mitigate the impact of interruptions in the ability of the project to generate sufficient net revenues to pay debt service (e.g., debt service reserve, repair and replacement reserve). In certain circumstances, the presence of a reserve can enhance the credit. For the purposes of the feasibility study, reserve funds are generally for debt service and are funded from project or institutional revenues. 9(c) projects are expected to generate sufficient revenues to fund a reserve at an amount equal to approximately 10% of the amount financed.
TITLE 135
LEGISLATIVE RULE
WEST VIRGINIA COUNCIL FOR COMMUNITY AND TECHNICAL COLLEGE EDUCATION

SERIES 55
HUMAN RESOURCES ADMINISTRATION


1.1. Scope. -- This joint rule establishes policy in a number of areas regarding human resources administration for the employees of the West Virginia Council for Community and Technical College Education (Council) and the public higher education institutions in West Virginia under the jurisdiction of the Council. It also provides guidelines for governing boards relative to decisions pertaining to public higher education employees.

The primary responsibility for implementation rests with the Council, in consultation with the West Virginia Higher Education Policy Commission (Commission), who shall provide leadership and assistance to the human resources professionals, presidents and boards of governors of each organization to bring about the changes successfully and to support the human resources function of each organization.

1.2. Authority. -- West Virginia Code §18B-1B-6, §18B-4-2a, §18B-7, §18B-8, §18B-9A and §18B-9B.

1.3. Filing Date. -- June 8, 2018

1.4. Effective Date. -- July 9, 2018

1.5. Sunset Date. -- This rule shall terminate and have no further force or effect on July 9, 2023. July 9, 2028.

§135-55-2. Purpose.

2.1. The intent of this rule is to establish human resources policies applicable to public higher education capable of, but not limited to, meeting or assisting the governing boards in the following objectives.

2.1.1. Implementing contemporary programs and practices to reward and incentivize performance and enhance employee engagement;

2.1.2. Providing benefits to the citizens of the State of West Virginia by supporting the public policy agenda as articulated by state policymakers;

2.1.3. Addressing fiscal responsibility by making the best use of scarce resources and promoting fairness, accountability, credibility and transparency (FACT) in personnel decision-making;

2.1.4. Providing for job requirements and performance standards for classified staff positions, with annual job performance evaluations for classified staff and provisions for job performance counseling when appropriate;

2.1.5. Building upon human resources best practices to prevent, reduce, or, wherever possible, eliminate arbitrary and capricious decisions affecting employees of higher education organizations;

2.1.6. Creating stable, self-regulating human resources policies capable of evolving to meet changing needs;
2.1.7. Providing for institutional flexibility with meaningful accountability;

2.1.8. Adhering to federal and state laws, promulgated and adopted rules;

2.1.9. Enhancing the sharing of human resources best practices throughout the state higher education system;

2.1.10. Encouraging organizations to pursue a human resources strategy which provides monetary and non-monetary returns to employees in exchange for their time, talents, and efforts to meet articulated goals, objectives and priorities of the State, the Council and the organization;

2.1.11. Maximizing the recruitment, motivation and retention of highly qualified employees, promoting satisfaction and engagement of employees with their jobs, promoting job performance and achieving desired results;

2.1.12. Requiring each higher education organization under the jurisdiction of the Council to achieve full funding of the salary schedule minimum salary levels for classified employees, providing funding is available;

2.1.13. Implementing contemporary programs and practices to reward and incentivize performance and enhance employee engagement;

2.1.14. Developing and implementing a classification and compensation system that is fair, transparent, understandable, easy to administer, self-regulating, and adaptable to meet future goals and priorities; and

2.1.15. Providing current, reliable data to governing boards, the Council, the Commission, the Governor and the Legislature to inform the decision-making process of these policymakers.


3.1. The definitions related to higher education human resources administration are outlined in the attached document, Appendix A.

§135-55-4. Types of Employment and Benefit Eligibility.

4.1. Casual Employee. A casual employee position is a position created to meet business needs for no more than 450 hours in a twelve-month period. Individuals in a casual employee position are not eligible for benefits.

4.2. Full-Time Regular Employee. Any employee in a position created to last a minimum of nine months of a twelve-month period and in which such employee is expected to work no less than 1,040 hours during said period. The full-time equivalent (FTE) of such a position must be reported at no less than .53 FTE. Such an employee is eligible for all applicable benefits of a full-time regular employee, subject to the qualifying conditions of each benefit. Such benefits shall be prorated in relation to a 1.00 FTE.

4.3. Part-Time Regular Employee. An employee in a position created to last less than 1,040 hours during a twelve-month period. Part-time regular positions typically continue from one fiscal year to another. An employee in a part-time regular position is not eligible for benefits.

4.4. Temporary Employee. An employee hired into a position expected to last fewer than nine months of a twelve-month period. Temporary employees may be part-time temporary or full-time temporary. A
temporary employee is not eligible for benefits.

4.5. Although part-time, casual, temporary and student employees are not eligible for higher education benefit programs, institutions are cautioned to monitor average hours worked per week to identify situations where eligibility for health insurance is triggered and compliance with the federal Affordable Care Act (ACA) is required. No number of ACA eligible periods of part-time, temporary, casual or student employment shall create any presumption of a right to appointment as a full-time or part time regular employee.

4.6. Any employee may elect to enroll and contribute wages to a 403(b) tax deferred retirement savings account. Enrollment is voluntary and 403(b) deferrals are not matched by the employer. Election to defer wages to a retirement savings account shall not create any presumption of a right to appointment as a full-time or part-time regular employee.

§135-55-5. Employee Categories.

5.1. Higher education employees are segmented into one of the following categories or classes. Employees in each category may be full-time or part-time or regular or temporary.

5.1.1. Classified Employee. Any regular full-time or regular part-time employee of an organization who does not meet the duties test for exempt status under the provisions of the Fair Labor Standards Act; and is not otherwise a nonclassified employee.

5.1.2. Faculty Employee. Faculty employees are appointed at the discretion of the institutional president or designee to support the academic mission of the institution, via teaching, research, public service, and or academic administration. A full time faculty member is an employee appointed to render full time academic service for a full academic year under a nine-month minimum appointment for at least six (6) semester credit hours teaching per semester or the equivalent in teaching, research, public service, and/or administrative responsibilities.

5.1.3. Nonclassified Employee. Nonclassified employees, unless otherwise established by action of the organization or institution where employed, serves at the will and pleasure of the organization, which authority may be delegated by act of the governing board or the Council. To be designated as nonclassified, the employee must meet one or more of the following criteria:

5.1.3.a. Employee holds a direct policy-making position at the department or organization level;

5.1.3.b. Employee reports directly to the president or chief executive officer of the organization;

5.1.3.c. Employee is in a position considered by the chancellor, president or designee to be critical to the organization pursuant to policies or decisions adopted by a governing board;

5.1.3.d. Employee in an information technology-related position which may be defined by policies or decisions adopted by a governing board;

5.1.3.e. Employee hired after July 1, 2017 in a position that meets the duties test for exempt status under the provisions of the Fair Labor Standards Act when hired or anytime thereafter; or

5.1.3.f. An employee in a nonclassified position as of January 1, 2017 who may not meet criteria listed in subsections 5.1.c.1. through 5.1.c.5. of this rule.
5.1.4. Student Employee. An employee enrolled at the institution as a student and whose primary purpose for being at the institution is to obtain an education. The employee category of “student employee” is for students who work at the institution in jobs or positions that are solely available to students enrolled at the institution, as opposed to the general public. When the student worker is no longer enrolled he/she is no longer eligible to work in the student worker position. A student employee is not eligible for benefits.

§135-55-6. Part-Time and Temporary Employees.

6.1. Institutions are discouraged from hiring part-time employees solely to avoid the payment of benefits or in lieu of full-time employees and shall provide all classified employees with less than twelve month appointments with the opportunity to accept part-time or full-time summer employment before new persons are hired for the part-time or full-time employment, provided the classified employee meets the established position qualifications.

6.2. Change in status. The president or his/her designee will review and make a final determination as to the status or change in status of any employee. Determination of status or change in status means assignment to, or change in the type of employment or the category to which an employee is assigned.

6.3. When the president or his/her designee determines that a part-time regular employee becomes a full-time regular employee, he/she shall credit that employee's previous service toward any calculation of length of service for purposes of this rule and benefit eligibility based upon a prorated comparison against a 1.00 FTE. Previous length of service as temporary, casual, and student employees shall not be credited toward seniority calculations under other sections of this rule or statute.


7.1. The standard workweek is thirty-seven and one-half hours. The workweek is a regularly recurring period of one hundred sixty-eight (168) hours in the form of seven (7) consecutive twenty-four (24) hour periods. It begins at 12:00 a.m. on Saturday and ends at 11:59 p.m. on Friday.


8.1. Each institution shall establish a policy, with the advice and assistance of staff council and other groups representing classified employees, which shall: address any institution-specific procedures concerning the use of flexible work schedules, job sharing, and four-day work weeks; discourage temporary, non-emergency changes in an employee’s work schedule; and provide a mechanism for changes in, and notification of, changes in work schedules. This policy shall also provide that, where possible, the institution shall provide the employee with reasonable notice of such changes.


9.1. Base salary is calculated on a thirty-seven and one-half (37 1/2) hour workweek.

9.2. When base salary increases are calculated and rounding is involved, the policy is to round up to the nearest even dollar amount.

9.3. Overtime pay for non-exempt employees is calculated at the rate of one and one-half (1 1/2) times the regular hourly rate, which is the total base salary, plus any incremental pay, divided by 1,950 hours. Overtime does not commence until forty (40) hours have actually been worked within one (1) workweek. Regular hourly pay, also known as "straight time," is paid for work time between thirty-seven and one-half (37 1/2) hours and forty (40) hours in a work week.

9.4. Only actual hours worked are included in calculating overtime. Pay which is received for holidays,
annual leave, sick leave, or work release time, as authorized by Series 38, is not counted as working hours for purposes of overtime.

9.5. Annual leave, sick leave and longevity do not accumulate in any part of a month for which an employee is off the payroll on leave without pay or during a terminal leave period. A terminal leave period is that time between the employee’s last day of work and his/her last day on the payroll. Longevity continues to accrue for employees absent from work and off the payroll when the absence is due to a work related illness or injury covered by workers compensation, or is due to military service in accordance with applicable federal law.


10.1. When a full-time or part-time classified non-exempt employee is required to work on any designated board or institution holiday, that employee at his/her option shall receive regular pay for that holiday plus substitute time off or additional pay at the rate of one and one-half (1 1/2) times the number of hours actually worked. The time off must be used within a six-month period following the holiday.

10.2. When an exempt employee is required to work on any designated board or institution holiday, that employee shall be given substitute time off on an hour-for-hour worked basis.


11.1. Compensatory time off shall be allowed only to the extent authorized by federal and state law.

11.2. Each institution may offer non-exempt employees compensatory time off in lieu of overtime pay. All hours worked beyond thirty-seven and one-half (37½) hours and up to and including 40 hours are calculated at the employee’s regular hourly rate. Pay for time worked beyond 40 hours in a work week are to be calculated at a rate of one and one-half (1½) times the regular hourly rate.

11.3. A written agreement between the employee and the institution shall exist when the employee chooses compensatory time off in lieu of overtime pay. The written agreement may be modified at the request of either the employee or employer at any time but under no circumstances shall a change in the agreement deny the employee compensatory time heretofore acquired.

11.4. Each institution shall develop an agreement form for compensatory time accumulation in lieu of overtime payment and shall specify the required approval process which must be completed before a non-exempt employee may work beyond thirty-seven and one-half (37½) hours.

11.5. Employees may accumulate up to two hundred forty (240) hours of compensatory time and shall be paid for all hours worked above the maximum accrual.

11.6. Employees in public safety, seasonal work, and/or emergency response categories may accumulate up to four hundred eighty (480) hours and shall be paid for all hours worked above the maximum accrual.

11.7. Compensatory time must be used within one year of accrual. Approval of an employee’s request to use accrued compensatory time shall be contingent upon whether it will unduly disrupt the operation of the institutional unit.

11.8. Should an individual's employment be terminated, any unused compensatory time shall be reimbursed as follows:

11.8.1. The average regular rate received by such employee during the first three years of the
employee's employment; or,

11.8.2. The final regular rate received by such employee, whichever is higher.

11.9. An employee may not work overtime unless approved in advance per institutional policy.

§135-55-12. Posting of Vacant or New Positions.

12.1. Each institution shall develop a policy for posting of vacant or new positions.


13.1. Full-time regular classified employees shall serve a six-month probationary period beginning at the original date of employment.

13.2. At the end the six-month probationary period, the employee shall receive a written evaluation of her/his performance and shall be informed as to whether her/his employment will continue beyond the probationary period. As with all positions, continued employment is based on adequate funding, satisfactory performance and adherence to institution rules and regulations.


14.1. An employee may have access to his/her personnel file when the employing institution is normally open for business. An employee may examine his/her own file and the contents therein with the following exception:

14.1.1. Materials which were gathered with the employee's prior agreement to forfeit his/her right of access, such as some references.

14.2. A representative of the custodian of records shall be present with the employee during the review. The date, time and location of each review shall be recorded in the personnel file.

14.3. A copy of any material in the personnel file, except as noted above, shall be provided to an employee upon request. A small copy fee may be charged. Positive identification of the employee must be established prior to providing access to the personnel file. Documents may not be removed from a personnel file by the employee. An employee may petition at any time for either the removal or addition of documents to his/her own personnel file. The employer may require that employees schedule an appointment to see the personnel file.

§135-55-15. Changes in Name, Address, Number of Dependents and Related Matters.

15.1. It is the exclusive responsibility of each employee to notify all appropriate persons, agencies and parties when record changes occur, including emergency information.

§135-55-16. Employee Performance Evaluations and Merit Increases.

16.1. Organizations shall conduct regular performance evaluations of nonclassified, classified and faculty employees. Each employee shall receive an evaluation of his or her job related performance on an annual basis. The organization shall maintain evidence of employee participation in the evaluation process.

16.2. Each organization shall develop a consistent, objective performance evaluation system and evaluation instrument(s).
16.3. Organizations shall train supervisors in the best practices of conducting employee performance evaluations.

16.4. Supervisors who fail to conduct evaluations of those employees who report to them, according to their organization’s policies, may be subject to disciplinary action.

16.5. Higher education organizations may grant merit increases or implement pay for performance programs which are in accordance with state law and the West Virginia Higher Education Compensation Management Program Salary Administration Guidelines.

16.6. Institutions choosing to reward and compensate employees on the basis of merit shall have in place an objective performance management/evaluation system and evaluation instrument that is consistently administered by trained supervisors.

§135-55-17. Continuing Education and Professional Development.

17.1. The Vice Chancellor for Human Resources shall, as requested by organizations, assist with:

17.1.1. Analyzing and determining training needs of organization employees and formulating and developing plans, procedures and programs to meet specific training needs and problems.

17.1.2. Developing, constructing, maintaining and revising training manuals and training aids or supervising development of these materials by outside suppliers.

17.1.3. Planning, conducting, and coordinating management inventories, appraisals, placement, counseling and training.

17.1.4. Coordinating participation by all employees in training programs developed internally or provided by outside contractors.

17.1.5. Administering and analyzing an annual training and development needs survey. The survey may coincide with the completion of the annual performance review process.

17.2. The Council shall assist organization human resources professionals in applying fair, accountable, credible, transparent, and systematic principles to all human resources functions and shall provide model training programs to organizations upon request for assistance.

17.3. Funds allocated or made available for employee continuing education and development may be used to compensate and pay expenses for employees pursuing additional academic study or training to better equip themselves for their duties.

17.4. Each higher education organization shall establish and operate an employee continuing education and development program under a rule promulgated by the governing board. Funds allocated or made available for employee continuing education and development may be used to compensate and pay expenses for any employees pursuing additional academic study or training to equip themselves better for their duties.

17.5. The organizational rules shall encourage continuing education and staff development and shall require that employees be selected on a nonpartisan basis using fair and meaningful criteria which afford all employees opportunities to enhance their skills and productivity in the workforce of the organization.
17.6. The organizational rules may include reasonable provisions for the continuation or return of any employee receiving the benefits of the education or training, or for reimbursement by the state for expenditures incurred on behalf of the employee.

17.7. Subject to legislative appropriation therefor, the Council shall promote and facilitate additional, regular, training and professional development for employees engaged in human resources-related activities at all organizations or any appointees to committees based on this rule. The training and professional development:

17.7.1. Shall be developed with emphasis on distance learning, in consideration to limiting travel demands on employees; and

17.7.2. Shall be in addition to and may not supplant the training and professional development regularly provided to any class of employees by each organization.


18.1. The Council, in consultation with the Commission, does hereby establish and implement the West Virginia Higher Education Compensation Management Program. The program is designed to provide institutional flexibility to manage classification and compensation for all staff jobs in West Virginia higher education. However, the program is the legislatively required system of classification and compensation for classified employees. The program represents current best practices in classification and compensation management for West Virginia higher education employees regardless of the category to which assigned. Market based classification and compensation management is recognized as the appropriate methodology for classifying higher education jobs.

18.2. The Compensation Management Program and supporting component documents to guide in the implementation and administration of the Program were approved by the Council and Commission for implementation effective September 1, 2017. The program documents shall be considered by all institutions under the jurisdiction of the Council and Commission as a model salary administration policy and guidelines. The approved compensation management program includes:

18.2.1. The “West Virginia Higher Education Compensation Philosophy” which outlines the goals, objectives, and strategies of the compensation management system;

18.2.2. The “West Virginia Higher Education Job Classification Guidelines” which assist human resources officers with determining the appropriate classification for jobs;

18.2.3. The “West Virginia Higher Education Employee Salary Schedule” consists of pay grades with pay range spreads and indicates the minimum, midpoint and maximum salary levels for each pay grade; and

18.2.4. The “West Virginia Higher Education Salary Administration Guidelines” which assist human resources officers and institutional administrators in making appropriate pay decisions in a variety of employment situations.

18.3. The West Virginia Higher Education Compensation Management Program is designed to attract, retain, and motivate a highly talented and committed workforce to support the unique missions and goals of public higher education institutions. Competitive pay is a key element in attracting, retaining, motivating and rewarding the type of employees needed to fulfill the missions of West Virginia’s colleges and universities. The goal of Council, Commission and affiliated colleges and universities is to pay competitive salaries by using systems clearly communicated to employees and readily administered by managers.
18.4. In order to fulfill institutional visions, missions and goals, West Virginia higher education institutions must attract and retain highly talented staff. To meet institutional staffing needs and priorities, the compensation system established in support of this goal includes the following objectives:

18.4.1. To provide the flexibility to manage base pay through a simple clear program that is consistent with the Council, Commission, and institutions’ individual strategic and organizational objectives and in accordance with organizational missions, visions, values and financial resources;

18.4.2. To establish and maintain a competitive pay structure based on comparisons to appropriate external labor markets while also considering relative internal worth;

18.4.3. Clearly articulate, through a relevant performance management program adopted by each institution, the relationship between institutional strategy and employee performance, recognition, and rewards;

18.4.4. To ensure that the compensation program and pay are administered strategically, consistently, effectively, efficiently, fairly and equitably both within the institution and statewide in compliance with the “FACT” of Higher Education Human Resources established by the West Virginia Legislature;

18.4.5. To provide a framework for career progression and recognition of high performance;

18.4.6. To reward employees on the basis of work performance;

18.4.7. To establish a compensation policy that is fair, accountable, consistent, transparent and designed to ensure sound stewardship of available compensation funding;

18.4.8. To ensure accountability for compliance with relevant federal and state statutes; and

18.4.9. To establish the principles and processes for regular review of market position and effectiveness of policies.

18.5. Colleges and universities have flexibility to manage compensation within the parameters of the compensation program and salary schedule.

18.6. Colleges and universities may initially manage compensation using across the board, market position goals, or any other method that serves to ensure fair, competitive compensation for employees. Over time, all institutions are encouraged to transition compensation management to a rewards model that compensates employees in line with their skill, effort and outcome contributions.

18.7. The Council shall ensure that regular market salary analyses are performed to determine how organization compensation for all classes of employees compares to compensation in relevant external markets.

18.8. The Council, in consultation with the Job Classification Committee (JCC), shall have in place a master classification specification for every classified job title.

18.9. The Council, in consultation with the JCC, shall develop a Position Description Form/Job Description Form (PDF/JDF) to be used by all organizations to gather data necessary for classification of positions.
18.10. Each organization must ensure that a job description shall exist for every classified job. The job description should be reviewed at least every three years for accuracy by the employee and supervisor. Submission of an updated job description does not constitute a request for a classification review. A formal request must be made pursuant to section twenty of this rule.

18.11. Neither the employee nor the supervisor shall place duties in the employee’s PDF that the employee is not performing, but may be expected to perform in the future.

18.12. Salary adjustments shall be made in accordance with the Salary Administration Guidelines approved by the Council.

18.13. During the course of its reviews, should the JCC discover the systematic misapplication of the program by an organization, it shall notify the Chancellors, who will take the appropriate action warranted.

18.14. Absent fraud on the behalf of the employee, any overpayment to the employee because of an erroneous classification decision by an organization shall not be collected from the employee. However, any erroneous overpayment to such an employee, once corrected, shall not be deemed as evidence in claims by other employees that the classification and compensation program is not equitable or uniform.

18.15. Recommendations from the Compensation Planning and Review Committee (CPRC) will be considered in agenda items presented to the Council and the Commission and in the legislative reporting process.

18.16. Pursuant to State law, the Council may not delegate to the JCC or the CPRC the following:

18.16.1. Approval of a classification and compensation rule;

18.16.2. Approval of the job classification plan;

18.16.3. Approval of the market salary schedule; and

18.16.4. Approval of the salary schedule minimums.


19.1. The Council hereby establishes a Job Classification Committee (JCC). The Vice Chancellor for Human Resources shall serve as the Chair of the Job Classification Committee.

19.2. The JCC shall be comprised of four classified employees and six Human Resources professionals, ensuring representation from the Council institutions and the Commission institutions.

19.3. The Chancellor of the West Virginia Council for Community and Technical College Education, or designee shall solicit nominations for JCC members from the Advisory Council of Classified Employees (ACCE) and the Chief Human Resources Officers (CHROs).

19.4. JCC members shall be appointed by the Chancellor of the West Virginia Council for Community and Technical College Education, with concurrence of the Chancellor of the West Virginia Higher Education Policy Commission, subject to approval by the Council and Commission.

19.5. An organization may have no more than two members serving on the Committee at any time and the combined membership representing various groups or divisions within or affiliated with an organization in total may not constitute a majority of the membership.
19.6. Committee members shall serve staggered terms. One third of the initial appointments shall be for two years, one third for three years and one third for four years. Thereafter, the term is four years. A member may not serve more than four years consecutively.

19.7. The Council shall use an appropriate methodology to classify jobs. The Council, in consultation with the Commission, may adjust the job evaluation plan, including the factors used to classify jobs and their relative values, if necessary.

19.8. Powers and duties of the Job Classification Committee include, but are not limited to, the following:

19.8.1. Providing a system of audit for all master classification specifications to make sure the core responsibilities of positions assigned the titles are accurately reflected;

19.8.2. Recommending a procedure for performing job family reviews;

19.8.3. Modifying and deleting job titles and creating new job titles;

19.8.4. Reviewing and revising job titles to make them consistent among organizations, including adopting consistent title abbreviations;

19.8.5. Determining appropriate career ladders or job levels in each job family and establishing criteria for career progression;

19.8.6. Conducting job family reviews to ensure master classification specifications appropriately reflects duties, responsibilities, minimum requirements and contains appropriate distinguishing characteristics that clearly delineate differences in job titles and support assigned pay grades.

19.8.7. Classifying jobs and placing jobs in pay grades consistent with the classification and compensation program;

19.8.8. Determining when new master classification specifications with assigned pay grades are needed, and;

19.8.9. Hearing job classification appeals prior to commencement of the formal grievance process.

19.8.10. The JCC shall meet monthly if there is business to conduct and also may meet more frequently at the call of the chair, given adequate lead time. A majority of the voting members serving on the Committee at a given time constitutes a quorum for the purpose of conducting business.


20.1. An incumbent employee or the employee’s supervisor may request a classification review when significant changes occur in the principal duties and responsibilities of a position.

20.2. Classification review requests are not to be submitted based on a desire for a salary increase, to reward for job performance, seniority, equity, future tasks, additional duties of the same nature and level of the job held or because an employee’s pay is at or near the pay range maximum.

20.3. To initiate the classification review request, the employee and supervisor must complete the position description form (PDF) and a formal request for classification review form. Both must be submitted to the institutional Human Resources Office. The request for review form must include the date and detailed reasons for such request.
20.4. The responsibility for assigning tasks and duties to a position belongs to the supervisor.

20.5. Requests for position reviews also may be initiated by an employee with Human Resources after discussion with the immediate supervisor.

20.6. Classification reviews also may be initiated by the institution’s Chief Human Resources Officer or his/her designee after discussion with the immediate supervisor.

20.7. Within forty-five (45) working days from the date of the formal request for review of a job, the institution’s Chief Human Resources Officer or his/her designee shall report to the requestor in writing the result of the classification review.

20.8. An organization that fails to complete a review within the specified time shall provide the employee back pay from the date the request for review was received if the review, when completed, produces a reclassification of the position into a job in a higher pay grade.


21.1. In the event that a classified employee disagrees with a classification decision made at the organizational level, he/she may appeal that decision in writing to the Vice Chancellor for Human Resources for review by the JCC. Filing a classification appeal, however, shall not abridge the rights of a classified employee to file a formal grievance, using the statutory grievance process as set forth in West Virginia Code §6C-2-1 et seq.; provided, however, upon the simultaneous filing of a statutory grievance and a classification appeal to the Vice Chancellor for Human Resources by a classified employee, a request may be made, in writing, by the classified employee to hold the grievance in abeyance until the review by the JCC is completed and a classification decision is rendered by the JCC.

21.2. The Classification Appeal Process and timelines are outlined in the West Virginia Higher Education Compensation Management Program “Job Classification Guidelines” approved by the Council.

21.3. Time limits.

21.3.1. The classified employee shall submit a completed “Classification Appeals Form” to the organization’s Human Resources office within ten (10) working days from the date of receipt of the notice of the organization’s classification decision.

21.3.2. The organization’s human resources staff shall render a decision on the appeal within five (5) working days whether the original decision shall be upheld.

21.3.3. The classified employee shall have five (5) working days from the date of receipt of the notice upholding the original decision of the organization to appeal the action to the Vice Chancellor for Human Resources for submission to the JCC.

21.4. Upon receipt of the classified employee’s appeal of the organization’s decision, the Vice Chancellor for Human Resources shall forward the appeal to the JCC.

21.4.1. The JCC shall review the Classification Appeals Form, the original PDF, and all supporting documentation, submitted by a classified employee to the Human Resources Office.

21.4.2. The JCC may review comparable positions within the organizations.
21.4.3. The JCC shall notify the classified employee, and the organization’s Human Resources Office, of its decision in writing, within twenty (20) working days from the date of receipt of the appeal to the Vice Chancellor for Human Resources. The notification shall specify the effective date should there be any change in status.

22.1. An appeal shall not be considered if based on any of the following reasons:

22.1.1. As a method to obtain a salary increase. The new Compensation Management Program should substantially limit the number of classification review requests. Compensation is not tied to a step on the salary schedule or to years of WV government service of the incumbent employee. Considerations for an increase in compensation are not to be made using the classification review process.

22.1.2. Seniority. An appeal shall not be considered if it is based on the employee’s length of service with the organization or with the state of West Virginia.

22.1.3. Qualifications of the individual incumbent. An appeal shall not be considered if it is based upon the individual classified employee’s qualifications. A classification determination is based upon the duties and responsibilities of the job as well as the minimum requirements necessary to perform the duties and responsibilities of the position.

22.1.4. Anticipated future job responsibilities. An appeal shall not be considered if it is based upon responsibilities that may be included in the job assignment in the future.

22.1.5. Job Performance. An appeal shall not be considered if it is based upon the performance of the incumbent or certain personality traits (e.g., loyalty, dedication, commitment to organization, hardworking, etc.). A classification determination is based upon the level and complexity of the duties and responsibility of the job performed, not the characteristics of the individual holding the position.

22.1.6. Salary within a salary range. An appeal shall not be considered if it is based upon the fact that an employee’s salary is close to the maximum of a salary range or the relative position of the salary within the assigned salary range.

22.1.7. Increase in the volume of work. An appeal shall not be considered if it is based on the volume of work rather than the level of responsibilities and complexity of the work.


23.1. The Council shall hereby establish and maintain a Compensation Planning and Review Committee (CPRC). The Vice Chancellor for Human Resources shall serve as the Chair of the CPRC.

23.2. The composition of the CPRC shall consist of the Vice Chancellor for Human Resources, the Vice Chancellor for Finance, two members representing the statewide Advisory Council of Classified Employees, one from institutions under the jurisdiction of the Council and one from institutions under the jurisdiction of the Commission; two nonclassified representatives, one from institutions under the jurisdiction of the Council and one from institutions under the jurisdiction of the Commission; two human resources administrators from institutions under the jurisdiction of the Council, and two human resources administrators from institutions under the jurisdiction of the Commission; and a president from each of the two systems.

23.3. The method for nominating CPRC members shall be representative of all the higher education organizations under the jurisdiction of the Council or Commission and affected constituent groups, including specifically providing for membership selections to be made from nominations from the Advisory Council of Classified Employees, the Chief Human Resources Officers, and the respective bodies.
representing Council and Commission presidents. The Chancellors, jointly, shall appoint members from nominations made by these affected constituent groups and require approval of the Council and Commission before beginning service.

23.4. An organization may have no more than two members serving on the CPRC at any time and the combined membership representing various groups or divisions within or affiliated with an organization in total may not constitute a majority of the membership.

23.5. The CPRC shall manage all aspects of compensation planning and review that the Council delegates to it, within the provisions of state law.

23.6. CPRC members shall serve staggered terms. One third of the initial appointments shall be for two years, one third for three years and one third for four years. Thereafter, the term is four years. A member may not serve more than four years consecutively.

23.7. The CPRC shall meet at least quarterly and at other times at the call of the Chair. A majority of the voting members serving on the CPRC at a given time constitutes a quorum for the purpose of conducting business.

23.8. The CPRC has powers and duties which include, but are not limited to, the following:

23.8.1. Making recommendations for revisions in the system compensation plan, based on existing economic, budgetary and fiscal conditions or on market study data;

23.8.2. Overseeing the annual internal market review;

23.8.3. Meeting at least annually with the JCC to discuss benchmark jobs to be included in salary surveys, results of job family reviews, and assessment of current job titles within the classification system for market matches and other issues as the Vice Chancellor for Human Resources, in consultation with the Chancellors, determines to be appropriate;

23.8.4. Performing other duties as assigned by the Council or as necessary or expedient to maintain an effective classification and compensation system.


24.1. The Council and Commission shall develop and maintain a market based salary structure and ensure that all organizations under its jurisdiction adhere to state and federal laws and duly promulgated and adopted organization rules.

24.2. The Council and Commission shall jointly use workforce compensation data provided by Workforce West Virginia and other compensation data as is readily available from national recognized sources to establish the appropriate external labor market. The Council and Commission, in consultation with the CPRC, and taking into consideration updated market information, may take any combination of the following actions in regard to the classified market salary structure:

24.2.1. Adjust the salary schedule midpoints and/or number of pay grades;

24.2.2. Adjust the midpoint differentials between pay grades to better reflect market conditions; or

24.2.3. Adjust the range spread for any pay grade.
24.3. The Council, in consultation with the Commission, may perform an annual review of market salary data to determine how salaries have changed in the external labor market. Based on supporting data derived from that review, the Council and Commission, with input from the CPRC, have the option to adjust the market salary structure to maintain competitiveness and currency with the market.

24.4. The approved market salary structure shall include a midpoint representing the median market value of jobs assigned to each pay grade. The schedule will contain a minimum and maximum salary range for each pay grade.

24.4.1. After July 1, 2019, no organization may compensate a classified employee at a salary rate of less than the minimum of the grade. Upon future annual schedule adjustments, the requirement to pay classified employees no less than minimum of the grade, is subject to available funds.

24.5. The salary of a classified employee working fewer than thirty-seven and one-half hours per week shall be prorated. The organization’s salary rule may provide for differential pay for certain classified employees who work different shifts, weekends or holidays.

24.6. Merit increases may be granted if they are in accordance with statute and with duly promulgated rules of the Council or institution.


25.1. Each institution shall amend any of its policies/rules to comply with the Council’s rule or rules no later than six months after the effective date of any change in statute or Council rule or rules, unless a different compliance date is specified within the statute or rule containing the requirements or mandate.

25.2. An institution may not adopt a rule, as mandated by this subsection, until it has consulted with the appropriate employee classes affected by the institution’s rule or rule’s provisions. At a minimum, consultations with the institutional Classified Employees Council (staff council) and/or the institutional Faculty Senate (faculty senate), as appropriate, shall take place.

25.3. If an institution fails to adopt a rule or rules as mandated by this subsection, the Council may prohibit it from exercising any flexibility or implementing any discretionary provision relating to human resources contained in statute or in a Council rule until the organization's rule requirements have been met.

25.4. Unless a governing board exercises the flexibility to create its own classification and compensation program pursuant to Section 26 of this rule, the Chancellor or his or her designee has the authority and the duty to review each institution’s comprehensive classification and compensation rule or rules and to recommend changes to the rule or rules to bring them into compliance with Council rule or rules or legislative and Council intent. The Chancellor may reject or disapprove any rule or rules, in whole or in part, if he or she determines that it is not in compliance with any rule/rules or if it is inconsistent with Legislative and Council intent or does not sufficiently address and include measures that foster meaningful accountability of the institution to this rule, its own rules and state law.


26.1. Organizations that provide notice to the Council may, after consultation with staff council, file a rule or rules to implement provisions of West Virginia Code §18B-7 and §18B-8, and upon the adoption, any rules promulgated by the Council under the same sections of state law are inapplicable to the organization.

26.2. Any organization that provides notice to the Council may establish a classification and compensation rule, after consultation with and providing thirty (30) days written notice to the staff council,
that incorporates best human resources practices and addresses the areas of organizational accountability, employee classification and compensation, performance evaluation, reductions in force, and development of organizational policies, and upon the adoption the provisions of West Virginia Code §18B-9A and any rule promulgated by the Council thereto, is inapplicable to the extent it conflicts with the rule promulgated by the organization. Provided, that any rule adopted by an organization shall use the definitions of classified and nonclassified employees established in state law. The rule shall provide for an external review of human resources practices at the organization at least once every five years, relating to compliance with the West Virginia higher education personnel law, including provisions that staff council have an opportunity to speak with the external auditor before the start of the audit and after its completion.

§135-55-27. Organizational Accountability.

27.1. A major deficiency means an organization has failed to comply with applicable personnel rules of the Council. The following guidelines exist for correcting deficiencies should any be found:

27.1.1. When a major deficiency is identified, the Council shall notify the governing board of the institution in writing within forty working days, giving particulars of the deficiency and outlining steps the governing board is required to take to correct the deficiency.

27.1.2. The governing board shall correct the major deficiency within four months and shall notify the Council when the deficiency has been corrected; however, extensions of this time frame may be requested and granted by the Council.

27.2. If the governing board fails to correct the major deficiency or fails to notify the Council that the deficiency has been corrected within a period of four months from the time the governing board receives notification, the Council may apply sanctions as specified:

27.2.1. Sanctions may include, but are not limited to, suspending new hiring by the organization and prohibiting compensation increases for key administrators who have authority over the areas of major deficiency until the identified deficiencies are corrected.

27.3. To the extent that major deficiencies are identified relative to the Council central office the sanctions described above shall be applicable.
Appendix A

TITLE 135
LEGISLATIVE RULE
WEST VIRGINIA COUNCIL FOR COMMUNITY AND TECHNICAL COLLEGE EDUCATION

SERIES 55
HUMAN RESOURCES ADMINISTRATION

Definitions

General Definitions.
Definitions in this section are applicable to higher education generally and terms and conditions of employment.

Benefits. Programs that an employer uses to supplement the cash compensation of employees, including but not limited to, health and welfare plans, retirement plans, pay for time not worked (i.e. sick leave, annual leave, holiday pay, etc.) and other employee perquisites.

Chancellor. Chancellor refers to the chief executive officer of the West Virginia Council for Community and Technical College Education or the West Virginia Higher Education Policy Commission, as appropriate.

Compensatory Time and Compensatory Time Off. Hours during which the employee is not working, which are not counted as hours worked during the applicable work week or other work period for purposes of overtime compensation and for which the employee is compensated at the employee's regular rate of pay.

Exempt Employees. Employees not covered by the Fair Labor Standards Act (FLSA) for overtime purposes.

Full Time Equivalency (FTE). The percentage of time for which a position is established, with a full-time position working 1,950 hours per year being 1.00 FTE.

Health and Welfare Benefit Plan. An arrangement which provides any of the following benefits: medical, dental, visual, psychiatric or long-term health care, life insurance, accidental death or dismemberment benefits, disability benefits, or comparable benefits.

Incumbent. An incumbent is an individual person in a position employed at an institution.

Longevity. The total number of years employed at state institutions of higher education and other agencies of state government in West Virginia.

Major Deficiency. When an organization has failed to comply with applicable personnel rules of the Council.

Meaningful Accountability. Measures that ensure adherence to rules and policies and provides for consequences for non-compliance.

Non-Exempt Employee. An employee who is covered by the Fair Labor Standards Act (FLSA) and is entitled to overtime as outlined in federal and state law.

Organization. Organization means the Council, the Commission, an agency or entity under the respective
jurisdiction of the Council or the Commission or a state institution of higher education. Organizations include the following entities individually or collectively -- Blue Ridge Community and Technical College; BridgeValley Community and Technical College; Eastern West Virginia Community and Technical College; Mountwest Community and Technical College; New River Community and Technical College; Pierpont Community and Technical College; Southern West Virginia Community and Technical College; West Virginia Northern Community College; West Virginia University at Parkersburg; Bluefield State College; Concord University; Fairmont State University; Glenville State College; Marshall University; Shepherd University; West Liberty University; West Virginia School of Osteopathic Medicine; West Virginia State University; West Virginia University, including Potomac State College and West Virginia University Institute of Technology; the Office of the Higher Education Policy Commission; the Office of the Council for Community and Technical College Education; and the West Virginia Network for Educational Telecomputing.

President. A chief executive officer of an institution of higher education in West Virginia who reports to the institution’s governing board. This term shall be used in this rule to refer to the Chancellor for the office of the West Virginia Council for Community and Technical College Education, the Chancellor for the office of the Higher Education Policy Commission and the Director of the West Virginia Network for Educational Telecomputing.

Rehire. Rehire defines an employee who leaves the service of an institution and later applies for and accepts a position offered by the same institution.

Seniority. The total number of months or years employed with the current West Virginia higher education organization employer.

Job Documentation Classification and Compensation.
Definitions in this section are applicable to job documentation, classification and compensation management.

Base salary. The amount or a rate of compensation for a specified position of employment or activity excluding annual experience increment and any other payments or allowances for work or activity unrelated to that specified position of employment.

Base salary adjustment. The amount that a base salary increases within the pay grade to reward performance, to rectify inequities, or to accommodate competitive market conditions.

Benchmark Job. A job that is commonly found and defined, used to make pay comparisons to comparable jobs outside the organization.

Career Ladder. A structured sequence of related, upwardly progressing positions.

Classification System. An organized structure in which jobs, job descriptions, job titles, and job analyses are utilized to determine a hierarchy of jobs, career ladders and pay grade assignments.

Compa-Ratio. A measure to assess competitiveness of current salary level to the market (midpoint of the salary structure). Compa-ratio is the short form for Comparative ratio. It measures the ratio of an employee's actual salary (the numerator) to the midpoint of the applicable (the denominator) salary range. To calculate an individual's compa-ratio, divide the base salary by the midpoint of the assigned salary range (pay grade range). See also “salary range penetration”.

Compensation. Earnings provided by an employer to an employee for services rendered.

Compensation Philosophy. The guiding principles that ensure that a compensation program supports an
Compensation Strategy. The principles that guide the design, implementation and administration of a compensation program at an organization for the purpose of supporting the organization’s mission, vision, goals and objectives.

Compression. The situation encountered when a new employee enters into the organization at or above the pay of someone who is currently in the same role in the organization. It can also exist when you have two jobs in the same job family with someone in the “lower” job earning more than the person in the “higher” job. There are some families in which this may make sense such as software development where a senior developer may appropriately earn more in base than a manager of the function.

Increment. Annual payment to employees based on years of West Virginia state government work experience and earned pursuant to West Virginia Code §5-5-2.

Internal Equity Analysis. A comparative analysis of compensation levels within an organization to determine if a level of compensation is equitable when compared to compensation of other employees who hold similarly situated positions in the same job classification or pay grade who have the same or similar levels of knowledge, skill, experience and performance.

Interim Responsibilities. A significant change in duties and responsibilities of an employee on a temporary basis justifying an interim promotion or upgrade for salary purposes. Such a temporary reassignment shall normally be for no less than four (4) consecutive weeks, no more than twelve (12) consecutive months, and shall only occur when the responsibilities being undertaken by the employee are those of another position that is vacant.

JDXperts. Web based job information and description management software system provided as a shared service to institutions of the Council and Commission. JDXperts is the official depository of institutional job information used for job analysis, institution job description development, master classification specification development and identification of benchmark jobs. Benchmark jobs are used to build and maintain the market based salary structure administered by institutions as part of the higher education employee classification and compensation management program.

Job. The total collection of tasks, duties, and responsibilities assigned to one or more individuals whose work is of the same nature and level.

Job Analysis. A systematic process in which information is collected via a position information form relative to the nature of a specific job, providing documentation and knowledge needed for conducting a job evaluation.

Job Class / Pay Grade. The level to which a job is assigned within a salary structure.

Job Classification/Job Evaluation. A formal process used to evaluate jobs, establish proper pay grades, and slot jobs in pay grades.

Job Classification Committee. A Committee of employee and human resources representatives established by West Virginia Code tasked with evaluating classification appeals and other changes to classified jobs.

Job Description. (Used interchangeably with the phrases institution job description, position job description, incumbent job description): A summary of the essential functions of a job at a particular institution, including the general nature and level of the work performed, a characteristic listing of duties and responsibilities, and the knowledge, skills and abilities necessary to perform the work. Best practices in human resources management support maintaining a current job description for all jobs in the
organization, regardless of the employee category assigned to the position incumbent.

**Job Family.** A series of job titles in an occupational area or group.

**Job Specification.** See Master Classification Specification

**Job Title.** The label that uniquely identifies and generally describes a job. The same descriptive job title shall be given to a group of jobs, regardless of location in the organization, which are substantially the same in duties and responsibilities, and which require substantially the same knowledge, skills and abilities performed under similar working conditions.

**Labor Market.** The labor market for compensation is the geographic area, industry, organization size, or organization type from which an organization attracts employees. Market Value refers to how much a particular job would be worth for a specific talent market (industry, size, location, organization type) at a specific or target percentile.

**Master Classification Specification/Job Specification.** General descriptions of the collective type and kind of work performed by the majority of employees assigned the same job classification. Each master specification will contain a job title, nature of work performed, distinguishing characteristics of the job, and a general description of typical duties and responsibilities performed by positions assigned the title, regardless of the location of the position.

**Mid-Point.** Midpoint is the middle of a pay range; the midpoint typically aligns to the market value for the job. See “Range Midpoint”

**Merit Increases.** A discretionary salary increase given to an employee to reward demonstrated achievements in the performance of the duties and responsibilities of a position, as evaluated by criteria established by the organization.

**Pay Grade.** See Job Class/Pay Grade.

**Pay Range Quartile.** The four divisions of a pay range. The point between the 2nd and third quartile is the midpoint of the pay range.

**Pay Range or Pay Range Spread.** Pay range is an expression of the pay for a position assigned to a pay grade in a salary structure that provides the minimum, midpoint and maximum levels of compensation. The range from minimum to maximum, expressed as a percentage, is the pay range spread. The range spread percentage is calculated by subtracting the minimum from the maximum and dividing by the minimum the multiplying by 100.

**Pay Structure.** See Salary Schedule

**Position.** A set of duties and responsibilities requiring employment of a single employee at a particular organization.

**Position Description Form/Job Description Form (PDF/JDF).** A tool used to collect a broad range of job information used in the creation and classification of a new or changed position. A position description form is not required for every employee or job. Formerly referred to as a position information questionnaire.

**Promotion.** Movement from a position requiring a certain level of skill, effort, and authority into a vacant or newly created classified position assigned to a different job title and a higher pay grade that requires a greater degree of skill, effort, and authority.
**Range Midpoint.** Midpoint is the middle of a pay range. The midpoint typically aligns to the market value for the job.

**Range Penetration/Position in Range.** An important compensation metric to consider in conjunction with a compa-ratio. Rather than just being a comparison to one piece of data (the midpoint), range penetration looks at a salary in relation to the whole pay range. Range Penetration is how far an employee has progressed through the pay range. Range penetration = (Salary – Range Minimum) ÷ (Range Maximum - Range Minimum) See the Salary Administration Guidelines for more information about range penetration.

**Rehire.** Rehire defines an employee who leaves the service of an institution and later applies for and accepts a position offer at the same institution.

**Salary Benchmarking.** The process of market pricing a benchmark job.

**Salary Structure/Pay Structure/Salary Schedule.** A graphical structure consisting of a series of pay grades and range of pay available for each grade.
West Virginia Council for Community and Technical College Education  
Meeting of June 9, 2022

ITEM:  
Associate of Science Pre-Engineering Program

INSTITUTION:  
West Virginia Northern Community College 

RECOMMENDED RESOLUTION:  
Resolved, That the West Virginia Council for Community and Technical College Education approves the Associate of Science Pre-Engineering program to be implemented at West Virginia Northern Community College, effective August 2022. This approval expires in June 2024 if the program is not fully implemented at that time.

STAFF MEMBER:  
Nikki Bryant

BACKGROUND:

West Virginia Northern Community College (WVNCC) proposes the approval and implementation of an Associate of Science (AS) in Pre-Engineering program with plans to make the program available to students in August 2022. The completion of the program will serve as a seamless transfer program into a baccalaureate-level program in any of the fields of engineering.

The College has designed the Pre-Engineering degree program to be a transfer program so students may earn a bachelor’s in engineering. WVNCC has been working with West Virginia University to establish a transfer pathway for engineering. The program is designed to establish foundational engineering theory and application the first two years at WVNCC and will offer courses that establish a foundation in engineering careers. Students will select engineering pathways based on their selected transfer institution. Courses specific to the transfer institution will need to be developed.

One of the most significant features of the program is an articulation agreement between WVNCC and Wheeling University, a 2+2 program. Graduates of WVNCC Pre-Engineering program may transfer to Wheeling University into its Bachelor of Science degree in Engineering Studies. Additionally, WVNCC has indicated that it is working on an additional articulation agreement with West Virginia University as well. This Associate of Science Pre-Engineering program has been designed around West Virginia University’s foundational engineering pathway, providing program outcomes that are modeled after its engineering programs.

The Associate of Science in Pre-Engineering program will be a 61 credit hours program
due to the required lab science courses and upper-level math courses required for
transfer. Of the 61 total credit hours, the program will include 24 credit hours of general
education, as required per Series 11. All courses may be offered in multiple modalities.
This degree is designed for baccalaureate institution engineering pathways such as
industrial, electrical, or computer.

Admission into the A.S. Pre-Engineering program is the same as the admission
requirements for the College. There is no selective admission process for this program
and early entrance students may enter the program in high school. Transfer standards
will be determined by the receiving institution per the articulation agreement with that
institution.

The College seeks to market the two-year degree as a transferable program, in
cooperation with the baccalaureate institution, as part of an overarching, career-entry
program. The program does not require any additional math or science faculty since the
required math and science courses are already offered at WVNCC. The engineering
courses may require hiring credentialed adjunct faculty. West Virginia University has
agreed to assist WVNCC in identifying qualified adjunct candidates. Faculty will continue
to work closely with the engineering faculty at the University to continue to develop the
program and articulation pathways once the program is approved.

Upon approval, it is expected that this program will be implemented in the fall 2022. The
anticipated enrollment for this program is 20 students per year with a growth potential
over the next five years of 10-12 new students per year. The total expected enrollment
over the next five years is 60-70 students between early entrance and
traditional/nontraditional students. According to EMSI/Burning Glass data, the national
average for engineering jobs in an area similar to that of WVNCC is 47 job
postings/month, while there are 64 job posting/month in WVNCC’s regional service
area. (Dec. 2021). Some of the regional partners who have expressed a need for
engineers include Klaproth, Technocap, and Ziegenfelder Company (EMSI/Burning
Glass).

If the approved Associate of Science in Pre-Engineering program is not fully implemented
by the 2024-25 academic year, the program will no longer be considered approved by the
Council and must be resubmitted for review and approval. Additionally, as is customary
with new program approval, the Associate of Science in Pre-Engineering program is
subject to a Council post-approval audit in 2024-2025 to assess progress toward
successful implementation.
Pre-Engineering, Associate in Science

Submitted by

West Virginia Northern Community College
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**Program Objectives**

The AS in Pre-Engineering program outcomes, modeled after WVU Engineering programs, are as follows:

**Students will:**

- Apply principles of engineering, science, and mathematics to identify, formulate, and solve complex engineering problems.
- Apply engineering design to produce solutions that meet specified needs with consideration of public health, safety, and welfare, as well as global, cultural, social, environmental, and economic factors.
- Make informed judgments based on ethical and professional responsibilities in engineering situations with consideration for the impact of engineering solutions in global, economic, environmental, and societal context.
- Function effectively on a team whose members together provide leadership, create a collaborative and inclusive environment, establish goals, plan tasks, and meet objectives.
- Draw conclusions based on developing and conducting appropriate experimentation, analysis and interpretation of data and using engineering judgment.

**General Education Outcomes:**

- Communicate effectively in oral and written formats. Employ or utilize information access and literacy skills. Demonstrate problem-solving and critical thinking skills.
- Employ mathematical and science literacy skills.
- Acquire a cultural, artistic, and global perspective. Demonstrate professional and human relations skills.

Link to transfer program:
http://catalog.wvu.edu/undergraduate/collegeofengineeringandmineralresources/freshmanengi

**Program Identification -**

CIP: 14.0102 (Pre-Engineering: A program that prepares individuals for admission or transfer to a baccalaureate-level program in any of the fields of engineering.)

**Program Features**

The Associate in Science in Pre-Engineering is designed to be a transfer program so students may earn a bachelor’s in engineering. The program is designed to establish foundational engineering theory and application the first two years at WVNCC. Students may choose different engineering pathways as they progress in this degree determined by the articulation agreement with the university of choice. It is the student's responsibility to meet with their university of choice to discuss requirements for admission to the university program.

**Admissions and Performance Standards**

WVNCC is an open admission, public two-year college. Students may select the A.S. in Pre-
Engineering as a major. Transfer standards will be determined by the receiving institution per the articulation agreement with that institution.

**Program Requirements**

Courses specific to the transfer institution will need to be developed. Currently WVNCC is working with WVU to establish a transfer pathway for engineering. The program will offer courses that establish a foundation in engineering careers. Students will select engineering pathways based on their selected transfer institution.

**First Semester**
- MATH 110 Pre-Calculus 5 credit hours (Gen Ed Core)
- CHEM 108 General Chemistry I 4 credit hours (ENGR Core) ENG 101
- Composition I 3 credit hours (Gen Ed Core)
- ECON 105 Macroeconomics 3 credit hours (ENGR Elective)

**TOTAL 15 CREDIT HOURS**

**Second Semester**
- MATH 279 Calculus I 5 credit hours (ENGR Core)
- CHEM 109 General Chemistry II 4 credit hours (ENGR Core)
- OR
- BIO 110 Principles of Biology 4 credit hours (Gen Ed Core) ENG 102 Composition II 3 credit hours (Gen Ed Core)
- ENGR 100 Introduction to Engineering Applications 3 credit hours (ENGR Core)

**TOTAL 15 Credit Hours**

**Third Semester**
- ENGR 101 Engineering Problems Solving I 2 credit hours (ENGR Core) MATH 280 Calculus II 4 credit hours (ENGR Elective)
- MATH 210 Statistics 3 credit hours (ENGR Elective)
- OR
- CIT 101 Introduction to Cyber Security 3 credit hours
- PHYS 120 Calculus based Physics I 4 credit hours
- HUMANITIES ELECTIVE 3 credit hours

**TOTAL 16 credit hours**

**Fourth Semester**
- ENGR 102 Engineering Problem Solving II 3 credit hours (ENGR Core)
- PHYS II Calculus based Physics 2 4 credit hours
- OR
- MATH 281 Calculus 3 4 credit hours
- ECON 104 Microeconomics 3 credit hours
- CIT 232 Intro to Programming Logic 3 credit hours (ENGR Elective)
- CIT 222 Ethical Protocols of Cyber Sec 2 credit hours

**TOTAL 15 credit hours**

**PROGRAM TOTAL 61 Credit Hours**

WVNCC has general education requirements that align with Series II. The courses are included on the Statewide Transfer Agreement and will transfer to state universities.
Program Outcomes:

The expectation of this program is to offer a transfer option for students wanting to enroll in an engineering program at a university. Admission to many engineering programs at universities is very competitive. Often students need to complete courses, such as supplemental math and English, before they are eligible for admission. WVNCC will offer students the ability to complete the first two years in an environment that offers support for those who need lower-level math courses or reading before enrolling in the required math classes. This degree offers a lower cost the first two years of the program as well, which for many students is vital for their success. The result of this program will be that transferring as juniors will have an increased chance of completion at the receiving university.

Proposed Educational Programs

7.2.5.a All associate degrees at WVNCC are a minimum of 60 credits. The AS in Pre-engineering will be a minimum of 61 credits due to the required lab science courses and upper-level math courses required.
7.2.5.b The general education courses required for this degree align with the mission and the outcomes for this program. They also align with potential articulation agreements with other state universities. This program supports the mission of the College to provide open access to affordable, high-quality learning opportunities. This gives students who may be under prepared for university a chance to enroll in this program to establish a strong college foundation for advanced learning at a university.
7.2.5.c There are 24 credits of general education requirements for this program, which aligns with Series 11 standards.

Instructional delivery methodologies

All courses may be offered in multiple modalities: on ground, distance education, hybrid, or IPV. The traditional schedule for on campus classes is Monday - Friday day and evening course offerings. There should not be any additional costs to offering this program through distance education since most of the courses are already offered online as part of existing programs.

Relationship to Institutional Goals/Objectives

This program aligns with the statewide mission of "A community and technical college education in the Mountain State is the kind of education that matters for today's state economy. Students at our colleges graduate with the knowledge and hands-on experience that translate to real-life careers, allowing them to stay, work and raise their families right here at home."

This program will support the WVNCC's new Strategic Plan by expanding and improving workforce and economic development in our region and beyond. It should also increase student diversity by offering a new program to students in the region.

Similar Programs
Wheeling University offers an engineering program, and WVNCC has an articulation agreement with WU. However, their program is not accredited nationally. WVU offers an accredited program and will be an transfer partner for this degree. Completing the first two years at WVNCC will significantly save students on tuition and fees that can be applied to their university expenses while accelerating their time to completion of an engineering degree.

**Resources**

The only resource in the development of this program has been time of the staff and faculty developing it. A request to plan this program was submitted to WVCTCS for approval spring 2021. Faculty and staff at WVNCC have met with faculty and staff at WVU to plan the articulation pathway for this program once it was approved. WVU shared course information with faculty at WVNCC charged with developing the curriculum. This articulation of this program will not be limited to WVU; however, they are the first ones to work on this project with us.

**Clientele and Need**

This program clientele includes high school graduates who are under prepared to attend a university or not admitted to a university engineering program. Often students choose to enroll at WVNCC to build foundational skills, such as math and English. Engineering programs at universities can be selective in admitting students, so choosing to be a transfer student may be an advantage for some students. For adult learners, this program offers them a chance to enter or reenter higher education in an environment with low student faculty ratios and additional support.

Another reason is to cost savings during the first two years of their education. WVNCC tuition is significantly lower than most universities, and students can lower expenses by living at home rather than pay room and board.

In the past year, several of our industry partners have shared with us that they struggle to hire qualified engineers. According to Economic Modeling data, there is a predicted growth of 1.8% in the next four years. Although this may not indicate high demand, combined with the current employee shortage and lack of an accredited program locally, this program will increase opportunities for both students and employers. According to Michelle Fox at MFOXNBC, three of the five most valuable degrees are in engineering fields.

**Employment Opportunities**

According to EMSI/Burning data, "Job posting activity is high in your area. [northern panhandle] The national average for an area this size is 47* job postings/mo, while there are 64 here" (Dec. 2021). Some of our regional partners who have expressed a need for engineers include Kalkrueth, Technocap, and Ziegenfelder Company (EMSI/Burningglass). This degree is designed for transferring to a university where a student may select from a variety of engineering topics including, industrial, electrical, or computer. 65% of the positions posted, according to EMSI/Burningglass, require a bachelor’s degree. Manufacturing engineers rank first in the types of postings listed.

**Program Impact**

WVNCC is focusing on the growth of enrollment in the associate of science degree, so this will improve that enrollment. It should not impact other programs in significant ways. It may impact the Board of Governor’s degree if there are students working towards a transfer degree.
in engineering. It may enhance some of the general education courses by increasing the need for advanced science and math classes.

**Cooperative Arrangements**

We currently have a partnership with Wheeling University for a concentration in engineering and construction. The AS in pre-engineering would articulate to WVU or other four-year institutions offering engineering. WVNCC has other articulation agreements with Robert Morris University, Franciscan University of Steubenville, and other state universities that may wish to adopt this pathway for their agreement.

**Alternatives to Program Development**

Students interested in completing two years of undergraduate work towards an engineering degree would either select the associate in science general concentration or Board of Governor's degree. Some of the core courses in the pre-engineering degree would not be offered, which would delay a student completing the degree at university. These options do not offer an opportunity to complete all undergraduate courses in the first two years of a bachelor's.

**Program Administration**

The program director will be the director for the Associate in Science degree at this time. If the program should see significant growth, a unique program director assignment may be considered.

**Program Projections**

If Early Entrance students enter the program in high school, the anticipated enrollment could be 20 students in the first year. The growth potential over the next five years is 10-12 new students per year. In five years, the total is expected to be 60-70 students between early entrance and trad/nontrad students.

**Faculty Instructional Requirements**

Faculty will be required to have a master's degree at minimum to meet the College's credential requirements for faculty teaching College transfer courses. Currently, there are enough math and science faculty to teach courses in this program since these courses are already offered. The engineering courses may require hiring credentialed adjuncts; however, WVU has agreed to collaborate identifying adjunct candidates. As the program enrollment increases, adjuncts will be hired to teach additional sections. The cost for an adjunct teaching a course is $600 per load hour. In five years, the expense for faculty may increase if full-time faculty are needed. Currently the base salary is $46,646.

**Library Resources and Instructional Materials**

All three campuses at WVNCC offer full library services. Each library audits instructional support material each year based on faculty input. There should not be an increase in cost for that resource.
Support Service Requirements

WVNCC provides support services for all students. Each campus has an Academic Success Center that provides ADA accommodations, tutoring, technology support, and advising. Additional costs in the ASC could be hiring tutors to work with students in engineering specific courses. WVNCC has Brainfuse, which gives students 24/7 access to tutoring in a variety of subjects. All students, including distance education students, have technical support. The College has 24/7 student support number. On each campus, there are computer labs for instruction. Students are assigned a faculty advisor based on their major.

Facilities Requirements

The AS in Pre-Engineering program will use current facilities available for on all campuses for instruction and the current LMS for online instruction. Given the number of lab classes, there should not be a negative impact on other programs. In fact, this program may help support advanced science and math courses offered either on campus or online.

Operating Resource Requirements

At this time, there are no expected operating resources beyond what we currently use.

Source of Operating Resources

Operating resources will come from institutional funds.

Evaluation Procedures

All programs are reviewed by the curriculum committee for academic quality and to ensure it meets the requirements under Series 11. The committee consists of multiple faculties representing various disciplines and staff charged with overseeing graduation requirements. Program and course outcomes are reviewed by this committee as well. Each year programs conduct a program assessment and the CTCS five-year program review.

Program data is reviewed each year, which includes enrollment, graduation rates, and placement data. In the case of this program, transfer data will be reviewed. Both quantitative and qualitative data are used for course and program assessment. Each academic program has an assessment plan that indicates which courses will be assessed each term. Lead faculty facilitate the assessment projects for assigned courses. Peer review is completed on assessment projects by faculty each term. Assessment analysis is used to determine any changes, either instructional or fiscal, needed for the program.
Accreditation Status

Although university programs tend to be accredited, the A. S. in pre-engineering will not be accredited.

Curriculum Committee Approval Date
January 14, 2022

Board of Governors Approval Date
January 27, 2022
ITEM: Annual Reauthorization of Two-Year Degree-Granting Institutions

INSTITUTIONS: All West Virginia degree granting institutions providing instruction up to and including the associate degree level.

RECOMMENDED RESOLUTION: Resolved, That the West Virginia Council for Community and Technical College Education approves the Annual Reauthorization for Blue Ridge Community and Technical College, Bridge Valley Community and Technical College, Eastern West Virginia Community and Technical College, Mountwest Community and Technical College, New River Community and Technical College, Pierpont Community and Technical College, Southern West Virginia Community and Technical College, West Virginia Northern Community College, and West Virginia University at Parkersburg; Huntington Junior College, Laurel Business Institute, Martinsburg College, Mountain State College, Valley College (Martinsburg), West Virginia Junior College (Morgantown), and West Virginia Junior College (Charleston/Bridgeport).

STAFF MEMBER: Randall Brumfield

BACKGROUND:

Series 52, Annual Reauthorization of Degree-Granting Institutions, establishes a process for the Council to annually reauthorize degree-granting institutions in West Virginia offering credentials up to and including the associate degree. Institutions are required to provide all information "necessary to assess the performance of the institution and to determine whether the institution continues to meet the minimum standards for conferring degrees."

In light of complications associated with the pandemic and its impact on student outcomes and matters of institutional finance, as well as potential issues with fidelity of data reporting, provision of the annual reauthorization "application report" is suspended this year. At its meeting on February 17, 2022, observations surfaced from the Compliance Review Committee and Council staff regarding variable trends across institutions with
respect to enrollment, retention, graduation, licensure pass rates, as well as enrollment and attendance costs, student loan default rates, and Composite Financial Index (CFI) scores. However, based on review of the data provided no institution was identified as not having met reauthorization criteria nor was a recommendation shared by the committee declining reauthorization for an institution.

The Compliance Review Committee is comprised of Council staff, external consultants, and representatives from public and private institutions. In addition to the data that is submitted by institutions, the Committee may require additional information to assist in making recommendations for reauthorization.

For reference purposes, proposed amendments to Series 52, *Annual Reauthorization of Degree-Granting Institutions* submitted to the Council provides changes to reauthorization requirements and processes. This will help the Council ensure greater effectiveness and efficiency is achieved toward ensuring fair consumer practices are implemented by postsecondary institutions.
ITEM: Revisions to Series 52, *Annual Reauthorization of Degree-Granting Institutions*

INSTITUTIONS: All

RECOMMENDED RESOLUTION: Resolved, That the West Virginia Council for Community and Technical College Education approves revisions to Series 52, *Annual Reauthorization of Degree-Granting Institutions* to be filed with the Secretary of State for the 30-day public comment period and if no substantive comments are received that the Council extends its final approval.

STAFF MEMBER: Randall Brumfield

BACKGROUND:

The revision to Series 52, *Annual Reauthorization of Degree-Granting Institutions*, provides updates to applicability, evaluation processes, and penalties associated with failure to meet authorization requirements, and provides clarifying language and technical changes.

State authorization is an oversight function of the Council to ensure that all public and private institutions offering academic credentials up to and including the Associate Degree level are providing service in a manner that is consistent with fair consumer practice. This includes delivery on items such as quality instruction, essential student services, and transparency regarding cost, student outcomes, and workforce results of graduates.

Proposed changes expand exemptions of the reauthorization process include all public community and technical colleges contingent upon certain data being provided by the institution upon request by the Council. As a result, all public institutions will remain continuously authorized unless the Legislature takes action to suspend or discontinue the operation of an institution. The Council will continue to provide transparency concerning institutional performance through the annual collection and reporting of data for public and private institutions.

To ensure that access to and security of academic and financial records remains for students in the event of an institutional closure, proposed amendments to the rule require institutions to provide a records retention plan that provides for those items as part of the reauthorization application process. In the event an institution closes and
fails to comply with the Council’s records retention requirements, it will not be eligible to submit a future application to resume operation in the state.

Proposed changes to the rule also offer greater flexibility to Council staff to perform application reviews, investigate issues, and render recommendations to the Council, thereby providing greater efficiency with renewal processes without expense to quality of the evaluation performed.

Amendments provide the Council with discretion to suspend an institution’s ability to enroll new students and deny reauthorization if the institution fails to provide to the Council an approved teach-out plan within the parameters established by the accreditor or the Council. This sanction is also applicable if an institution routinely fails to provide essential student services in a timely manner, to include such items as processing transcript requests and financial aid. In the event an institution fails to comply with State wage and hour laws for its employees, and/or is unable to execute compensation as required in contracts or statute, it will also be subject to enrollment and reauthorization restrictions.

Authorization will be terminated for institutions that fail to fulfill any requirements established by its accreditor within the timeframe it provides.

In summary, proposed changes to the rule will improve institutional accountability in service to students as well as institution employees and stakeholders, while also providing greater operational effectiveness for the implementation of reauthorization processes.

A corresponding amended version of Series 52 for institutions that offer credentials at the baccalaureate and graduate degree levels will be introduced to the West Virginia Higher Education Policy Commission for consideration.
§135-52-1. General.

1.1. Scope. -- This rule establishes the policy regarding annual reauthorization of degree-granting institutions which offer degrees not above the associate level.


1.3. Filing Date. -- April 5, 2022.

1.4. Effective Date. -- June 5, 2022.

1.5. Sunset Provision. -- This rule shall terminate and have no further force or effect June 5, 2027.

§135-52-2. Purpose.

2.1. The West Virginia Council for Community and Technical College Education (Council), through a process of granting authorization and annual reauthorization of education institutions operating in West Virginia that provide instruction up to and including the associate degree level, has the responsibility of protecting consumers and ensuring students are offered quality education by postsecondary providers to within West Virginia residents. An institution authorized by the Council shall be required to operate in accordance with fair consumer practices to ensure that students can make appropriate decisions concerning their investment of time and money.

2.2. Fair consumer practices means honesty, fairness, and disclosure to students in the areas of recruitment, admission, contractual agreements, student financial assistance, obligations to repay student loans, placement assistance and job placement rates, advertising, refund policies, the meaning and recognition of different types of accreditation, the transferability of the institution’s credits to other postsecondary institutions, the offering of quality instructional programs, and other appropriate performance measures.

2.3. Authorization is required for all postsecondary providers that offer certificates, degrees, or instruction at the associate degree level or below, and entities that use the term “academy,” “college,” “institution,” “university” or similar title, hereafter referred to as “institution,” unless otherwise exempt.

2.4. The Council is responsible for the annual reauthorization of any private, proprietary, or out-of-state postsecondary institution that has physical presence in West Virginia and offers degree programs at or below the associate degree level. The process of conferring reauthorization by the Council includes the monitoring of standards for degrees awarded, the collection and dissemination of pertinent institutional data, the conduct of certain reviews and audits, and the imposition of certain sanctions including revocation of degree-granting authority.

2.5. Existing institutions of higher education authorized to operate in West Virginia prior to the effective date of this rule are subject to the reauthorization provisions of this rule and shall report annually to the Council on all items related to reauthorization prescribed in this rule.

2.6. The provisions of this rule apply directly to the annual reauthorization of any private
institution in West Virginia which offers degrees at or below the associate level, the criteria for annual reauthorization also apply to public higher education institutions that offer degrees at or below the associate level in the state, and are under the purview of the Council.

2.7. The Council shall make available information on institutional performance of all public institutions located in West Virginia on the Council’s website and through other appropriate venues.

2.8. West Virginia’s public community and technical colleges shall remain continuously authorized to operate unless the Legislature takes affirmative action to suspend or discontinue its operations; Provided, That such public community and technical colleges shall provide information delineated in Section 5.4 to the Council upon request or as needed for reporting purposes.


3.1. "Accreditation" means a review of the quality of higher education institutions and programs to ensure that such institutions meet acceptable levels of quality, which is status attained by the institution through voluntarily meeting standards set by a nongovernmental entity (i.e., an accrediting organization recognized by the U.S. Secretary Department of Education) as well as federal and State government agencies authorized to set such standards.

3.2. “Authorization” means the status attained by the institution that allows the institution to offer postsecondary programs and courses within the State of West Virginia. This status is granted by the Council for Community and Technical College Education when the institution demonstrates compliance with the requirements for such status.

“Chancellor” means the Chancellor for Higher Education as that term is defined by W. Va. Code § 18B-2-1 or his or her designee.


3.4. “Council” means the West Virginia Council for Community and Technical College Education.

3.5. "Degree" means any earned award conferred by a higher education institution which represents satisfactory completion of the requirements of a program at the associate level.

3.6. "Distance education" means the delivery of any course or degree programs by synchronous or asynchronous technology. Asynchronous or synchronous technology via distance delivery includes all forms of internet, electronic, digital, online, video, and any other technology-driven delivery system.

3.7. "Institution" means any person, firm, corporation, association, agency, institute, trust or other entity of any nature whatsoever offering education beyond the secondary level which:

3.7.a. offers courses or programs of study or instruction which lead to or which may reasonably be understood to be applicable toward an associate or other specialized certification/degree designation at or below the associate level; or

3.7.b. operates a facility as a college or university or other entity in the State of West Virginia which offers degrees or other indicia of a level of educational attainment beyond the secondary school level; or

3.7.c. uses the term "college" or "university," or words of like meaning, in its name or in any manner in connection with its academic affairs or business.

3.8. “Physical presence” means an actual presence in the state, online or on-site, for the purpose of
conducting activity related to: a postsecondary educational institution; educational service; dissemination of educational credentials; enrollment, solicitation or advertising. Physical presence as further outlined for purposes of authorization shall include but not be limited to:

3.8.a. An instructional site within the state.

3.8.b. Dissemination of an educational credential from a location within the state.

3.8.c. An agent, whether compensated or not, who is utilized for the purpose of administering, coordinating, teaching, training, tutoring, counseling, advising, recruiting, or performing any other activity on behalf of the sponsoring institution.

3.8.d. Advertising, promotional material or public solicitation in any form that targets West Virginia residents through distribution or advertising in the state.

3.8.e. Instructional delivery that receives assistance from any other organization within the state in that delivery.

3.8.f. Clinical experiences, internships, or other similar curricular requirement.

Activities exempt from this definition include: online instructors residing in West Virginia but having no direct, in-person contact with students and individuals participating in college fairs coordinated by the Council and or West Virginia local school districts.

3.9. “Reauthorization” is the process by which an institution annually renews its status as an institution authorized to offer programs and courses for in West Virginia residents. This status is granted by the Council when the institution demonstrates compliance with the requirements for such status.

3.10. “Religious, theological, or faith–based institution” means a postsecondary institution that offers no degree programs other than those specifically related to the institution’s doctrine. Institutions that offer general degree programs cannot be exempted by this rule as religious, theological, or faith-based.

3.11. “Unearned tuition” means the anticipated amount of tuition revenue minus refunds that will be generated within a one year time frame in the institution’s authorized operation in West Virginia. “Unearned tuition” for the application of annual reauthorization is the amount of tuition revenue minus refunds that was received during the previous year.

§135-52-4. Exemptions.

4.1. Institutional exemption is subject to annual review and/or revocation any time the activity deviates from the original determination factors for exemption. An institution which claims to be exempt under the provisions of this section must submit such information as may be required by the Council to determine whether the institution is exempt from reauthorization.

4.2. Any institution fully authorized to operate in West Virginia prior to the effective date of this rule is subject to the provisions of this rule pertaining to reauthorization.

4.3. The following institutions shall be exempt from the provision of this rule:

4.3.a1. Out-of-state institutions:

4.3.a1.4.a. offering courses through brokering or other collaborative arrangements with a West Virginia public institution of higher education and which support programmatic offerings of the state
4.3.1.a.2b. offering a short course or seminar in which the instruction for the segment takes no more than twenty classroom hours, and is not for college credit;

4.3.1.a.3c. offering courses or programs on a military installation solely for military personnel or civilians employed on such installation;

4.3.1.a.4d. offering courses or programs at a location in West Virginia by the authority of the Council for a designated period of time; or

4.3.1.a.5e. offering online courses or programs with Council approval for a specified period of time.

4.3.b2. Non-Degree granting institutions whose programs are designed primarily for job entry or upgrading of skills and are described in clock (contact) hours. These programs typically prepare individuals for employment and do not require courses beyond those specific to the job or its field with program length sufficient to effect outcomes.

4.3.e3. A religious, theological, or faith-based institution which meets the criteria for exemption outlined in Series 20135 C.S.R. 20, Initial Authorization of Degree-Granting Institutions, and offers no degree programs other than those specifically related to the institution’s doctrine.

§135-52-5. Annual Reauthorization.

5.1. All institutions authorized by the Council at the associates level must annually submit a reauthorization application report in a format prescribed by Council staff the Chancellor. The annual reauthorization year will be from July 1 through June 30, with the 2012-2013 year being the initial reporting year. The annual application is due each November 1 and must be accompanied by an annual fee as provided in section 9 of this rule.

5.2. Reauthorization applications postmarked after November 1 or other due date will be assessed a late renewal fee as prescribed in section 9 of this rule.

5.3. Upon request by the Council, authorized institutions must provide documentation necessary to assess the performance of the institution.

5.4. The reauthorization application must shall include the following:

5.4.a1. Name and address of the institution of higher education.

5.4.b2. Chief executive officer’s name, title, address, phone number, fax number, and email address.

5.4.e3. Institutional liaison’s name, title, address, phone number, fax number, and email address.

5.4.d4. Verification of current accreditation status and copy of latest annual HLC/NCA Higher Learning Commission Institutional Update Report or other USDE-recognized regional accrediting agency.

5.4.e5. Full and part-time student enrollments of resident and non-resident students for each term and/or period of instruction during the most recent reporting year.

5.4.e6. A current schedule of fees and charges for tuition.
5.4.g7. First to second year retention rates for first-time, full-time certificate and degree-seeking students for the most recent year.

5.4.h8. Graduation rates for undergraduate degree-seeking first-time, full-time students for the most recent graduating three-year cohort year.

5.4.i. Data on student transfers in to and out of the institution for the most recent year.

5.4.j9. Licensure pass rates for completion of all professional programs, e.g., allied health, for the most recent year.

5.4.k. Student loan cohort default rates for the most recent year available.

5.4.l. Campus crime statistics for the most recent reporting year available.

5.4.m. Number of student, staff, and faculty grievances filed during the most recent reporting year.

5.4.10. A plan for the retention, custody, and retrieval of student records, including but not limited to academic transcripts, financial aid documents, international student forms, and tax information, in the event of closure of the institution or discontinuance of service. The plan shall include a method by which students and alumni of the institution will be able to retrieve such records upon request; and

5.4.11. Any additional information or data as deemed necessary.

5.5. The Council shall provide definitions of requested data elements. When appropriate, prior data submissions may be utilized to fulfill specific data requirements. Guidance will be provided by Council staff.

5.6. Upon receipt of the annual reauthorization application, Council staff shall convene a compliance review committee to review the submitted documentation and render a recommendation to the Council. The Chancellor may convene a compliance review committee to evaluate unique circumstances or possible issues associated with an institution’s reauthorization application. The committee will analyze the information and advise the Chancellor regarding future action. The committee may be composed of:

5.6.a1. Persons who are qualified by academic training or professional experience to verify the institution’s compliance with Council standards for authorization.

5.6.b2. Persons who are representative of both public and private institutions.

5.6.c3. Members of the Council staff. The Vice Chancellor for Academic Affairs or designee shall serve as chair of the committee.

5.6.d4. Any other person(s) deemed necessary by the Chancellor.

5.7. Upon review of documentation and recommendation of the compliance review committee, the Chancellor shall recommend to the Council that institutions that are found to be in compliance with generally accepted parameters of operation are recommended to the Council for reauthorization be reauthorized.

5.8. If the compliance review committee finds, after review of required documentation, Council staff find that the institution is not in compliance with generally accepted parameters of operation, the committee may request additional documentation for review.

5.9. Each institution shall provide, at the request of the compliance review committee, all information the committee considers necessary to assess the performance of the institution and determine whether
the institution continues to meet the minimum standards for conferring certificates and degrees. Information may include but is not limited to the following:

5.9.a. Institutional information.

5.9.a.1. Copies of articles of incorporation, charter, constitution, and by-laws for the initial reporting year, and changes only for reporting in subsequent years.

5.9.a.2. Copy of any articulation agreement the institution has with a West Virginia higher education institution entered into or changed within the last year.

5.9.a.3. Copy of the institution’s current mission and goals statement for the initial reporting year, and changes only for reporting in subsequent years.

5.9.a.4. Copy of the current institutional catalog.

5.9.a.5. Copies of current promotional and recruitment materials and advertisements provided or distributed to West Virginia residents.

5.9.b. Accreditation information.

5.9.b.1. If the institution is accredited by a regional accrediting agency, verification of the accreditation status, including any correspondence within the last year.

5.9.b.2. If the institution is accredited by a national accrediting agency or any of its academic programs is accredited by a program accrediting agency, verification of the accreditation status.

5.9.e1. Program information.

5.9.e1.a. A list of current degree and certificate programs offered in West Virginia by the institution.

5.9.e1.b. Results of any external degree program evaluation during the last year, if any.

5.9.e1.c. A list of any degree or certificate programs that have ceased to be offered during the previous year.

5.9.c.4. Identification of methods used to assess student achievement.

5.9.c.5. Results of the most recent assessment of student achievement.

5.9.d. Faculty information.

5.9.d.1. A list of current full-time and part-time faculty with highest degree held, degree field(s), and institution conferring highest degree.

5.9.e2. Financial information.

5.9.e2.a. The latest financial statement for the most recent fiscal year compiled or audited by an independent certified public accountant, including any management letters provided by the independent auditor.

5.9.f. Facilities information, if applicable.
5.9.f.1. Verification of compliance with all applicable local, state, and federal safety and fire codes.

5.9.g.3. Student information.

5.9.g.1. The institution’s policies about student admissions, evaluation, suspension, and dismissal for the initial reporting year, and changes only for reporting in subsequent years.

5.9.g.2a. A current schedule of fees, charges for tuition, required supplies, student activities, and all other student charges.

5.9.g.3.b. The institution’s policy about tuition and fee refunds and adjustments for the initial reporting year, and changes only for reporting in subsequent years.

5.9.g.4. The institution’s policy about granting credit for experiential learning, including prior education, training, and experience for the initial reporting year, and changes only for reporting in subsequent years.

5.9.g.5. The institution’s policy on post-graduation placement, if any, and data on placements for the most recent year.

5.9.g.6. A list of all student grievances for the most recent year as well as the nature and disposition of each.

5.9.h. Other information.

5.9.h.1. Information related to compliance with federal or state laws and regulations that require reporting to the public, students, employees or federal or state agencies.

5.9.h.2. Information on how the institution ensures accuracy in its usual publications such as the catalog and institutional brochures and fair representation by recruiters and agents.

5.9.i. The Council shall provide definitions of requested data elements. When appropriate, prior data submissions may be utilized to fulfill specific data requirements. Guidance will be provided by Council staff.

5.10. On-site review.

5.10.a1. The compliance review committee Council staff, at its the Chancellor’s discretion, may conduct on-site reviews to assess institutional compliance with the minimum standards for conferring degrees as outlined in Series 20135 C.S.R. 20, Initial Authorization for Degree-Granting Institutions. The committee Council staff may evaluate maintenance of adequate academic and performance standards, conduct financial audits, or require the institution to perform such audits and provide detailed data to the committee as necessary to render a thorough and comprehensive assessment. When possible, the visit will be scheduled at a time which is mutually convenient to the institution and the committee Council staff. The institution shall pay the reasonable expenses associated with the compliance review visit.

5.10.b2. Following review of submitted documentation and/or any requisite site visit, the compliance review committee Council staff will prepare an analysis of the findings.

5.10.c3. Council staff will provide a draft of a staff report prepared in accordance with this section will be provided to the institution for correction of factual errors and comment. The institution may provide
the Council a response to the report within ten (10) working days of receipt of the report. The institutional comments will be included with the compliance review committee report Chancellor’s recommendation presented to the Council.

5.10.d4. The compliance review committee Chancellor will develop a recommendation for the Council regarding the institutional reauthorization application. Only those institutions which meet generally accepted higher education state standards of quality will be recommended for reauthorization.

5.10.e5. If the Chancellor finds that an institution which is found to meet the generally accepted higher education state standards of quality will be the Chancellor will recommend to the Council for denial of reauthorization. Once reauthorization is denied, the institution is subject to the authorization requirements, process and review in Series 2015 C.S.R. 20, Initial Authorization of Degree-Granting Institutions, in order to seek authorization to operate within West Virginia.

5.10.f. An institution submitting an annual reauthorization report adjudged determined by the Council as meeting the standards for reauthorization shall retain its authorized status for the current following year.

§135-52-6. Public Institutions and Annual Reauthorization. [Reserved]

6.1. All public institutions under the purview of the Council shall apply for annual reauthorization and shall meet the conditions for reauthorization as provided in section 5 of this rule.

6.2. The Council shall make available to the public information on matters of institutional performance for all public institutions under its purview, as provided in section 2 of this rule.

§135-52-7. Dissemination of Institutional Information.

7.1. The Council shall make available to the public, information on matters of institutional performance that are not confidential and not restricted by federal or state laws or regulations. Such information may be posted on the Council’s website or disseminated through other appropriate venues.

7.2. The Council office shall maintain a list of institutions authorized to grant certificates and degrees and shall make such list available to the public.


8.1. Authorization of an institution terminates at the time when a change in ownership resulting in a change of or control of the institution changes from that indicated on the institution’s most recent reauthorization application unless the institution files an application within ten (10) business days after the change of ownership that resulted in a change of or control. Such institution shall submit an application reflecting the change in ownership and control and an application fee of $500.

8.1.a1. If an institution files an application requesting approval of a change of ownership and control more than ten (10) business days after the change of ownership resulting in a change of control takes effect, the authorization terminates and such an application will be considered as an application for authorization and the institution shall pay the fees specified in Series 2015 C.S.R. 20, Initial Authorization for Degree-Granting Institutions.

8.1.b2. An authorized institution shall notify the Council of any anticipated change in ownership that results in a change of or control at least thirty (30) days prior to the change in ownership and control.

9.1. A non-refundable fee of $500 shall accompany the submission of the annual application report for reauthorization.

9.2. Failure to file the annual report or to pay the report fee shall be sufficient grounds for denial of reauthorization, suspension, or revocation of degree granting authority. An institution filing a report that is postmarked after the November 1 due date will be assessed a late fee of $300.

9.3. The annual fee and annual report requirements shall be applicable for all years of authorization through the Council. The Council may adjust all fee charges as deemed necessary.

9.4. Public institutions located in West Virginia are exempt from the requirement of payment of reauthorization fees as provided in this section.


10.1. Intermediate sanctions.

10.1.a. If an institution fails to comply with the provisions for reauthorization in this rule, the Council may progressively impose one or more of the following sanctions.

10.1.a.1. Require the submission and implementation of an improvement plan to address or correct problems identified by the Council.

10.1.a.2. Suspend the ability of an institution to enroll students for one or more of the approved programs offered by the institution.

10.1.b. In addition to the foregoing, the Council may suspend the ability of an institution to enroll future students and deny reauthorization for the next year if any of the following occur:

10.1.b.1. The institution fails to provide to the Council an approved teach-out plan within the requisite time after being notified by its accreditor or the Council that it needs to do so;

10.1.b.2. The institution continuously fails to provide essential student services in a timely manner, including without limitation processing transcript requests or financial aid; or

10.1.b.3. The institution fails to comply with State or federal wage and hour laws or employee compensation contracts or the statutory requirements regarding required subscription to the Unemployment Compensation Fund or workers’ compensation insurance, the payment of premiums or other charges as required to maintain such coverage, the timely filing of payroll reports, or the maintenance of adequate deposits.

10.2. Termination of state authorization.

10.2.a. An institution shall provide the Council with a copy of any notice of warning, suspension, revocation or other adverse action received from any national or regional accrediting agency within five (5) business days of receipt of such notice. The Council shall terminate the authorization of any institution that fails to fulfill any requirements prescribed by its accreditor within timeframes established by the accreditor.

10.2.b. The Council may for good cause, suspend, withdraw or revoke the authorization of an institution to generate or solicit students within the state, place an institution on probation, order refunds to students, forfeit the institution’s surety bonds, revoke an institution’s degree granting authority, or take any other appropriate action per Series 20135 C.S.R. 20, Initial Authorization of Degree-Granting Institutions.
10.2.c3. The Council may terminate state authorization if the institution fails to submit an acceptable annual reauthorization application or an incomplete or unsatisfactory reauthorization application, as determined by Council staff and referenced in Section 5 of this rule in accordance with the provisions of this rule.

10.2.d4. The Council shall revoke the authority of an institution to confer degrees at any time when the institution’s governing body, chief executive officer, or both have done any one or more of the following:

10.2.d4.a. Failed to maintain the minimum standards for conferring degrees.

10.2.d4.b. Refused or willingly failed to provide information to the Council in a manner and within a reasonable timeframe as established by the Council.

10.2.d4.c. Willfully provided false, misleading or incomplete information to the Council.

10.2.e5. The Council shall terminate the authorization of an institution authorized as a religious, theological or faith-based college that fails to continue to meet the criteria for a religious institution shall have its authorization terminated. The Council shall notify the institution in writing and allow a phase-out period of not more than one additional academic term shall be permitted. The institution may file an appeal to the Council within ten (10) business days of its receipt of the written notice. In the absence of a timely appeal, the termination shall be final.

10.3. Notification to Cease Offering Degrees or Degree Credits

If an institution is not authorized by the Council but offers degrees and/or degree credits in West Virginia, the Council shall notify the institution by certified mail that it shall cease immediately to offer degrees and/or degree credits. The Council shall initiate appropriate legal action if the institution fails to comply.


11.1. If an authorized institution, branch campus, or extension program of an authorized institution discontinues operation in this state, its chief executive officer shall notify the Council of the date of discontinuance and the name and address of the agency where records will be maintained.

11.2. Records shall be maintained and their records so that authorized parties may obtain copies may be obtained by authorized parties thereof. Such records shall include but not be limited to information pertaining to the admission of each student and former student and the educational record of each student and former student.

Institutions shall retain financial aid records of each student and former student shall be retained consistent in accordance with state and federal regulations.

11.3. When an institution decides to cease postsecondary education operations, it must assist students to find alternative means to complete their studies with a minimum of disruption, and inform the Council of the following:

11.3.a1. the planned date of termination of postsecondary education operations;

11.3.b2. the planned date for the transfer of student records;

11.3.c3. confirmation of the name and address of the organization to receive and hold the student records.
records, if different from the institution itself; and

11.3.4. The official at the organization receiving the student records who is the institution has designated as the records custodian to provide official copies of records or transcripts upon request.

11.4. Any institution that fails to comply with the requirements of this section forfeits consideration by the Council of any application for authorization or reauthorization.

§135-52-12. Notification: Appeals:

12.1. Once the Council has received and verified the accuracy of information constituting any of the grounds for adverse action identified in section 10 of this rule, the Council shall notify the institution and its owner in writing of its intent to recommend denial or suspension, or revocation of reauthorization or other adverse action and the grounds for such recommendation.

12.1.a1. The owner of the institution may, within ten (10) business days of receipt of such notice, request a hearing upon the recommended action. Such hearing, if requested, shall be commenced by the Chancellor within twenty (20) business days of such request at the Chancellor’s office or at such other a location convenient to the parties and witnesses as may be designated by the Chancellor.

12.1.b2. The hearing shall be conducted by the Chancellor or his/her designee, pursuant to the procedures set forth in Chapter 29A, Article 5 of the Code of West Virginia West Virginia Administrative Procedures Act, W. Va. Code § 29A-5-1, et seq.

12.1.c3. The Chancellor or his/her designee may continue the hearing at the request of the institution for good cause shown. Continuance shall not be granted as a matter of right.

12.1.d4. If the owner or a representative of the institution does not request a hearing within the requisite time period, the recommendation of the Chancellor or his/her designee shall be deemed unchallenged by the institution and reported to the Council for final action.

12.2. During the hearing, the grounds for denial, suspension, withdrawal, or revocation of authorization to operate the institution or other adverse action must be established by clear and convincing evidence a preponderance of the evidence.

12.3. Irrelevant, immaterial, or unduly repetitious evidence may be excluded from the hearing. Formal rules of evidence as applied in civil cases in the circuit courts of this state shall not be applied. When necessary to ascertain facts not reasonably susceptible of proof under those formal rules evidence not admissible there under may be admitted, except where precluded by statute, if it is a type commonly relied upon by reasonably prudent persons in the conduct of their affairs.

12.4. The rules of privilege recognized by the law of this state shall be followed.

12.5. Objections to evidentiary offers shall be noted in the record. Any party to the hearing may vouch the record as to any excluded testimony or other evidence.

12.6. Any party to a hearing may appear with witnesses to testify on his or her behalf; may be heard in person, by counsel or both; may present such other evidence in support of his or her position as deemed appropriate by the Chancellor or his/her designee; and, may cross-examine witnesses called by the Council in support of the charges.

12.7. The hearing shall be open to the general public.
12.8. A record of the hearing, including the complaint(s), if applicable, the notice of hearing, all pleadings, motions, rulings, stipulations, exhibits, documentary evidence, evidentiary depositions and the stenographic report of the hearing, shall be made and a transcript thereof maintained in the Council’s files. All recorded materials shall be transcribed. The Council shall have the responsibility to make arrangements for the transcription and provision of the reported testimony and evidence to the parties. Upon request, a copy of the transcript shall be furnished to any party at his or her expense.

12.9. Documentary evidence may be received in the form of copies or excerpts or by incorporation by reference.

12.10. The Council may call witnesses to testify in support of charges, and may present such other evidence to support its position; and, may cross-examine witnesses called by the charged party institution in support of its position.

12.11. All parties shall have the right to offer opening and closing arguments.

12.12. Hearings may be continued or adjourned to a later date or different place by the Chancellor or his/her designee upon by appropriate notice to all parties.

12.13. All motions related to a case set for hearing, except motions for continuance and those made during the hearing, shall be in writing and shall be received in the office of the Chancellor at least ten (10) business days before the hearing. Pre-hearing motions shall be heard at a pre-hearing conference or at the hearing prior to the commencement of testimony.

12.14. Any party may submit proposed findings of fact and conclusions of law at a time and manner designated by the Chancellor or his/her designee.

12.15. At any time prior to the hearing or thereafter, the Chancellor or his/her designee may hold conferences for the following purposes:

   12.15.a. To dispose of procedural requests, pre-hearing motions or similar matters;
   12.15.b. To simplify or settle issues by consent of the parties; or,
   12.15.c. To provide for the informal disposition of cases by stipulation or agreement.

12.16. The Chancellor or his/her designee may cause such conferences to be held on its own motion or by the request of a party.

12.17. Evidentiary depositions may be taken and read or otherwise included into evidence as in civil actions in the circuit courts of this state.

12.18. Subpoenas to compel the attendance of witnesses and subpoenas duces tecum to compel the production of documents may be issued by the Chancellor pursuant to West Virginia Code §29A-5-1(b).

12.19. Written requests by a party for the issuance of subpoenas duces tecum as provided in section 12.18 of this rule must be received by the Council no later than ten (10) business days before a scheduled hearing. Any party requesting the issuance of subpoenas duces tecum shall see that they are properly served in accordance with West Virginia Code §29A-5-1(b).

12.20. Any final order entered by the Council following a hearing conducted pursuant to these rules shall be made pursuant to the provisions of West Virginia Code §29A-5-3. Such orders shall be entered within sixty (60) days following the submission of all documents and materials necessary for the proper
disposition of the case, including transcripts, and shall contain findings of fact and conclusions of law unless good cause exists to extend such time or by agreement of the parties.

12.21.19. Findings of fact and conclusions of law shall be recommended to the Council by the Chancellor or his/her designee and must be approved by a majority of the Council by vote at a regular meeting, before a final order is entered. A copy of the final order approved by a majority of the Council shall be served upon the institution and/or his or her its attorney of record, if any, within ten (10) business days after entry by the Council by personal service or by registered or certified mail.

12.22.20. The final order may suspend, withdraw or revoke the authorization of the institution; place an institution on probation; order refunds to students; order forfeiture of the institution’s surety bond and disbursement of the funds forfeited disbursed to students injured by the institution’s violation of this rule or its enabling statute; or order any other action deemed appropriate by the Council, up to and including payment of loans, interest and other charges in connection with institution loans caused a student by the institution’s violation of this rule.

12.23.21. All proceedings pursuant to this rule shall be conducted pursuant to and comply with applicable statute, including, but not limited to, West Virginia Code §29A-5-1, et seq.

12.24.22. Any relief a student believes he or she was not rightfully awarded by the Council pursuant to this rule may be pursued in any other appropriate forum. Nothing in this rule precludes an institution’s current or former students or current or former employees from pursuing any remedy at law or equity that may be available to them based on the institution’s actions or failures to act in accordance with this rule or any other provision of applicable law.
ITEM: Fiscal Year 2023 Operating and Capital Budgets for All Institutions

INSTITUTIONS: All

RECOMMENDED RESOLUTION: Resolved, That the West Virginia Council for Community and Technical College Education approves the Fiscal Year 2023 operating and capital budgets for all institutions.

STAFF MEMBER: Ed Magee

BACKGROUND:

West Virginia Code defines the power and duties of the West Virginia Council for Community and Technical College Education (Council). One such power is to review and approve institutional budgets – §18B-2B-6(d)(5) Development of budget and allocation of resources for institutions delivering community and technical college education, including reviewing and approving institutional operating and capital budgets and distributing incentive and performance-based funding.

Budgets for fiscal year (FY) 2023 were prepared using the same format as prior years which includes only the operating funded budgets. Operating funds include the following: educational and general tuition and fees; auxiliary fees; and state appropriations. Grant revenue and expenses are excluded from this review. Total revenue and expenses are reported to Council in the year-end, audited financial statements.

A cash balance analysis is included for the current year to provide an analysis of the institutions’ cash reserves. Cash balances as of April 30 of the previous and current year as well as the year end cash balances for both years are provided.

Based upon the review by Council staff, staff recommends approval of these budgets.
### West Virginia Council for Community and Technical College Education
#### Cash Operating Budget Analysis
##### Fiscal Year 2023
#### Blue Ridge Community and Technical College

<table>
<thead>
<tr>
<th></th>
<th>FY 2022</th>
<th>FY 2022</th>
<th>FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>YTD Actual</td>
<td>Budget</td>
<td>Budget</td>
</tr>
</tbody>
</table>

#### TOTAL REVENUES:
- **Tuition and Fees**: $6,618,293
- **Sales and Services of Educational Activities**: 0
- **Auxiliary Enterprises**: 252,352
- **Service Agreement Revenues**: 0
- **Other Operating Revenues**: 32,401
- **State Appropriations**: 5,978,867
- **Investment income**: 2,663
- **Gifts**: 0
- **Other Nonoperating revenues**: 0

**TOTAL REVENUES**: $12,884,576

#### TOTAL EXPENSES:
- **Salaries and Wages**: $7,593,212
- **Benefits**: 1,587,045
- **Utilities**: 192,296
- **Supplies and Other Services**: 2,263,108
- **Scholarships and Fellowships - E&G Funded**: 0
- **Assessments by the Council for operations (HERA)**: 63,511
- **Other Operating Expenses**: 0
- **Cost of Services provided to other institutions**: 0
- **Waivers in Support of Other Institutions - Cash**: 0

**TOTAL OPERATING EXPENSES**: $11,699,172

**Increase / Decrease in Net Assets**: $1,185,404

#### Beginning Fund Balances (E&G Tuition and Auxiliary)
- 2022: 7,698,528
- 2023: 7,698,528
- 2024: 7,640,316

#### Ending Fund Balances (E&G Tuition and Auxiliary Fees)
- 2022: 8,883,932
- 2023: 7,640,316
- 2024: 8,875,316

**Projected Ending Fund Balances as a % of Total Operating Expenses**: 75.94%, 46.92%, 58.29%

**NOTE:** FY2022 YTD Actual is as of 3.31.22
<table>
<thead>
<tr>
<th>Description</th>
<th>New Project</th>
<th>Building FY 2022</th>
<th>Building FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Funding Sources</td>
<td>$</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Uses:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building/Household Equipment Repair</td>
<td>10,000</td>
<td>15,000</td>
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<tr>
<td>Computer Service and Equipment</td>
<td>103,500</td>
<td>36,300</td>
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<tr>
<td>Building Improvements</td>
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<tr>
<td>Other Capital Equipment</td>
<td>6,000</td>
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<tr>
<td>Routine Maintenance of Grounds</td>
<td>75,000</td>
<td>10,000</td>
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<tr>
<td>Routine Maintenance Contracts</td>
<td>50,000</td>
<td>53,840</td>
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<tr>
<td>Leasehold Improvements</td>
<td>136,500</td>
<td>92,000</td>
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<td>Contractual Services</td>
<td>26,000</td>
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<tr>
<td>Routine Maintenance of Buildings</td>
<td>30,000</td>
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<tr>
<td>Mandatory Transfer - Prin</td>
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<td></td>
<td>2,250</td>
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<td>Total Uses of Funds</td>
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<td>$ 219,390</td>
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<tr>
<td>Balances</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Change in Capital Balances</td>
<td>$ (447,000)</td>
<td>$ (219,390)</td>
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</tr>
<tr>
<td>Beginning Cash Capital Balances</td>
<td>$ 2,219,197</td>
<td>$ 1,772,197</td>
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<tr>
<td>Ending Cash Capital Balances</td>
<td>$ 1,772,197</td>
<td>$ 1,552,807</td>
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### West Virginia Council for Community and Technical College Education
#### Cash Balances

<table>
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<tr>
<th></th>
<th>April 30, 2021</th>
<th>June 30, 2021</th>
<th>April 30, 2022</th>
<th>Projected June 30,2022</th>
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<tbody>
<tr>
<td>Cash Balance - Current Assets</td>
<td>$7,014,546</td>
<td>$7,698,528</td>
<td>$8,131,071</td>
<td>$7,913,601</td>
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<tr>
<td>Annual Operating Expenses</td>
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<td>$15,005,049</td>
<td>$12,873,583</td>
<td>$15,448,300</td>
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<tr>
<td>Number of Days cash on hand</td>
<td>211</td>
<td>187</td>
<td>231</td>
<td>187</td>
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</table>
## West Virginia Council for Community and Technical College Education
### Cash Operating Budget Analysis
#### Fiscal Year 2023
##### BridgeValley CTC

<table>
<thead>
<tr>
<th></th>
<th>FY 2022 YTD Actual</th>
<th>FY 2022 Budget</th>
<th>FY 2023 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>$5,201,427</td>
<td>$6,240,000</td>
<td>$5,650,000</td>
</tr>
<tr>
<td>Sales and Services of Educational Activities</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Auxiliary Enterprises</td>
<td>315,324</td>
<td>320,000</td>
<td>320,000</td>
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<tr>
<td>Service Agreement Revenues</td>
<td>0</td>
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<tr>
<td>Other Operating Revenues</td>
<td>0</td>
<td>30,000</td>
<td>30,000</td>
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<tr>
<td>State Appropriations</td>
<td>6,647,774</td>
<td>7,977,329</td>
<td>8,364,587</td>
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<tr>
<td>Investment income</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Gifts</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Other Nonoperating revenues-Surplus Appropriation</td>
<td>121,482</td>
<td>121,482</td>
<td>0</td>
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<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>$12,286,007</td>
<td>$14,688,811</td>
<td>$14,364,587</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 2022 YTD Actual</th>
<th>FY 2022 Budget</th>
<th>FY 2023 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL EXPENSES:</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>$7,472,578</td>
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<td>$9,442,201</td>
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<tr>
<td>Benefits</td>
<td>1,806,004</td>
<td>2,110,739</td>
<td>2,234,567</td>
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<tr>
<td>Utilities</td>
<td>408,779</td>
<td>400,000</td>
<td>440,000</td>
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<td>Supplies and Other Services</td>
<td>2,307,474</td>
<td>2,950,082</td>
<td>2,168,875</td>
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<tr>
<td>Scholarships and Fellowships - E&amp;G Funded</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Assessments by the Council for operations (HERA)</td>
<td>84,785</td>
<td>88,787</td>
<td>78,944</td>
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<tr>
<td>Other Operating Expenses</td>
<td>0</td>
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<tr>
<td>Cost of Services provided to other institutions</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Waivers in Support of Other Institutions - Cash</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td>$12,079,620</td>
<td>$14,688,811</td>
<td>$14,364,587</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 2022 YTD Actual</th>
<th>FY 2022 Budget</th>
<th>FY 2023 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase / Decrease in Net Assets</td>
<td>$206,387</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>Beginning Fund Balances (E&amp;G Tuition and Auxiliary)</td>
<td>2,654,749</td>
<td>2,654,749</td>
<td>2,654,749</td>
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<tr>
<td>Ending Fund Balances (E&amp;G Tuition and Auxiliary Fees)</td>
<td>2,861,136</td>
<td>2,654,749</td>
<td>2,654,749</td>
</tr>
</tbody>
</table>

Projected Ending Fund Balances as a % of Total Operating Expenses 18.07% 18.48%
<table>
<thead>
<tr>
<th>Description</th>
<th>New Project</th>
<th>Building FY 2022</th>
<th>Budget FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition and Fees</td>
<td></td>
<td>$ 740,000</td>
<td>$ 650,000</td>
</tr>
<tr>
<td>Total Funding Sources</td>
<td></td>
<td>$ 740,000</td>
<td>$ 650,000</td>
</tr>
</tbody>
</table>

**Uses:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Building FY 2022</th>
<th>Budget FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment of Facility Usage Fee</td>
<td>635,520</td>
<td>591,380</td>
</tr>
<tr>
<td>Payment of System Loans</td>
<td>67,692</td>
<td>21,832</td>
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<tr>
<td>Capital Debt Service Payment</td>
<td>21,788</td>
<td>21,788</td>
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<tr>
<td>Miscellaneous Capital Projects</td>
<td>15,000</td>
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<tr>
<td><strong>Total Uses of Funds</strong></td>
<td>$ 740,000</td>
<td>$ 650,000</td>
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**Balances**

<table>
<thead>
<tr>
<th>Description</th>
<th>$</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Change in Capital Balances</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Beginning Cash Capital Balances</td>
<td>123,078</td>
<td>123,078</td>
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<tr>
<td>Ending Cash Capital Balances</td>
<td>123,078</td>
<td>123,078</td>
</tr>
<tr>
<td></td>
<td>April 30, 2021</td>
<td>June 30, 2021</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>----------------</td>
<td>---------------</td>
</tr>
<tr>
<td>Cash Balance - Current Assets</td>
<td>$2,682,450</td>
<td>$2,854,413</td>
</tr>
<tr>
<td>Annual Operating Expenses</td>
<td>$12,272,496</td>
<td>$14,754,697</td>
</tr>
<tr>
<td>Number of Days cash on hand</td>
<td>80</td>
<td>71</td>
</tr>
</tbody>
</table>
### West Virginia Council for Community and Technical College Education
**Cash Operating Budget Analysis**
**Fiscal Year 2023**
**Eastern West Virginia Community & Technical College**

<table>
<thead>
<tr>
<th></th>
<th>FY 2022 YTD Actual (@ 04/30/22)</th>
<th>FY 2022 Budget</th>
<th>FY 2023 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>$731,127</td>
<td>$798,577</td>
<td>$1,313,054</td>
</tr>
<tr>
<td>Sales and Services of Educational Activities</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>0</td>
<td>450,000</td>
<td>0</td>
</tr>
<tr>
<td>Service Agreement Revenues</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other Operating Revenues</td>
<td>848,499</td>
<td>7,849</td>
<td>1,897,244</td>
</tr>
<tr>
<td>State Appropriations</td>
<td>2,147,213</td>
<td>2,179,912</td>
<td>2,264,340</td>
</tr>
<tr>
<td>Investment income</td>
<td>330</td>
<td>6,800</td>
<td>1,580</td>
</tr>
<tr>
<td>Gifts</td>
<td>8,250</td>
<td>0</td>
<td>8,250</td>
</tr>
<tr>
<td>Other Nonoperating revenues</td>
<td>85,721</td>
<td>45,108</td>
<td>85,721</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>$3,821,140</td>
<td>$3,488,246</td>
<td>$5,570,189</td>
</tr>
</tbody>
</table>

| **TOTAL EXPENSES:**            |                                  |                |                |
| Salaries and Wages             | $1,771,612                       | $1,935,300     | $2,319,551     |
| Benefits                       | 389,500                         | 492,413        | 550,815        |
| Utilities                      | 107,827                         | 106,752        | 130,260        |
| Supplies and Other Services    | 1,557,811                       | 949,835        | 2,307,630      |
| Scholarships and Fellowships - E&G Funded | 0                              | 0              | 0              |
| Assessments by the Council for operations (HERA) | 8,565                          | 14,996         | 15,824         |
| Other Operating Expenses       | 113,841                         | 0              | 510,446        |
| Cost of Services provided to other institutions | 0                              | 0              | 0              |
| Waivers in Support of Other Institutions - Cash | 0                              | 0              | 0              |
| **TOTAL OPERATING EXPENSES**   | $3,948,956                      | $3,499,296     | $5,834,526     |

| Increase / Decrease in Net Assets | ($127,816) | ($11,050) | ($264,337) |

| Beginning Fund Balances (all funds) | 3,233,954 | 815,449 | 2,315,765 |
| Ending Fund Balances (all funds)    | 3,106,138 | 804,399 | 2,051,428 |

| Projected Ending Fund Balances as a % of Total Operating Expenses | 22.99% | 35.16% |
## Funding Sources:

<table>
<thead>
<tr>
<th>Description</th>
<th>New Project</th>
<th>Building FY 2022</th>
<th>Building FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Tuition</td>
<td></td>
<td>$47,331</td>
<td>$34,930</td>
</tr>
<tr>
<td>Less: Capital Fees Retained by the Board</td>
<td></td>
<td></td>
<td>(828)</td>
</tr>
<tr>
<td>Investment Earnings</td>
<td></td>
<td></td>
<td>300</td>
</tr>
<tr>
<td><strong>Total Funding Sources</strong></td>
<td></td>
<td><strong>$47,331</strong></td>
<td><strong>$34,402</strong></td>
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## Uses:

<table>
<thead>
<tr>
<th>Uses</th>
<th>New Project</th>
<th>Building FY 2022</th>
<th>Building FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>New construction - Land Improvements</td>
<td>X</td>
<td>10,000</td>
<td>-</td>
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<tr>
<td>Asset Preservation - Building Improvements</td>
<td>X</td>
<td>10,000</td>
<td>12,400</td>
</tr>
<tr>
<td>Misc. Repairs &amp; Alterations</td>
<td>X</td>
<td>33,745</td>
<td>33,375</td>
</tr>
<tr>
<td><strong>Total Uses of Funds</strong></td>
<td></td>
<td><strong>$53,745</strong></td>
<td><strong>$45,775</strong></td>
</tr>
</tbody>
</table>

## Balances

<table>
<thead>
<tr>
<th>Balances</th>
<th></th>
<th>Building FY 2022</th>
<th>Building FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Change in Capital Balances</td>
<td></td>
<td>(6,414)</td>
<td>(11,373)</td>
</tr>
<tr>
<td>Beginning Cash Capital Balances</td>
<td></td>
<td>$295,156</td>
<td>$288,742</td>
</tr>
<tr>
<td>Ending Cash Capital Balances</td>
<td></td>
<td>$288,742</td>
<td>$277,369</td>
</tr>
<tr>
<td></td>
<td>April 30, 2021</td>
<td>June 30, 2021</td>
<td>April 30, 2022</td>
</tr>
<tr>
<td>------------------------------</td>
<td>----------------</td>
<td>--------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Cash Balance - Current Assets</td>
<td>$2,161,006</td>
<td>$3,762,070</td>
<td>$3,116,217</td>
</tr>
<tr>
<td>Annual Operating Expenses</td>
<td>$4,178,228</td>
<td>$5,154,738</td>
<td>$3,948,956</td>
</tr>
<tr>
<td>Number of Days cash on hand</td>
<td>189</td>
<td>266</td>
<td>288</td>
</tr>
</tbody>
</table>

* Proj 06/30/22 Cash Bal-Curr Assets includes FY23 State Appropriations $2,264,340
# West Virginia Council for Community and Technical College Education
## Cash Operating Budget Analysis
### Fiscal Year 2023
#### Mountwest Community and Technical College

<table>
<thead>
<tr>
<th></th>
<th>FY 2022 YTD Actual</th>
<th>FY 2022 Budget</th>
<th>FY 2023 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>$2,093,722</td>
<td>$3,700,000</td>
<td>$3,044,000</td>
</tr>
<tr>
<td>Sales and Services of Educational Activities</td>
<td>730</td>
<td>2,500</td>
<td>2,500</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>334,545</td>
<td>135,000</td>
<td>151,300</td>
</tr>
<tr>
<td>Service Agreement Revenues</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other Operating Revenues</td>
<td>27,778</td>
<td>80,000</td>
<td>10,000</td>
</tr>
<tr>
<td>State Appropriations</td>
<td>4,857,894</td>
<td>6,391,967</td>
<td>6,716,176</td>
</tr>
<tr>
<td>Investment income</td>
<td>2,584</td>
<td>35,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Gifts</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other Nonoperating revenues</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>$7,317,253</td>
<td>$10,344,467</td>
<td>$9,928,976</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 2022 YTD Actual</th>
<th>FY 2022 Budget</th>
<th>FY 2023 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL EXPENSES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>$4,779,979</td>
<td>$6,654,385</td>
<td>$5,991,180</td>
</tr>
<tr>
<td>Benefits</td>
<td>1,079,776</td>
<td>1,530,509</td>
<td>1,460,524</td>
</tr>
<tr>
<td>Supplies and Other Services</td>
<td>2,175,736</td>
<td>2,650,000</td>
<td>2,586,000</td>
</tr>
<tr>
<td>Scholarships and Fellowships - E&amp;G Funded</td>
<td>8,106</td>
<td>50,000</td>
<td>25,000</td>
</tr>
<tr>
<td>Assessments by the Council for operations (HERA)</td>
<td>33,430</td>
<td>83,000</td>
<td>64,000</td>
</tr>
<tr>
<td>Other Operating Expenses</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Cost of Services provided to other institutions</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Waivers in Support of Other Institutions - Cash</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td>$8,306,143</td>
<td>$11,267,894</td>
<td>$10,426,704</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 2022 YTD Actual</th>
<th>FY 2022 Budget</th>
<th>FY 2023 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase / Decrease in Net Assets</td>
<td>($988,890)</td>
<td>($923,427)</td>
<td>($497,728)</td>
</tr>
<tr>
<td>Beginning Fund Balances (E&amp;G Tuition and Auxiliary)</td>
<td>8,944,258</td>
<td>8,944,258</td>
<td>8,020,831</td>
</tr>
<tr>
<td>Ending Fund Balances (E&amp;G Tuition and Auxiliary Fees)</td>
<td>7,955,368</td>
<td>8,020,831</td>
<td>7,523,104</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 2022 YTD Actual</th>
<th>FY 2022 Budget</th>
<th>FY 2023 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected Ending Fund Balances as a % of Total Operating Expenses</td>
<td>71.18%</td>
<td>72.15%</td>
<td></td>
</tr>
</tbody>
</table>
### West Virginia Council for Community and Technical College Education Capital Budget
#### Mountwest Community and Technical College

<table>
<thead>
<tr>
<th>Description</th>
<th>New Project</th>
<th>Building FY 2022</th>
<th>Budget FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>E&amp;G Capital Fees, Student Tuition</td>
<td></td>
<td>$467,500</td>
<td>$418,000</td>
</tr>
<tr>
<td><strong>Total Funding Sources</strong></td>
<td></td>
<td><strong>$467,500</strong></td>
<td><strong>$418,000</strong></td>
</tr>
</tbody>
</table>

#### Uses:

<table>
<thead>
<tr>
<th>Description</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher Education Resource Assessment (HERA - System)</td>
<td></td>
<td>81,000</td>
<td>64,000</td>
</tr>
<tr>
<td>Deferred Maintenance Projects</td>
<td></td>
<td>250,000</td>
<td>200,000</td>
</tr>
<tr>
<td>Payment of Institutional Debt</td>
<td></td>
<td>234,743</td>
<td></td>
</tr>
<tr>
<td>Program Improvement Projects</td>
<td></td>
<td>250,000</td>
<td>154,000</td>
</tr>
<tr>
<td><strong>Total Uses of Funds</strong></td>
<td></td>
<td><strong>$815,743</strong></td>
<td><strong>$418,000</strong></td>
</tr>
</tbody>
</table>

#### Balances

<table>
<thead>
<tr>
<th>Description</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Change in Capital Balances</td>
<td></td>
<td>$(348,243)</td>
<td>$(                )</td>
</tr>
<tr>
<td>Beginning Cash Capital Balances</td>
<td></td>
<td>$(819,217)</td>
<td>$(470,974)</td>
</tr>
<tr>
<td>Ending Cash Capital Balances</td>
<td></td>
<td>$(470,974)</td>
<td>$(470,974)</td>
</tr>
</tbody>
</table>
West Virginia Council for Community and Technical College Education
Cash Balances
Mountwest Community and Technical College

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Balance - Current Assets</td>
<td>$10,580,043</td>
<td>$8,944,285</td>
<td>$9,400,000</td>
<td>$6,500,000</td>
</tr>
<tr>
<td>Annual Operating Expenses</td>
<td>$8,956,347</td>
<td>$10,927,028</td>
<td>$8,900,000</td>
<td>$9,000,000</td>
</tr>
<tr>
<td>Number of Days cash on hand</td>
<td>431</td>
<td>299</td>
<td>386</td>
<td>264</td>
</tr>
</tbody>
</table>
# West Virginia Council for Community and Technical College Education
## Cash Operating Budget Analysis
### Fiscal Year 2023
#### New River Community and Technical College

<table>
<thead>
<tr>
<th></th>
<th>FY 2022 YTD Actual</th>
<th>FY 2022 Budget</th>
<th>FY 2023 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>$4,906,422</td>
<td>$5,051,358</td>
<td>$5,342,517</td>
</tr>
<tr>
<td>Sales and Services of Educational Activities</td>
<td>89,022</td>
<td>171,000</td>
<td>100,000</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Service Agreement Revenues</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other Operating Revenues</td>
<td>83,830</td>
<td>40,000</td>
<td>75,000</td>
</tr>
<tr>
<td>State Appropriations</td>
<td>5,864,886</td>
<td>5,864,886</td>
<td>6,088,539</td>
</tr>
<tr>
<td>Investment income</td>
<td>562</td>
<td>10,700</td>
<td>2,000</td>
</tr>
<tr>
<td>Gifts</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other Nonoperating revenues</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>$10,944,722</td>
<td>$11,137,944</td>
<td>$11,608,056</td>
</tr>
</tbody>
</table>

|                      |                    |                |                |
| **TOTAL EXPENSES:**  |                    |                |                |
| Salaries and Wages   | $5,541,945         | $6,800,000     | $7,090,000     |
| Benefits             | 1,433,325          | 1,700,000      | 1,772,500      |
| Utilities            | 394,156            | 300,000        | 400,000        |
| Supplies and Other Services | 1,837,442        | 2,283,194      | 2,293,722      |
| Scholarships and Fellowships - E&G Funded | 49,754          | 0              | 0              |
| Assessments by the Council for operations (HERA) | 54,750            | 51,834         |
| Other Operating Expenses | 0                  | 0              | 0              |
| Cost of Services provided to other institutions | 0                  | 0              | 0              |
| Waivers in Support of Other Institutions - Cash | 0                  | 0              | 0              |
| **TOTAL OPERATING EXPENSES** | $9,256,622        | $11,137,944    | $11,608,056    |

<table>
<thead>
<tr>
<th></th>
<th>FY 2022 YTD Actual</th>
<th>FY 2022 Budget</th>
<th>FY 2023 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Increase / Decrease in Net Assets</strong></td>
<td>$1,688,100</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Beginning Fund Balances (E&amp;G Tuition and Auxiliary)</strong></td>
<td>625,179</td>
<td>625,179</td>
<td>625,179</td>
</tr>
<tr>
<td><strong>Ending Fund Balances (E&amp;G Tuition and Auxiliary Fees)</strong></td>
<td>2,313,279</td>
<td>625,179</td>
<td>625,179</td>
</tr>
<tr>
<td><strong>Projected Ending Fund Balances as a % of Total Operating Expenses</strong></td>
<td>5.61%</td>
<td>5.39%</td>
<td></td>
</tr>
</tbody>
</table>
# West Virginia Council for Community and Technical College Education
## Capital Budget
### New River Community and Technical College

<table>
<thead>
<tr>
<th>Description</th>
<th>New Project</th>
<th>Building</th>
<th>Budget FY 2022</th>
<th>Budget FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding Sources:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Capital Balances</td>
<td></td>
<td></td>
<td>$215,000</td>
<td>$225,000</td>
</tr>
<tr>
<td>Total Funding Sources</td>
<td></td>
<td></td>
<td>$215,000</td>
<td>$225,000</td>
</tr>
<tr>
<td>Uses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental Property</td>
<td></td>
<td></td>
<td>214,764</td>
<td>221,964</td>
</tr>
<tr>
<td>Total Uses of Funds</td>
<td></td>
<td></td>
<td>$214,764</td>
<td>$221,964</td>
</tr>
<tr>
<td>Balances</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Change in Capital Balances</td>
<td></td>
<td></td>
<td>$236</td>
<td>$3,036</td>
</tr>
<tr>
<td>Beginning Cash Capital Balances</td>
<td></td>
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<td></td>
<td>$236</td>
</tr>
<tr>
<td>Ending Cash Capital Balances</td>
<td></td>
<td></td>
<td>$236</td>
<td>$3,272</td>
</tr>
</tbody>
</table>
### West Virginia Council for Community and Technical College Education
#### Cash Balances

#### New River Community and Technical College

<table>
<thead>
<tr>
<th></th>
<th>April 30, 2021</th>
<th>June 30, 2021</th>
<th>April 30, 2022</th>
<th>Projected June 30, 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Balance - Current Assets</td>
<td>$1,696,496</td>
<td>$1,236,979</td>
<td>$2,873,107</td>
<td>$940,498</td>
</tr>
<tr>
<td>Annual Operating Expenses</td>
<td>$10,768,331</td>
<td>$10,865,657</td>
<td>$11,107,946</td>
<td>$11,137,944</td>
</tr>
<tr>
<td>Number of Days cash on hand</td>
<td>58</td>
<td>42</td>
<td>94</td>
<td>31</td>
</tr>
<tr>
<td></td>
<td>FY 2022</td>
<td>FY 2022</td>
<td>FY 2023</td>
<td></td>
</tr>
<tr>
<td>------------------------------------------------------------</td>
<td>----------</td>
<td>----------</td>
<td>----------</td>
<td></td>
</tr>
<tr>
<td></td>
<td>31-Mar-22</td>
<td>Budget</td>
<td>Budget</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>$5,941,625</td>
<td>$7,546,982</td>
<td>$7,546,982</td>
<td></td>
</tr>
<tr>
<td>State/Local Grants and Contracts</td>
<td>$1,500</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>Sales and Services of Educational Activities</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
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<tr>
<td>Auxiliary Enterprises</td>
<td>$534,927</td>
<td>$505,379</td>
<td>$505,379</td>
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<tr>
<td>Service Agreement Revenues</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
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<tr>
<td>Other Operating Revenues</td>
<td>$87,601</td>
<td>$517,628</td>
<td>$472,137</td>
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<tr>
<td>State Appropriations</td>
<td>$5,239,486</td>
<td>$7,820,129</td>
<td>$8,119,152</td>
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<tr>
<td>Investment income</td>
<td>$1,980</td>
<td>$69,846</td>
<td>$69,846</td>
<td></td>
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<tr>
<td>Gifts</td>
<td>$0</td>
<td>$102,700</td>
<td>$102,700</td>
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<tr>
<td>Other Nonoperating Revenues (HEERF Funding)</td>
<td>$816,341</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>$12,623,460</td>
<td>$16,562,664</td>
<td>$16,816,196</td>
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</tr>
<tr>
<td><strong>TOTAL EXPENSES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>$4,700,969</td>
<td>$7,434,986</td>
<td>$7,499,790</td>
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<tr>
<td>Benefits</td>
<td>$981,085</td>
<td>$1,740,980</td>
<td>$1,732,292</td>
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<tr>
<td>Utilities</td>
<td>$158,366</td>
<td>$148,790</td>
<td>$181,512</td>
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<tr>
<td>Supplies and Other Services</td>
<td>$3,344,356</td>
<td>$5,286,158</td>
<td>$6,262,993</td>
<td></td>
</tr>
<tr>
<td>Scholarships and Fellowships - E&amp;G Funded</td>
<td>$151,619</td>
<td>$248,252</td>
<td>$248,252</td>
<td></td>
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<tr>
<td>Loan Cancellations and write-off</td>
<td>$16,133</td>
<td>$100,000</td>
<td>$100,000</td>
<td></td>
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<tr>
<td>Assessments by the Council for operations (HERA)</td>
<td>$70,179</td>
<td>$101,407</td>
<td>$101,407</td>
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<tr>
<td>Other Operating Expenses</td>
<td>$43,016</td>
<td>$76,312</td>
<td>$76,312</td>
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<tr>
<td>Cost of Services provided to other institutions</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
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<tr>
<td>Assessment for E&amp;G Capital &amp; Debt Service Costs</td>
<td>$0</td>
<td>$515,145</td>
<td>$0</td>
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<tr>
<td>Transfers for Financial Aid Match and Other Transfers</td>
<td>$405,682</td>
<td>$448,165</td>
<td>$88,638</td>
<td></td>
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<tr>
<td>Depreciation</td>
<td>$0</td>
<td>$400,000</td>
<td>$400,000</td>
<td></td>
</tr>
<tr>
<td>Waivers in Support of Other Institutions - Cash</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td>$9,871,405</td>
<td>$16,500,195</td>
<td>$16,691,196</td>
<td></td>
</tr>
<tr>
<td>Increase / Decrease in Net Assets</td>
<td>$2,752,055</td>
<td>$62,469</td>
<td>$125,000</td>
<td></td>
</tr>
<tr>
<td>Beginning Fund Balances (E&amp;G Tuition and Auxiliary)</td>
<td>5,609,371</td>
<td>5,609,371</td>
<td>5,671,840</td>
<td></td>
</tr>
<tr>
<td>Ending Fund Balances (E&amp;G Tuition and Auxiliary Fees)</td>
<td>8,361,426</td>
<td>5,671,840</td>
<td>5,796,840</td>
<td></td>
</tr>
<tr>
<td>Projected Ending Fund Balances as a % of Total Operating Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### West Virginia Council for Community and Technical College Education
#### Capital Budget
**Pierpont Community & Technical College**

<table>
<thead>
<tr>
<th>Funding Sources:</th>
<th>New Project</th>
<th>Building FY 2022</th>
<th>Building FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pierpoint - E&amp;G Cap &amp; Infrastructure*</td>
<td></td>
<td>$515,546</td>
<td>$607,072</td>
</tr>
<tr>
<td>State Appropriations to support costs of Separation from FSU</td>
<td></td>
<td>$796,526</td>
<td>$1,703,474</td>
</tr>
<tr>
<td>Council Funding Designated for Expansion - Vet Tech</td>
<td></td>
<td>$250,000</td>
<td>$850,000</td>
</tr>
<tr>
<td><strong>Total Funding Sources</strong></td>
<td></td>
<td><strong>$1,562,072</strong></td>
<td><strong>$3,160,546</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Uses:</th>
<th>X Vet Tech Facility</th>
<th>$346,526</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vet Tech Remodel and Expansion</td>
<td>X Vet Tech Facility</td>
<td>$450,000</td>
</tr>
<tr>
<td>Master Facility Plan</td>
<td>Campus Wide</td>
<td>$110,000</td>
</tr>
<tr>
<td>Culinary Relocation</td>
<td>X Leased</td>
<td>$250,000</td>
</tr>
<tr>
<td>Pierpoint Small Capital Projects</td>
<td>Campus Wide</td>
<td>$100,000</td>
</tr>
<tr>
<td>Early Childhood @ Caperton Design Work</td>
<td>Caperton Center</td>
<td>$25,000</td>
</tr>
<tr>
<td>Early Childhood @ Caperton Remodel</td>
<td>X Caperton Center</td>
<td>$-</td>
</tr>
<tr>
<td>HEPC Debt Service</td>
<td></td>
<td>$270,546</td>
</tr>
<tr>
<td>Vet Tech Relocation</td>
<td>Vet Tech Facility</td>
<td>$10,000</td>
</tr>
<tr>
<td>Aviation Center Design Work</td>
<td>X New Building</td>
<td>$-</td>
</tr>
<tr>
<td><strong>Total Uses of Funds</strong></td>
<td></td>
<td><strong>$1,562,072</strong></td>
</tr>
</tbody>
</table>

| Balances | | $ | - |
|----------------||----------|----------|
| Net Change in Capital Balances | | $ | - |
| Beginning Cash Capital Balances | | $3,107,032 | $895,018 |
| Ending Cash Capital Balances | | $3,107,032 | $895,018 |
## West Virginia Council for Community and Technical College Education
### Cash Balances
#### Pierpont Community & Technical College

<table>
<thead>
<tr>
<th></th>
<th>April 30, 2021</th>
<th>June 30, 2021</th>
<th>April 30, 2022</th>
<th>Projected June 30, 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Balance - Current Assets</td>
<td>$5,838,405</td>
<td>$7,495,168</td>
<td>$10,678,207</td>
<td>$10,881,828</td>
</tr>
<tr>
<td>Annual Operating Expenses</td>
<td>$9,160,028</td>
<td>$13,930,376</td>
<td>$9,871,405</td>
<td>$16,100,195</td>
</tr>
<tr>
<td>Number of Days cash on hand</td>
<td>233</td>
<td>196</td>
<td>395</td>
<td>247</td>
</tr>
</tbody>
</table>
## West Virginia Council for Community and Technical College Education

### Cash Operating Budget Analysis

**Fiscal Year 2023**

**Southern WV Community & Technical College**

<table>
<thead>
<tr>
<th></th>
<th>FY 2022 YTD Actual</th>
<th>FY 2022 Budget</th>
<th>FY 2023 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>$4,003,674</td>
<td>$5,102,000</td>
<td>$5,324,000</td>
</tr>
<tr>
<td>Sales and Services of Educational Activities</td>
<td>0</td>
<td>0</td>
<td>425,000</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>34,207</td>
<td>40,000</td>
<td>40,000</td>
</tr>
<tr>
<td>Service Agreement Revenues</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other Operating Revenues</td>
<td>130,926</td>
<td>396,119</td>
<td>350,000</td>
</tr>
<tr>
<td>State Appropriations</td>
<td>8,241,823</td>
<td>8,241,823</td>
<td>8,557,086</td>
</tr>
<tr>
<td>Investment income</td>
<td>1,909</td>
<td>25,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Gifts</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other Nonoperating revenues</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>$12,412,539</td>
<td>$13,804,942</td>
<td>$14,711,086</td>
</tr>
</tbody>
</table>

|                      |                    |                |                |
| **TOTAL EXPENSES:**  |                    |                |                |
| Salaries and Wages   | $6,978,371         | $7,890,687     | $9,162,908     |
| Benefits             | 2,016,477          | 2,821,844      | 2,658,874      |
| Utilities            | 533,120            | 749,800        | 810,000        |
| Supplies and Other Services | 2,027,475       | 2,342,611      | 2,016,642      |
| Scholarships and Fellowships - E&G Funded | 0         | 0             | 0              |
| Assessments by the Council for operations (HERA) | 68,218     | 0             | 62,662         |
| Other Operating Expenses | 0             | 0             | 0              |
| Cost of Services provided to other institutions | 0          | 0             | 0              |
| Waivers in Support of Other Institutions - Cash | 0          | 0             | 0              |
| **TOTAL OPERATING EXPENSES** | $11,625,661    | $13,804,942    | $14,711,086    |

|                      | $786,878           | $0             | $0             |
| Increase / Decrease in Net Assets |                   |                |                |

|                      | 12,209,079         | 12,209,079     | 12,209,079     |
| Beginning Fund Balances (E&G Tuition and Auxiliary) |                   |                |                |

|                      | 12,995,957         | 12,209,079     | 12,209,079     |
| Ending Fund Balances (E&G Tuition and Auxiliary Fees) |                   |                |                |

<p>|                      | 88.44%             | 82.99%         |                |
| Projected Ending Fund Balances as a % of Total Operating Expenses |                   |                |                |</p>
<table>
<thead>
<tr>
<th>Description</th>
<th>New Project</th>
<th>Building</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition and Fees</td>
<td></td>
<td>$ 117,500 $ 237,600</td>
</tr>
<tr>
<td><strong>Total Funding Sources</strong></td>
<td></td>
<td>$ 117,500 $ 237,600</td>
</tr>
<tr>
<td>Campus Improvement Projects</td>
<td></td>
<td>112,500 215,000</td>
</tr>
<tr>
<td>HEPC Capital Assessment</td>
<td></td>
<td>5,000 5,000</td>
</tr>
<tr>
<td><strong>Total Uses of Funds</strong></td>
<td></td>
<td>$ 117,500 $ 220,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>New Project</th>
<th>Building</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Change in Capital Balances</strong></td>
<td></td>
<td>$ - $ 17,600</td>
</tr>
<tr>
<td>Beginning Cash Capital Balances</td>
<td></td>
<td>$ 371,192 $ 371,192</td>
</tr>
<tr>
<td>Ending Cash Capital Balances</td>
<td></td>
<td>$ 371,192 $ 388,792</td>
</tr>
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</table>
## West Virginia Council for Community and Technical College Education

### Cash Balances

**Southern WV Community & Technical College**

<table>
<thead>
<tr>
<th></th>
<th>April 30, 2021</th>
<th>June 30, 2021</th>
<th>April 30, 2022</th>
<th>Projected June 30, 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Balance - Current Assets</strong></td>
<td>$13,826,997</td>
<td>$12,926,997</td>
<td>$13,554,788</td>
<td>$12,654,788</td>
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<tr>
<td><strong>Annual Operating Expenses</strong></td>
<td>$10,922,680</td>
<td>$11,822,680</td>
<td>$11,625,661</td>
<td>$12,525,661</td>
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<tr>
<td><strong>Number of Days cash on hand</strong></td>
<td>462</td>
<td>399</td>
<td>426</td>
<td>369</td>
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</table>
## West Virginia Council for Community and Technical College Education
### Cash Operating Budget Analysis
#### Fiscal Year 2023
##### WV Northern Community & Technical College

<table>
<thead>
<tr>
<th></th>
<th>FY 2022</th>
<th>FY 2022 Budget</th>
<th>FY 2023 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>YTD Actual</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>$3,250,000</td>
<td>$4,207,854</td>
<td>$3,826,177</td>
</tr>
<tr>
<td>Sales and Services of Educational Activities</td>
<td>350,000</td>
<td>735,000</td>
<td>975,000</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Service Agreement Revenues</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other Operating Revenues</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>State Appropriations</td>
<td>6,678,673</td>
<td>7,176,538</td>
<td>7,580,697</td>
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<tr>
<td>Investment income</td>
<td>250,000</td>
<td>350,000</td>
<td>350,000</td>
</tr>
<tr>
<td>Gifts</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other Nonoperating revenues</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**TOTAL REVENUES**
$10,528,673 $12,469,392 $12,731,874

<table>
<thead>
<tr>
<th></th>
<th>FY 2022</th>
<th>FY 2022 Budget</th>
<th>FY 2023 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>$5,809,680</td>
<td>$7,653,167</td>
<td>$7,580,783</td>
</tr>
<tr>
<td>Benefits</td>
<td>1,340,573</td>
<td>1,896,792</td>
<td>2,024,867</td>
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<tr>
<td>Utilities</td>
<td>484,511</td>
<td>626,983</td>
<td>733,954</td>
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<tr>
<td>Supplies and Other Services</td>
<td>2,439,612</td>
<td>2,512,236</td>
<td>2,332,222</td>
</tr>
<tr>
<td>Scholarships and Fellowships - E&amp;G Funded</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Assessments by the Council for operations (HERA)</td>
<td>60,000</td>
<td>60,000</td>
<td>60,000</td>
</tr>
<tr>
<td>Other Operating Expenses</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Cost of Services provided to other institutions</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Waivers in Support of Other Institutions - Cash</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**TOTAL OPERATING EXPENSES**
$10,134,376 $12,749,178 $12,731,826

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase / Decrease in Net Assets</td>
<td>$394,297</td>
<td>($279,786)</td>
<td>$48</td>
</tr>
</tbody>
</table>

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Fund Balances (E&amp;G Tuition and Auxiliary)</td>
<td>9,833,699</td>
<td>9,800,000</td>
<td>9,520,214</td>
</tr>
<tr>
<td>Ending Fund Balances (E&amp;G Tuition and Auxiliary Fees)</td>
<td>10,227,996</td>
<td>9,520,214</td>
<td>9,520,262</td>
</tr>
</tbody>
</table>

**Projected Ending Fund Balances as a % of Total Operating Expenses**
74.67% 74.78%
<table>
<thead>
<tr>
<th>Description</th>
<th>New Project</th>
<th>Building FY 2022</th>
<th>Budget FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student (Tuition % and capital fee)</td>
<td></td>
<td>$613,862</td>
<td>$505,462</td>
</tr>
<tr>
<td>Reserves / Self-Funded</td>
<td></td>
<td>2,200,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Funding Sources</strong></td>
<td></td>
<td><strong>$2,813,862</strong></td>
<td><strong>$505,462</strong></td>
</tr>
</tbody>
</table>

| Uses:                                                  |             |                  |                |
| Classroom Investment (Furniture, remodel, computer equipment) |             | 119,934          | 190,000        |
| PC Replacements (1/5 total inventory)                   |             | 110,000          | 100,000        |
| IT Infrastructure (Network & Servers & Storage)         |             | 240,000          | 60,000         |
| Facility Repair & Maintenance                           |             | 1,023,452        |                |
| Parking / Outdoor Facilities                            |             |                  | 75,000         |
| Educational Support Facilities Upgrades                 |             |                  | 75,000         |
| **Total Uses of Funds**                                 |             | **$1,493,386**   | **$500,000**   |

<p>| Balances                                                |             |                  |                |
| Net Change in Capital Balances                          |             | $1,320,476        | $5,462         |
| Beginning Cash Capital Balances                         |             | $1,686,999        | $3,007,475     |
| Ending Cash Capital Balances                            |             | $3,007,475        | $3,012,937     |</p>
<table>
<thead>
<tr>
<th></th>
<th>April 30, 2021</th>
<th>June 30, 2021</th>
<th>April 30, 2022</th>
<th>Projected June 30, 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Balance - Current Assets</td>
<td>$11,125,540</td>
<td>$11,045,670</td>
<td>$8,738,450</td>
<td>$8,600,000</td>
</tr>
<tr>
<td>Annual Operating Expenses</td>
<td>$12,500,000</td>
<td>$12,500,000</td>
<td>$12,500,000</td>
<td>$12,731,826</td>
</tr>
<tr>
<td>Number of Days cash on hand</td>
<td>325</td>
<td>323</td>
<td>255</td>
<td>247</td>
</tr>
</tbody>
</table>
## West Virginia Council for Community and Technical College Education
### Cash Operating Budget Analysis
#### Fiscal Year 2023

**West Virginia University at Parkersburg**

<table>
<thead>
<tr>
<th></th>
<th>FY 2022 YTD Actual</th>
<th>FY 2022 Budget</th>
<th>FY 2023 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>$7,695,347</td>
<td>$7,600,000</td>
<td>$7,400,000</td>
</tr>
<tr>
<td>Sales and Services of Educational Activities</td>
<td>220,954</td>
<td>338,000</td>
<td>275,000</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>67,780</td>
<td>200,000</td>
<td>200,000</td>
</tr>
<tr>
<td>Service Agreement Revenues</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other Operating Revenues</td>
<td>488,399</td>
<td>869,881</td>
<td>323,546</td>
</tr>
<tr>
<td>State Appropriations</td>
<td>10,164,495</td>
<td>10,164,495</td>
<td>10,799,686</td>
</tr>
<tr>
<td>Investment income</td>
<td>3,486</td>
<td>90,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Gifts</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other Nonoperating revenues (Covid Relief Funds for Revenue Losses)</td>
<td>749,785</td>
<td>1,000,000</td>
<td>900,000</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>$19,390,246</td>
<td>$20,262,376</td>
<td>$19,908,232</td>
</tr>
</tbody>
</table>

|                      |                    |                |                |
| **TOTAL EXPENSES:**  |                    |                |                |
| Salaries and Wages   | $10,286,642        | $11,987,710    | $12,037,823    |
| Benefits             | 2,584,405          | 3,506,054      | 3,053,685      |
| Utilities            | 448,114            | 679,760        | 687,460        |
| Supplies and Other Services | 3,847,982       | 3,859,449      | 3,686,361      |
| Scholarships and Fellowships - E&G Funded | 0               | 0             | 0             |
| Assessments by the Council for operations (HERA) | 102,362         | 106,500       | 106,500       |
| Other Operating Expenses | 525,860         | 742,903        | 636,403        |
| Cost of Services provided to other institutions | 0               | 0             | 0             |
| Waivers in Support of Other Institutions - Cash | 0               | 0             | 0             |
| **TOTAL OPERATING EXPENSES** | $17,795,365    | $20,882,376    | $20,208,232    |

|                      |                    |                |                |
| **Increase / Decrease in Net Assets** | $1,594,881     | ($620,000)     | ($300,000)     |

| **Beginning Fund Balances (E&G Tuition and Auxiliary)** | 23,734,406 | 21,032,632 | 23,903,697 |

| **Ending Fund Balances (E&G Tuition and Auxiliary Fees)** | 25,329,287 | 23,903,697 | 23,603,697 |

**Projected Ending Fund Balances as a % of Total Operating Expenses** | 114.47% | 116.80% |
# West Virginia Council for Community and Technical College Education
## Capital Budget
### West Virginia University at Parkersburg

<table>
<thead>
<tr>
<th>Description</th>
<th>New Project</th>
<th>Building FY 2022</th>
<th>Budget FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Funding Sources:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital E&amp;G Fees</td>
<td></td>
<td>$450,000</td>
<td>$450,000</td>
</tr>
<tr>
<td>Use of ARPA Funds</td>
<td></td>
<td>-</td>
<td>763,349</td>
</tr>
<tr>
<td>Use of Prior Year Reserves</td>
<td></td>
<td>100,000</td>
<td>700,000</td>
</tr>
<tr>
<td><strong>Total Funding Sources</strong></td>
<td></td>
<td>$550,000</td>
<td>$1,913,349</td>
</tr>
<tr>
<td><strong>Uses:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Office Renovations</td>
<td>X</td>
<td></td>
<td>680,420</td>
</tr>
<tr>
<td>Clinic space renovations</td>
<td>X</td>
<td></td>
<td>359,689</td>
</tr>
<tr>
<td>Activities Wing Foundation Repair</td>
<td>X</td>
<td>150,000</td>
<td>250,000</td>
</tr>
<tr>
<td>Flooring, including asbestos removal</td>
<td></td>
<td></td>
<td>85,000</td>
</tr>
<tr>
<td>Multimedia Production Room</td>
<td></td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>Siding &amp; Window Replacement</td>
<td></td>
<td>160,000</td>
<td></td>
</tr>
<tr>
<td>EIFS Siding Replacement</td>
<td></td>
<td>140,000</td>
<td></td>
</tr>
<tr>
<td>Riverhawk Farm Restoration</td>
<td>X</td>
<td></td>
<td>500,000</td>
</tr>
<tr>
<td>Other TBD</td>
<td></td>
<td>60,000</td>
<td>38,240</td>
</tr>
<tr>
<td><strong>Total Uses of Funds</strong></td>
<td></td>
<td>$550,000</td>
<td>$1,913,349</td>
</tr>
</tbody>
</table>

<p>| <strong>Balances</strong>                              |             |                 |                |
| Net Change in Capital Balances            |             | $-              | $-             |
| Beginning Cash Capital Balances           |             | $161,910        | $161,910       |
| Ending Cash Capital Balances              |             | $161,910        | $161,910       |</p>
<table>
<thead>
<tr>
<th></th>
<th>April 30, 2021</th>
<th>June 30, 2021</th>
<th>April 30, 2022</th>
<th>Projected June 30,2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Operating Expenses</td>
<td>$15,658,453</td>
<td>$21,153,379</td>
<td>$17,795,365</td>
<td>$20,882,376</td>
</tr>
<tr>
<td>Number of Days cash on hand</td>
<td>553</td>
<td>412</td>
<td>520</td>
<td>413</td>
</tr>
</tbody>
</table>
ITEM: WV Council for Community and Technical College Education Fiscal Year 2023 Operating Budget

INSTITUTIONS: WV Council for Community and Technical College Education System Office

RECOMMENDED RESOLUTION: Resolved, That the West Virginia Council for Community and Technical College Education approves the operating budget for the Council System Office for fiscal year 2023.

STAFF MEMBER: Ed Magee

BACKGROUND:

This request is for the approval of the proposed operating budget of the Council System Office for fiscal year 2023. General revenue appropriations will be utilized for the operating expenses of the office, funding for full-time staff members, and funding system initiatives.

The recommendation is to approve the fiscal year 2023 operating budget as presented below.

| West Virginia Council for Community and Technical College Education FY 2023 Budget |
|-----------------|-----------------|-----------------|-----------------|-----------------|
| Appropriations and Revenues | Total | Operating Expenses | Institution Support | Financial Aid |
| General Revenue and Lottery Appropriations | $15,804,928 | $983,675 | $7,870,793 | $6,950,460 |
| Fees from Higher Education Institutions | $569,087 | 44,012 | 525,075 |
| Grants and Contracts | | | | |
| Federal | 2,300,000 | 140,493 | 2,159,507 |
| State | 3,751,930 | 667,482 | 3,084,448 |
| Private | 0 | 0 | |
| Total Operating Appropriations and Revenues | 22,425,945 | 1,835,662 | 13,639,823 | 6,950,460 |
| Operating Expenses | | | | |
| Salaries and Wages | 1,173,233 | 1,173,233 | | |
| Fringe Benefits | 219,141 | 219,141 | | |
| Supplies and Other | 645,571 | 453,688 | 191,883 |
| Total Operating Expenses | 2,037,945 | 1,846,062 | 191,883 | 0 |
| Nonoperating Revenues (Expenses) | | | | |
| Investment Gain | 10,400 | 10,400 | | |
| Student Financial Aid and other payments * | (20,398,400) | (13,447,940) | (6,950,460) |
| Total Nonoperating Revenues (Expenses) | (20,388,000) | 10,400 | (13,447,940) | (6,950,460) |
| Revenues in Excess of Expenditures | $0 | $0 | $0 | $0 |
The programs for which the Council received state appropriations are listed below:

<table>
<thead>
<tr>
<th>Program</th>
<th>Total</th>
<th>Financial Aid and Institutional Support</th>
<th>Salaries and Fringe Benefits</th>
<th>Supplies and Other Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>College Transition Program</td>
<td>$278,222</td>
<td>$278,222</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community College Workforce Development</td>
<td>2,788,387</td>
<td>2,734,984</td>
<td>53,403</td>
<td></td>
</tr>
<tr>
<td>Technical Program Development</td>
<td>1,800,735</td>
<td>1,800,735</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transit Training Partnership</td>
<td>34,293</td>
<td>34,293</td>
<td></td>
<td></td>
</tr>
<tr>
<td>West Virginia Advance Workforce Development</td>
<td>3,121,387</td>
<td>3,022,559</td>
<td>98,828</td>
<td></td>
</tr>
<tr>
<td>West Virginia Council For Community and Technical College Education</td>
<td>744,232</td>
<td>591,531</td>
<td>152,701</td>
<td></td>
</tr>
<tr>
<td>West Virginia Invests Grant Program</td>
<td>7,037,672</td>
<td>6,950,460</td>
<td>81,458</td>
<td>5,754</td>
</tr>
<tr>
<td><strong>Total State Funding</strong></td>
<td><strong>$15,804,928</strong></td>
<td><strong>$14,821,253</strong></td>
<td><strong>$825,220</strong></td>
<td><strong>$158,455</strong></td>
</tr>
</tbody>
</table>

Of the budget for Supplies and other Services, 80% of the expenditures are budgeted in the following object codes:

<table>
<thead>
<tr>
<th>Expense</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising</td>
<td>20,000</td>
</tr>
<tr>
<td>Association Dues</td>
<td>$15,000</td>
</tr>
<tr>
<td>Contractual, professional and consulting services</td>
<td>$301,185</td>
</tr>
<tr>
<td>Computer Services</td>
<td>$17,605</td>
</tr>
<tr>
<td>Insurance</td>
<td>$18,371</td>
</tr>
<tr>
<td>Hospitality</td>
<td>$40,000</td>
</tr>
<tr>
<td>Office Expenses</td>
<td>$17,463</td>
</tr>
<tr>
<td>Printing And Binding</td>
<td>$8,469</td>
</tr>
<tr>
<td>Training and Development</td>
<td>$12,500</td>
</tr>
<tr>
<td>Travel</td>
<td>$66,105</td>
</tr>
<tr>
<td>West Virginia Council for Community &amp; Technical Colleges</td>
<td>FY 2022 Total</td>
</tr>
<tr>
<td>---------------------------------------------------------</td>
<td>---------------</td>
</tr>
<tr>
<td>WV Council for Community &amp; Technical College Education</td>
<td>727,871</td>
</tr>
<tr>
<td>Community College Workforce Development</td>
<td>2,786,925</td>
</tr>
<tr>
<td>College Transition Program</td>
<td>278,222</td>
</tr>
<tr>
<td>Transit Training Partnership</td>
<td>34,293</td>
</tr>
<tr>
<td>WV Advanced Workforce Development</td>
<td>3,118,960</td>
</tr>
<tr>
<td>Technical Program Development</td>
<td>1,800,735</td>
</tr>
<tr>
<td>WV Invests Grant Program</td>
<td>7,034,748</td>
</tr>
<tr>
<td>Total Council</td>
<td>15,781,754</td>
</tr>
<tr>
<td>Blue Ridge Community and Technical College</td>
<td>7,830,842</td>
</tr>
<tr>
<td>BridgeValley Community and Technical College</td>
<td>8,098,811</td>
</tr>
<tr>
<td>Eastern WV Community and Technical College</td>
<td>2,179,912</td>
</tr>
<tr>
<td>Pierpont Community &amp; Technical College</td>
<td>7,620,129</td>
</tr>
<tr>
<td>Mountwest Community &amp; Technical College</td>
<td>6,489,307</td>
</tr>
<tr>
<td>New River Community &amp; Technical College</td>
<td>5,864,886</td>
</tr>
<tr>
<td>Southern WV Community &amp; Technical College</td>
<td>6,341,823</td>
</tr>
<tr>
<td>WV Northern Community &amp; Technical College</td>
<td>7,285,825</td>
</tr>
<tr>
<td>WVU - Parkersburg</td>
<td>10,319,284</td>
</tr>
<tr>
<td>Total Institutions</td>
<td>64,130,819</td>
</tr>
<tr>
<td>Total - WV Council for Community &amp; Technical Colleges:</td>
<td>79,912,573</td>
</tr>
</tbody>
</table>