

Special Meeting Minutes

Monday, August 3, 2020 5:15 PM

WebEx Virtual Meeting, 501 N. Dixon St., Portland, OR 97227

Attendance:

Present: Directors Bailey, Brim-Edwards, DePass, Lowery, Moore, Scott; Student Representative Shue, Superintendent Guadalupe Guerrero; General Counsel Liz Large

Absent: Director Kohnstamm

RESOLUTION NO. 6153: 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 \$1,208,000,000 of General Obligation Bonds and Providing for Related Matters

Motion to approve Resolution 6153, 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 \$1,208,000,000 of General Obligation Bonds and Providing for Related Matters. This motion, made by Director Julia Brim-Edwards and seconded by Director Michelle DePass, Passed. Yea: 6, Nay: 0, Absent: 1

Director Scott Bailey: Yea, Director Julia Brim-Edwards: Yea, Director Michelle DePass: Yea, Amy Kohnstamm: Absent, Director Eilidh Lowery: Yea, Rita Moore: Yea, Director Andrew Scott: Yea, Student Representative Shue: Yea (unofficial)

Motion to amend the resolution as proposed and posted prior to the meeting. This motion, made by Rita Moore and seconded by Director Julia Brim-Edwards, Passed. Yea: 6, Nay: 0, Absent: 1

Director Scott Bailey: Yea, Director Julia Brim-Edwards: Yea, Director Michelle DePass: Yea, Amy Kohnstamm: Absent, Director Eilidh Lowery: Yea, Rita Moore: Yea, Director Andrew Scott: Yea, Student Representative Shue: Yea (unofficial)

RESOLUTION NO. 6153

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 \$1,208,000,000 of General Obligation Bonds and Providing for Related Matters

RECITALS

A. After an extensive public process, at its meetings on July 14 and 21, 2020, the Board of Education directed PPS staff to develop a general obligation bond ballot measure and explanatory statement for the Capital Improvement Bond Proposal and present those documents to the Board at its meeting on July 28, 2020, for authorization for 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. PPS schools are in critical need of renovation and upgrade to provide students with modern learning facilities and to address unsafe conditions. On average, Portland Public Schools' buildings are nearly 80 years old. Some were built more than 100

years ago, before World War II. More than half were built before 1940. Before the 2012 bond, only two schools had been built in the last 35 years.

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 educators to teach and students to learn and succeed. This bond proposes to better ensure teaching and learning environments that take universal design into account, supported by technical consultation, and invests in classroom modifications, adaptations, and unique equipment for students with disabilities that promote inclusive practices.

F. PPS is committed to providing students across the district access to safe and healthy learning environments and with up-to-date technology, equipment, curriculum and instructional materials that enrich/enhance comprehensive, authentic, and rigorous learning opportunities, 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 other capital projects at 52 schools, including upgraded science classrooms, new roofs, improved accessibility, and seismic improvements.

I. Then in 2017, voters approved the second in the series: a \$790 million bond to fund the modernization of Benson, Lincoln, and Madison High Schools and Kellogg Middle School and addressed health and safety issues, including reducing exposure to hazardous materials and improving water quality, improving accessibility, and addressing fire safety.

J. Many schools are still in need of urgent repair and upgrades to provide students with modern learning environments and to address unsafe conditions. If approved by voters, the 2020 PPS Bond will continue progress toward the vision of improving every school over the long term, to make the district's schools modern, safe, accessible, and welcoming places for our students to learn and excel.

K. In alignment with the Long Range Facilities Plan for a series of capital construction bonds, this third bond is estimated to maintain the same tax rate until 2024, while Portland Public Schools continues to invest in safer, healthier schools.

L. To identify specific priorities for investment in the 2020 PPS Bond, PPS updated the original community engagement plan in recognition of the challenges of outreach during a global pandemic. PPS has shared information about proposed bond investments with PPS families and community members, surveyed the community, held a virtual town hall, and convened a series of focus groups with community-based organizations to reach and hear from communities of color.

M. Based on staff recommendations, supported by community feedback and driven by Portland Public Schools' core values and vision for its graduates, the Board has identified a bond option that includes funds to complete the building of Benson Polytechnic High School and the Multiple Pathways to Graduation programs, fully

modernize Jefferson High School, develop and begin implementation of the concept of a Center for Black Student Excellence, plan and design for additional capacity at Roosevelt High School, and finalize master planning and design of Cleveland High School and Wilson High School.

N. The District's Theory of Action is at the heart of the commitment to imagine a Center for Black Student Excellence, which will comprise a collective impact approach and constellation of school campuses and a set of strategies aimed at supporting improved student achievement outcomes in partnership with community partners. If PPS braids racial equity and social justice strategies into its core work, then the district will ensure that every student, especially Black and Native American students, will realize the vision of the graduate portrait.

O. In addition to the above school modernization and rebuild projects, the bond option includes funding for much needed educational improvements, including investments in curriculum and instructional materials, and critical technology upgrades, including devices (e.g. laptops, tablets, assistive technology) for students that support both distance and classroom learning.

P. The bond option also includes funding for critical health and safety improvements throughout the District, including at least \$33.8 million for improved accessibility for students, staff, and other people with disabilities; repairs or replacement of outdated roofs and mechanical systems; and improved seismic safety and school security systems.

Q. The Board acknowledges with gratitude the support of Portland voters for school bonds in 1995, 2012, and 2017 and commits to the continued modernization of schools to provide the health, safety, and learning opportunities that every child in Portland deserves.

RESOLUTION

NOW, THEREFORE, the Board of Education resolves as follows:

1. A measure election is hereby called for the purpose of submitting to the electors of PPS the question of issuing general obligations bonds in a principal amount not to exceed \$1,204,000 to modernize and repair schools (the "Bonds"). Bond proceeds will be used to finance capital costs as described in the attached Exhibit A (the "Bond Projects"). The measure election hereby called shall be held in the District on November 3, 2020. As authorized by the County Clerk of Multnomah County, Oregon, and the Oregon Secretary of State, the election shall be conducted by mail pursuant to ORS 254.465 and 254.470.

2. PPS authorizes the Board Chair, Superintendent, or the designee of either of those individuals (the "Authorized Representative") to take any actions necessary to place the measure in substantially the form that is attached as Exhibit A with such changes as the Authorized Representative may approve on the November 3, 2020 election ballot, and to place the explanatory statement in substantially the form that is attached as Exhibit B with such changes as the Authorized Representative may approve in the voter's pamphlet for that election. The Authorized Representative shall file the measure and explanatory statement with the elections officer of Multnomah County.

3. PPS hereby declares its official intent pursuant to Treasury Regulation Section 1.150-2 to reimburse itself with proceeds of the Bonds for capital costs of the Bond Projects that are paid prior to the issues of the Bonds and that are eligible to be financed with proceeds of the Bonds. This resolution is adopted as official action of PPS in order to comply with Section 1.150-2 of the Federal Income Tax Regulations.

4. This resolution supersedes Resolution No. 6151, approved July 28, 2020.

ADOPTED by the Board of Education of Portland Public Schools, Multnomah County School District No. 1J, Multnomah County, Oregon this 3rd day of August, 2020.

ATTEST: PORTLAND PUBLIC SCHOOLS
MULTNOMAH COUNTY, OREGON

By: _____
Deputy Clerk

By: _____
Chair, Board of Directors

Attachments:
Exhibit A: Notice of Bond Election
Exhibit B: Explanatory Statement

Exhibits A: Notice of Bond Election

CAPTION (10 words)

Bonds to Improve Health, Safety, Learning by Modernizing, Repairing Schools

QUESTION (20 words + required language)

Shall Portland Public Schools repair, modernize schools; replace technology, curriculum; by issuing bonds estimated to maintain current tax rate?

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.

SUMMARY (175 words)

Measure authorizes up to \$1.208 billion in principal amount of general obligation bonds for facilities and education investments. Measure is not expected to increase tax rates above previous targets, because debt service is scheduled to decline.

If approved, this measure would finance capital costs, including projects that:

- Provide curriculum materials, technology, accessibility improvements;
- Repair/replace roofs, mechanical systems;
- Renovate/replace schools, including Jefferson, Benson, a facility for alternative school programs; design renovation/replacement of Cleveland and Wilson; plan and design additional capacity;
- Develop a culturally-responsive community plan, make targeted investments in facilities in North/Northeast Portland;
- Strengthen building security; seismic safety.

Requires citizen accountability/oversight; independent audits of projects and expenditures.

Bonds may be issued in one or more series, with each series maturing in 30 years or less.

Due to declining debt service, measure is not expected to increase PPS's bond tax rate above \$2.50/\$1,000 of assessed value, the same rate that has been targeted since the 2017 bond issue. Actual rates may differ based on interest rates and changes in assessed value.

Exhibit B: Explanatory Statement

EXPLANATORY STATEMENT (500 words)

In 2012 and 2017, voters approved capital bonds that funded improvements to many of Portland Public Schools' aging buildings, creating modern, safer places for students to learn.

Over the past eight years:

- Roosevelt, Franklin, and Grant High Schools were modernized, Faubion PK-8 rebuilt, full plans for Benson High School's modernization was completed; and

- Madison High School’s modernization and rebuilds of Lincoln High School and Kellogg Middle School are underway.

In addition, the bond program has addressed infrastructure needs at every school throughout district:

- Replacing plumbing to remove lead, improve water quality;
- Removing or encapsulating exposed lead paint and asbestos;
- Upgrading fire alarm and sprinkler systems;
- Repairing or replacing leaking or deteriorating roofs, with improved seismically strengthened roofs;
- Seismic retrofitting;
- Improving accessibility for people with disabilities;
- Mitigating radon exposure;
- Strengthening school safety and security; and
- Upgrading science labs.

The proposed bonds would fund additional health, safety, and learning needs in schools across the district, while continuing PPS’s plan to comprehensively address facility needs by modernizing all of our schools over the long term. These priorities are informed by the recently released Facilities Condition Assessment and community engagement.

If approved, this measure would finance capital costs, including projects that address COVID-related needs.

If approved by voters, this measure is not expected to increase tax rates above the level targeted by the 2017 bond.

What would the bonds fund?

Educational Investments

- Replace outdated, incomplete textbooks and curriculum materials with comprehensive, culturally relevant, and current curriculum materials across core and supplemental subject areas;
- Replace or provide student tablets and laptops to provide equitable access and to support classroom and distance learning, and update classroom and district technology; and
- Provide flexible, adaptive special education learning spaces and technology tools.

Health & Safety Investments

- Remove barriers to accessibility in schools across the district;

- Repair or replace leaking or deteriorating school roofs;
- Seismically retrofit up to three schools;
- Repair or replace high-priority mechanical systems (heating, cooling and ventilation); and
- Update classroom door locks, install security camera systems, and upgrade or replace intrusion alarm systems to strengthen security.

School Modernizations & Rebuilds

- Modernize Jefferson High School; master plan and design toward a Center for Black Student Excellence community vision; and fund initial focused investments in neighborhood schools and facilities in North and Northeast Portland aligned with the plan;
- Design and complete pre-construction work to modernize Cleveland and Wilson High Schools; plan and design for additional capacity, including at Roosevelt High School; and;
- Complete Benson Polytechnic High School and construct an alternative school programs building on Benson's campus.

What would the bonds cost?

Because the tax rate on existing bonds are scheduled to decline, PPS's bond tax rate is not expected to exceed \$2.50 per \$1,000 of assessed value, the same level previously targeted in the 2017 bond.

The total principal amount of bonds authorized by this measure cannot exceed \$1.208 billion.

Oversight and Accountability

A group of community members will review reports and independent audits of bond expenditures to provide accountability to the public.

Submitted by

Kara Braelshaw

Board Secretary