Thank You for Joining.

The Event Will Begin Shortly.
## Event Overview

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Speakers/Representatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>1:00</td>
<td>Welcome &amp; Introductions</td>
<td>Andrew Ketsdever, Interim VP OSU-Cascades</td>
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<tr>
<td>1:15</td>
<td>The Opportunity in Central Oregon</td>
<td>Jon Stark, Interim CEO</td>
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<td>Don Myll, Bend Area Director EDCO</td>
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<tr>
<td>1:30</td>
<td>The Market Opportunity in Real Estate &amp; the Buildings in the Innovation District</td>
<td>Brian Fratzke, CCIM, Principal Broker Fratzke Commercial Real Estate Advisors</td>
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<tr>
<td>1:45</td>
<td>The Opportunity for Co-Location and Growing the Community</td>
<td>Kelly Sparks, Assoc. VP, Finance &amp; Strategic Planning Jarrod Penttila, Construction Project Manager OSU-Cascades</td>
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<tr>
<td>2:45</td>
<td>Q&amp;A</td>
<td>All Speakers</td>
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<td>Special Guest: Rod Ray, formerly of Bend Research</td>
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<td></td>
<td></td>
<td>Facilitator: Adam Krynicki, OSU-Cascades Innovation Co-Lab</td>
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*Adjusted Febr. 4th at 11:45 AM*
To ask your question, please use the controls in Zoom.

We will try to address your question during the Q&A.
Welcome & Introductions

Andrew Ketsdever
Interim Vice President
OSU-Cascades
The Opportunity in Central Oregon

Jon Stark
Interim CEO, EDCO

Don Myll
Bend Area Director, EDCO
OSU-Cascades Innovation District Market Sounding
February 4, 2022
OSU-Cascades Innovation District | A Prescription For Economic Development

- Access to workforce talent
- Fuels innovation
- Commercialization
- Interface between business and academics
Don Myll
Bend Area Director
EDCO
We help businesses Move, Start and Grow in Central Oregon.

• Focus efforts one CEO at a time to build a strong & diversified regional economy
• Recruit companies to Central Oregon
• Mentor scalable startups
• Help existing companies grow in the region
• Set the table - infrastructure for economic growth
Central Oregon’s Secret Sauce

- ‘Braggable’ Lifestyle
- Experienced and Trainable Workforce
- Strong Entrepreneurial Ecosystem
- Competitive Operating Costs
- Reliable Regional Infrastructure
- Balanced Economy
Four Consecutive Years - #1 Best Performing Small Metro in the U.S.

#1 BEST PERFORMING SMALL CITY

BEND-REDMOND, OREGON

MILKEN INSTITUTE'S 2020

#1 SMALL CITY FOUR YEARS IN A ROW

#1 FIVE YEAR WAGE GROWTH

#2 FIVE YEAR JOB GROWTH

Persistent National Recognition
Persistent National Recognition

#1 BEST PERFORMING SMALL CITIES
Milken Institute 2017, 2018, 2019 & 2020

#7 FASTEST JOB GROWTH IN THE U.S.
Forbes, 2019

#2 LEADING METRO LOCATIONS FOR 2017
Area Development 2017

#7 FASTEST GROWING GDP IN OREGON
BEA, 2019

#7 FASTEST GROWING CITIES IN THE U.S.
AdvisorSmith, 2020

#5 WORK FROM HOME CAPITAL IN THE U.S.
Census, 2019

#2 AMAZING TOWNS BEST EXPLORED BY BIKE
Buzzfeed, 2017

#8 15 BEST PLACES TO LIVE IN THE U.S.
New York Post, 2016

#8 FASTEST POPULATION GROWTH IN THE U.S.
Census, 2018

#1 BEST MULTI-SPORT TOWN
Outside Magazine, 2017

#1 COUNTY RECEIVING MOST INVESTMENT IN OREGON
SmartAsset, 2019
What Does the Innovation District Deliver?

- Expands workforce
- Links Innovation, research and economic development
- Continues to support our growing industries (bioscience, outdoor products, technology, engineering, and more)
- Build out of infrastructure
- Expands commercial / industrial land & building supply
- Foundation for new curriculum development
Incentives to Open the Door

- Oregon Regional Innovation Hub
- Bend Enterprise Zone
- Deschutes County Forgivable Loan Fund
- Multiple Business Oregon Programs
- Youth CareerConnect
The Innovation District is a Catalyst For Central Oregon’s Economic Success
Jon Stark, Interim CEO
Don Myll, Bend Area Director

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The Market Opportunity in Real Estate & the Buildings in the Innovation District

Brian Fratzke, CCIM

Principal Broker, Fratzke Commercial Real Estate Advisors
Oregon State University-Cascades

Innovation District Background
Innovation District, Scope Phase I

Construction of 255,500 Rentable Square Feet
6 Separate Multi-story Class A Structures

**Partner Building (55,000 RSF)**
- Four Story Building
- Flex Space/Lab Space/Office Component

**Assembly/Conference Facility (40,000 RSF)**
- Three Story Building
- Classroom/Instruction/Conference Center

**Partner Building (55,000 RSF)**
- Three Story Building
- Classroom/Lab/Experiential Space

**Partner Building (33,000 RSF)**
- Two Story Building
- Retail Experiential/Office/Classroom

**Partner Building (27,500 RSF)**
- Three Story Building
- Office/Retail Experiential Space

**Workforce Housing Facility (45,000 RSF)**
- Five-Story Building
- Housing/Classroom Instruction/Office
Current Inventory Levels for Bend, Oregon

Commercial Space for lease
Bend, Oregon
2-2-2022

- Industrial/Flex: 8,600 sq ft
- General Office: 175,558 sq ft
- Clinical/Medical: 35,000 sq ft
- Retail/Restaurant: 247,328 sq ft
Development Land in Bend, Oregon
Future Demand vs. Current Inventory, The Intrinsic Component

- Demand from future users who want modern amenities
- ADA compliant, energy efficient design and engineering
- Amenities to enjoy lifestyle and workstyle
- Ability to engage in social distancing while still engaging in collaborative thought and communication
- Safe and secure facilities
- Available parking for vehicles, bikes, multimodal transportation
- Highest speed connectivity
- Trained workforce ready to go to work today!
Thank You

CONTACT INFORMATION

Brian E. Fratzke, CCIM, Principal Broker
brian@fratcommercial.com

Fratzke Commercial Real Estate Advisors Inc.
963 SW Simpson Avenue, Suite 220
Bend, Oregon 97702

(541) 306-4948 Office
(541) 480-2526 Mobile

www.fratzkecommercial.com
The Opportunities for Co-Location and Growing the Community

Kelly Sparks
Associate VP, Finance & Strategic Planning for OSU-Cascades
University + Community Context
Campus Districts
Remediation of the site will continue to be managed under DEQ:
• Prospective Purchaser Agreement
• Health and Safety Plan
• Remedial Action Plan
• Subsurface Soil Management and Monitoring Plan
Illustrative Campus Plan

- The central campus buildings are organized around a bowl-shaped civic open space.
- Higher density located along eastern section and central core and organized around green spaces.
- Over 10 miles of connecting pathways between the buildings and across campus.
- Large wooded area to west end of campus
- Green open space buffers along the Mt. Washington and Simpson edges.
- The campus will be permeable and connected to the community.
Site Section East-West

- Buildings frame key open spaces
- Buildings help to step down slopes and provide accessible routes
Site Section North-South

- Buildings frame key open spaces
- Buildings help to step down slopes and provide accessible routes
Design Guidelines

Landscape

Architecture
Transportation & Parking
Assumptions and Analysis Approach

Generators of Trips

- **Campus Life**
- **Academic/Student Housing**
- **Middle Market Housing**
- **Mixed Use Partners**
Conservative Study Assumptions

- No trip reduction for TDM measures
  - OSU committed to Transportation & Parking Demand Management Plan (TPDM)
  - City Code allows 25% reduction based on TPDM Plan elements
    - Eligible to reduce more than 350 PM Peak trips

- TIA assumed more aggressive building development plan by phase
  - “Front-loaded” approach
    - More academic buildings assumed earlier than in Master Plan
    - TIA recommends mitigation measures earlier than trips will be realized per Master Plan

- TIA study intersections exceed Code requirements
Findings:

27 of 32 intersections satisfy standards with full Master Plan development

**AT BUILD-OUT**

- Green: Meets Standards
- Blue: Excees Standards without OSU-C
- Light Blue: Exceeds Standards with OSU-C
- Yellow: Left Turn Lane and Pedestrian Improvement
- Purple: Frontage Improvement
Parking

Parking per City Requirements with TDM reductions

Based on:

City of Bend Development Code: 1,766 spaces
Approximately 514 more spaces could be constructed if needed

Note that shared parking is anticipated but no reduction in total spaces assumed
Innovation District
What are Innovation Districts?

The Brookings Institution defines innovation districts as “geographic areas where leading-edge anchor institutions and companies cluster and connect with start-ups, business incubators and accelerators. They are also physically compact, transit-accessible, and technically-wired, and offer mixed-use housing, office and retail.”

Our Innovation District

With the Master Plan of the District already approved, the Innovation District will include tech, flex, office space, commercial, experiential retail, workforce housing, and assembly space.

<table>
<thead>
<tr>
<th>Total</th>
<th>Phase 1</th>
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<tbody>
<tr>
<td>24 Acre Development</td>
<td>8 Acre Development</td>
</tr>
<tr>
<td>855,400 sq ft.</td>
<td>255,500 Sq. ft</td>
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</tbody>
</table>

$34M to unlock the development by remediating the landfill, and installing critical infrastructure such as water, sewer, electric, roads, round-a-bout on Century Drive for access to the site, and conduit for future broadband.

The project will include buildings to support research, technology commercialization, incubation, and economic development organizations. Further the district will offer proximity to the OSU-Cascades student population, faculty, facilities, and other amenities.
## OSU-Cascades Innovation District

<table>
<thead>
<tr>
<th>Development Use</th>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Total</th>
</tr>
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<tbody>
<tr>
<td>Commercial/Retail/LI</td>
<td>115,500</td>
<td>513,200</td>
<td>628,700</td>
</tr>
<tr>
<td>Housing</td>
<td>45,000</td>
<td>45,000</td>
<td>90,000</td>
</tr>
<tr>
<td>Assembly</td>
<td>40,000</td>
<td>0</td>
<td>40,000</td>
</tr>
<tr>
<td>University research</td>
<td>55,000</td>
<td>54,000</td>
<td>109,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>255,500 sf</td>
<td>600,200 sf</td>
<td>855,200 sf</td>
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Innovation District Development Partner Targets

At a conceptual level, OSU-Cascades will prioritize District space use based on the key traded sector clusters, employers, and manufacturing in the region aligned to OSU-Cascades academic core competencies.

- High technology (software and hardware)
- Biotechnology (pharma and medical device)
- Healthcare
- Recreational/outdoor equipment and apparel
- Brewing and distilling
- Aerospace
- Tourism/hospitality
- Renewable Energy
Academic Programs Built to Align with Community Needs

Other existing Programs for comprehensive 4-year university: Psychology, American Studies; Education – shows up in K-12 school at the other end of site.
A Campus Built for Community

Spaces for on and off campus communities create bigger opportunities.
Imagine the Possibilities

- Advanced Research
- Workforce Housing
- Instructional Space
- Presentation Space
- Town square
- Commercial office space
- Core services
- Creation space
Imagine the integration of 300 beds of affordable and/or middle market housing serving student, faculty, staff, and the community. A childcare (early learning) center could be co-located on the main floor.
Imagine the possibility of a Hi-Tech partnership including software development firm(s), prototyping lab, and OSU-Cascades computer science experiential teaching space.
Imagine the possibility of an Outdoor Economy partnership, co-location of outdoor products companies, product design and testing lab, and an experiential retail space.
Imagine the possibility of an Innovation Hub with the co-location of the Co-Lab and innovation cultivators, shared retail amenities such retail banking, printing and mailing, business or IP legal services, an Innovation Café, and a virtual reality workforce training center.
Imagine the possibility of a Bio-Sciences partnership with a bio-tech firm(s) offices and flex space, OSU research labs and faculty offices, and shared equipment.
Imagine the possibility of a large assembly space serving performing arts, student engagement and/or conference services, a children’s interactive science museum, and an OSU-Cascades hospitality management program run restaurant lab for food and hospitality innovation.
Imagine a townhome or micro-housing development with 45 units nestled into the trees, serving workforce housing needs for the Innovation District and community.
Imagine access to university researchers, student interns, innovation cultivators, workforce housing, childcare, recreation facilities, assembly space, outdoor gardens, walking and bike paths, on-site energy production, and more.
Development Assumptions
Jarrod Penttila
Construction Project Manager, OSU-Cascades
Infrastructure

- Power
- Domestic Water
- Reclaimed Water Supply
- Sewer
- Data Conduits
- Heating/Cooling Water
- Natural Gas
- Storm water facilities
- Sidewalks
- Streets
- Parking
Infrastructure - Water

- Financial risk of vertical development
- Responsibility for ongoing leasing
- Balance sheet impact
Infrastructure – Heating and Cooling Water
Infrastructure – Roads and Parking

Building 1
140 Stalls

Building 2

Building 3

Building 4

Building 5

Building 6

300 Stalls
Development Timeline

- **Site Remediation**
  - 2022: Design
  - 2023: Construction

- **Infrastructure**
  - 2024: Design/Permit
  - 2025: Construction

- **Buildings**
  - 2026: Design/Permit
  - 2027: Construction

- 2028: 
- 2029: 
Development Assumptions

- OSU-Cascades will complete landfill remediation and install basic infrastructure
- Development options may include OSU as developer, master site developer, or individual building developer
- Development to meet design standards, energy plan, water plan, transportation demand management plan
- Potential access to shared amenities
- Pro-rata share of land and infrastructure development
Next Steps
Real Estate Development Concept Meetings

February 14, 9 am – 3 pm
February 15, 8 am - 3 pm
45 minute sessions
Mutual NDA

https://innovationdistrict.youcanbook.me/
Suggested Meeting Agenda

Discussion of your potential development concept:

• Why do you want to co-locate with OSU-Cascades?
• Is their planned engagement with a current or future academic program?
• Is there an opportunity for student engagement?
• What building or buildings, or gross square feet are of interest to you?
• What type of space are you seeking?
• What would be the general use of the space?
• Do you desire shared amenities? What amenities are you seeking?
• What are the high level business terms of your proposed opportunity?

Q&A

• What additional information do you need from OSU-Cascades?
Real Estate Development Concept Meetings

February 14, 9 am – 3 pm
February 15, 8 am - 3 pm
45 minute sessions
Mutual NDA

https://innovationdistrict.youcanbook.me/
Thank You

innovationdistrict@osucascades.edu