



Board of Education Informational Report

MEMORANDUM

Date: February 28, 2017

To: Members of the Board of Education

From: Yousef Awwad, Deputy Chief Executive Officer

Subject

- x That the Board and Superintendent by December 2017 be able to clearly articulate a short and long-term strategy that addresses all currently identified health, safety, and ADA issues;
- x That the Board has a clear plan on how the at least \$150 million of additional health and safety investments will be spent to first address all high-risk areas as a priority (lead paint, lead in water fixtures and pipes, radon, exposed asbestos, and a minimum level of acceptable fire protection with the rest of the remaining dollars to address other health, safety, and accessibility issues);
- x That the Board dedicate \$8 million in state matching funds to addressing additional health, safety, and accessibility needs, and communicate to the public that the \$8 million investment is on top of the \$790 million;
- x That the Board should request clarification from the Superintendent and staff about how investments in seismic upgrades are prioritized, and affirm its understanding that two effective ways to increase student and staff safety include full modernization and replacement of schools and adding or strengthening seismic bracing when roofs are replaced;
- x That the Board concludes that the school district's plan for 1,700 students at each of the existing and future high schools is well supported by current birth rates and kindergarten enrollments and that all high school spaces being rebuilt will be enrolled in a way that is balanced and the board is committed to boundary and policy changes to ensure that neighborhood and focus option high schools have sufficient enrollments to support a rigorous and diverse curriculum in a cost effective way in all geographic areas of the city;
- x That the bond package and public message associated with the bond measure should focus first on addressing critical safety and health issues, backed up by the message that modernizing our high schools comprehensively addresses health and safety issues in those buildings while also providing modern learning environments; and
- x That the Board acknowledges with gratitude the support of Portland voters for school bonds in 1995 and 2012 and commits to the continued modernization of schools to provide the health,

RESOLUTION NO. ____

A Resolution of Portland Public Schools, Multnomah County School District No. 1J, Multnomah County, Oregon, Calling a Measure Election to Submit to the Electors of the District the Question of Authorizing \$790,000,000 of General Obligation Bonds and Providing for Related Matters

RECITALS

- A. After an extensive public process, at its meeting on February 13, 2017, the Board directed PPS staff to develop a general obligation bond ballot measure and explanatory statement for the Preferred School Construction Bond Proposal and present those documents to the Board at its meeting on February 28, 2017, so that the Board might approve those documents prior to their submission to the county elections officer;
- B. In response to the Board's direction, PPS staff has developed the general obligation bond ballot measure that is attached as Exhibit A and the explanatory statement that is attached as Exhibit B; and
- C. If the measure passes, PPS is eligible for an \$8,000,000 grant under the Oregon Department of Education's Oregon School Capital Improvement Matching Program (the "Grant").
- D. Due to inadequate state funding for schools, PPS has prioritized use of General Fund money for its core educational mission, resulting in the deferral of major maintenance on its facilities, leading to secondary damage and increased facility costs.
- E. PPS recognizes that the condition of its facilities has a direct impact on the ability of teachers to teach and students to learn and succeed.
- F. PPS is committed to providing its students access to safe and healthy learning environments and with the same up-to-date technology, equipment and teaching approaches as students in schools with newer buildings so our students are prepared for life, college and career, and to meaningfully contribute to their communities.
- G. At the direction of the community in 2012, PPS adopted the Long Range Facilities Plan to modernize and improve schools through a series of capital construction bonds.
- H. In 2012, voters approved the first in the series: a \$482 million bond, which funded the modernization of Franklin, Grant and Roosevelt High Schools, and Faubion PreK-8 school, and funded projects at 52 schools, including upgraded science classrooms, new roofs, improved accessibility and seismic improvements.
- I. Lead testing in summer 2016 showed that all but one school had one or more cold water fixtures testing above the EPA action level. In addition, PPS staff assessed eleven areas of health and safety across the district, and determined there is approximately \$1.6 billion of need in areas that include reducing or eliminating exposure to hazardous materials districtwide, including lead, asbestos, and radon; upgrading fire alarm and sprinkler systems; increasing access to schools for people with disabilities; repairing or replacing leaking or deteriorating school roofs; upgrading school safety and security; and strengthening schools against earthquakes

- J. In 2017, PPS surveyed the community and convened a Bond Stakeholder Advisory Group (BSAG) to evaluate needs for the next bond.
- K. The BSAG recommended, and community feedback affirmed, a bond that would fund modernization of Benson, Lincoln, and Madi

- f. That the bond package and public message associated with the bond measure should focus first on addressing critical safety and health issues, backed up by the message that modernizing our high schools comprehensively

ADOPTED by the Board of Education of Portland Public Schools, Multnomah County School District No. 1J, Multnomah County, Oregon this [28th day of February, 2017.]

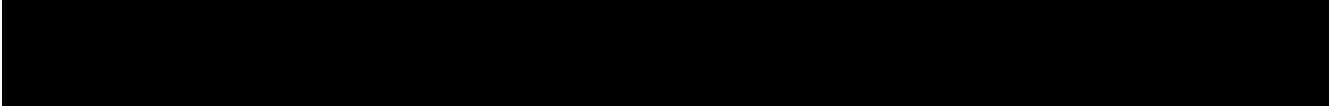
ATTEST: PORTLAND PUBLIC SCHOOLS
MULTNOMAH COUNTY, OREGON

By: _____
Deputy Clerk

By: _____
Chair, Board of Directors

Attachments:

- A. Exhibit A: Notice of Bond Election
- B. Exhibit B: Explanatory Statement



BONDS TO IMPROVE HEALTH, SAFETY, LEARNING BY REPAIRING, MODERNIZING SCHOOLS

QUESTION: Shall Portland Public Schools improve health and safety, build education facilities, repair and modernize schools, by issuing \$790,000,000 in bonds? If the bonds are approved, they will be payable from taxes on property or property ownership that are not subject to the limits of sections 11 and 11b, Article XI of the Oregon Constitution.

175 WORD SUMMARY: If approved this measure would finance or refinance capital costs, including projects that:

- x Reduce or eliminate exposure to hazardous materials districtwide, including lead, asbestos, and radon;
- x Upgrade fire alarm and/or sprinkler systems;
- x Improve accessibility for people with disabilities;
- x Repair or replace leaking or deteriorating school roofs;
- x Upgrade school safety and security;
- x Strengthen schools against earthquakes;
- x Renovate or replace schools, including Benson, Lincoln, Madison, and Kellogg, to improve health and safety and provide up-to-date classrooms and facilities, and increase access to technology and modern learning environments; and

Citizen accountability and oversight, including audits of bond projects and expenditures will be required.

Bonds may be issued in one or more series, with each series maturing in

PPS has adopted a Long-Range Facilities Plan to modernize and improve schools districtwide through a series of capital construction bonds. In 2012, voters approved a \$482 million bond, funding:

- x Modernization of Franklin, Grant, and Roosevelt High Schools, and Faubion PreK-8;
- x Projects at 52 additional schools—upgraded science classrooms, new roofs, improved accessibility and seismic improvements; and
- x Planning for upgrade of all high schools.

In 2017, PPS convened a Bond Stakeholder Advisory Group (BSAG) to evaluate needs for the next bond. The BSAG recommended, and community feedback affirmed, a bond that would fund modernization of Benson, Lincoln, and Madison High Schools and Kellogg Middle School, and at least \$150 million in health and safety projects at schools across the district.

What would the bond do?

The \$790,000,000 bond would fund renovations and additions at Benson and Madison High Schools, and full rebuilds of Lincoln High School and Kellogg Middle School. Approximately 30% of the budgets for these projects comprehensively address health and safety issues, including reducing exposure to hazardous materials, improving accessibility, and addressing fire safety. It would also begin planning for upgrade of Cleveland, Jefferson, and Wilson High Schools.

Additionally, at least \$150 million would fund district-wide health and safety projects, including:

- Replacing old pipes and fixtures to reduce lead, improve water quality, and reduce the need to use bottled water;
- Removing or encapsulating exposed lead paint and asbestos;
- Upgrading fire alarm and/or sprinkler systems;
- Repairing or replacing leaking or deteriorating school roofs;
- Improving accessibility for people with disabilities;
- Improving building foundations and ventilation to decrease radon exposure; and
- Strengthening school safety and security.

In addition, PPS will receive \$8 million in state capital matching funds if this measure is approved, for additional health and safety investments. If the bonds are not approved, funds will be awarded to another district.

What would the bond cost?

The average levy rate for this bond issue is estimated to be \$0.68 per \$1,000 of assessed value over 30 years. The levy rate is estimated to be \$1.40 per \$1,000 for the first four years, declining thereafter. For a house assessed at \$200,000 the initial annual cost would be about \$280. Overall average cost is \$136 annually. The total principal amount of bonds authorized by this measure cannot exceed \$790 million.

Accountability

An independent group of citizens from the community will review quarterly reports and audits of how the bond dollars are being spent to provide accountability to the public until construction is complete.

Submitted by
Emily Courtnage
Deputy Clerk
Portland Public Schools