

bond planning update

02.18.2019

bond planning update

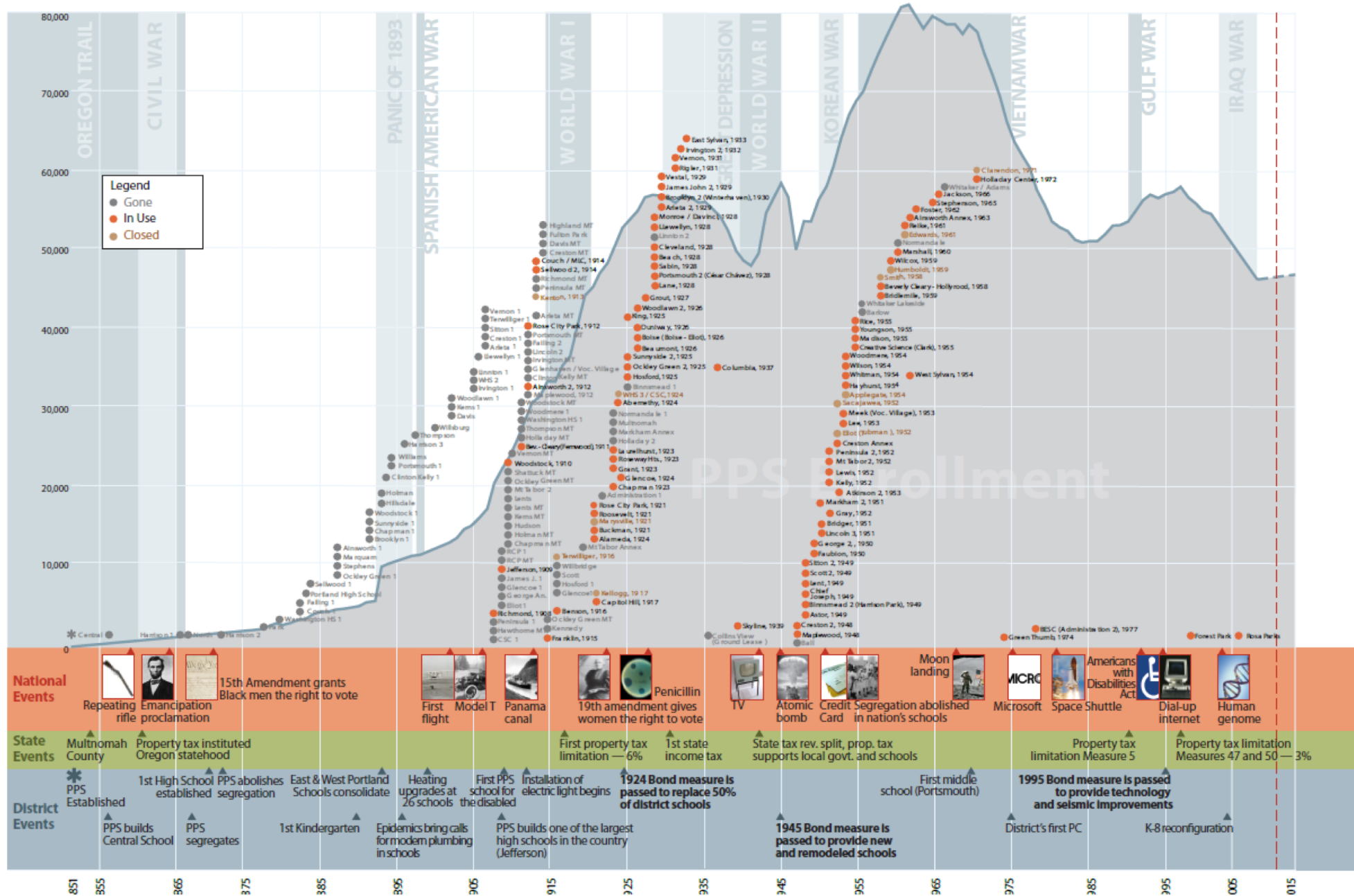
02.18.2019

Let's start with a little background...



Portland Public Schools Construction Timeline

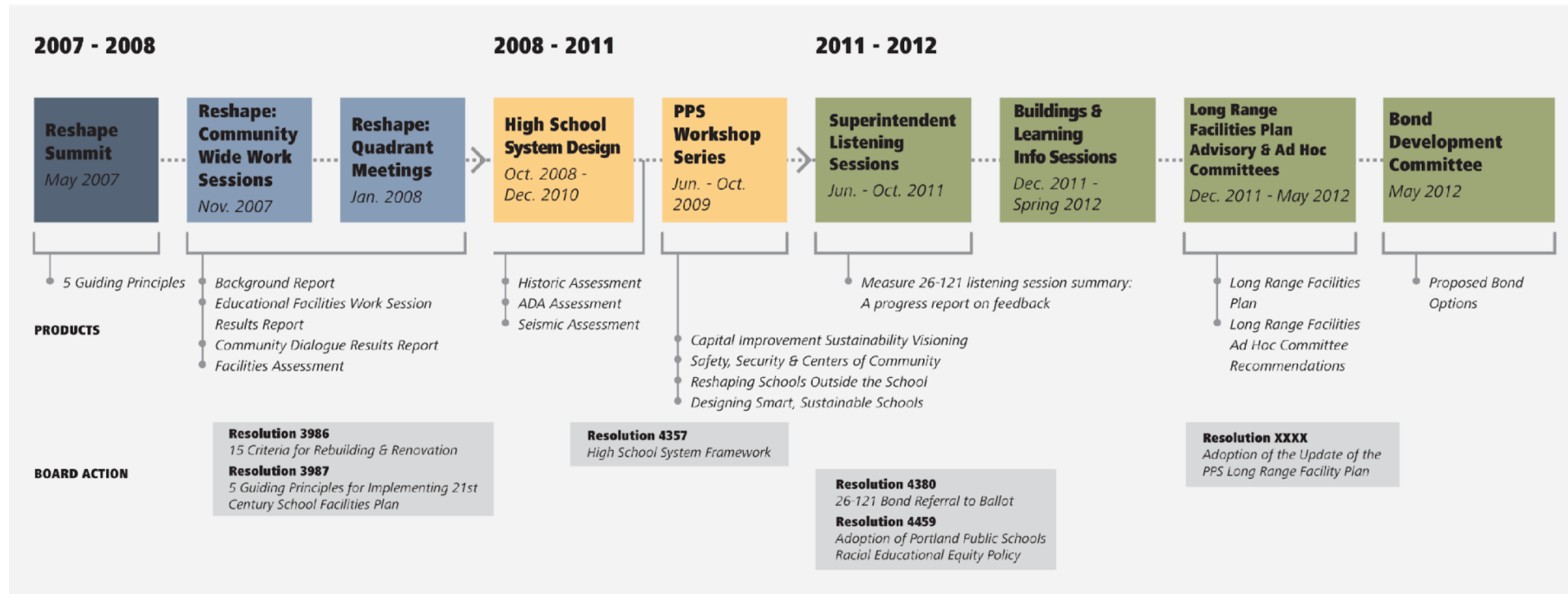
Revision date: 8/27/2012



planning for a capital improvement program



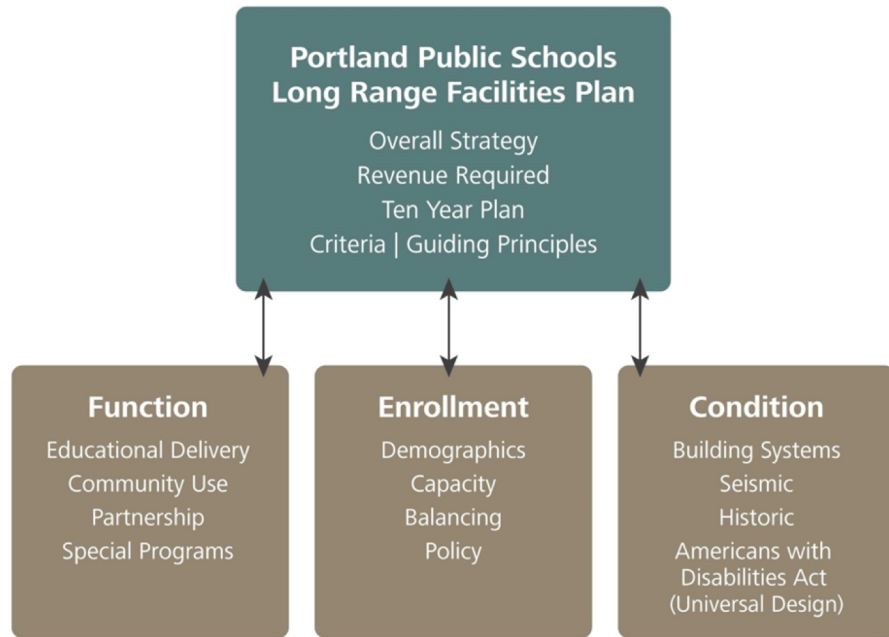
PPS FACILITIES PLANNING PROCESS



long range facilities plan

The screenshot shows the Portland Public Schools website. At the top, there is a navigation bar with the PPS logo, the name 'PORTLAND PUBLIC SCHOOLS', the location 'Portland, Oregon', and contact information: '501 N. Dixon St • Portland, OR 97227 • (503) 916-2000'. There are also icons for 'CALENDAR', 'ENROLL', and 'CONTACT'. Below the navigation bar, there is a menu with 'About', 'Schools & Learning', 'Services', 'Volunteer', 'Jobs', 'Board', and 'Departments'. The 'Departments' link is highlighted. The main content area is titled 'Facilities & Asset Management' and includes a breadcrumb trail: 'Home > Departments > Facilities & Asset Management > Long Range Facilities Plans'. On the left, there is a sidebar menu with various links, including 'Building Use (Civic Use of Buildings)', 'Building Use Guidelines-Compliance', 'Custodial Services', 'Design Guidelines & Standards', 'Education Specifications', 'Electrical Load Reduction', 'Furniture & Moves', 'Keep Your Buildings Safe', 'Long Range Facilities Plans' (highlighted), 'Maintenance Services', 'Maps & Data', and 'Project & Construction Management'. The main content area features a banner image of a school building with the text 'PORTLAND PUBLIC SCHOOLS Long Range Facilities Plan'. Below the banner, there are three paragraphs of text explaining the purpose and scope of the Long Range Facility Plan (LRFP). The first paragraph states that the LRFP provides the Board of Education with goals and guiding principles for use in capital investment decisions. The second paragraph mentions that the Board affirmed in Resolution 4608 a LRFP premise that educational environments contribute to student success. The third paragraph explains that the LRFP complies with Oregon Revised Statutes (ORS) 195.110, which requires 'large' school districts to develop a long-term facility plan. A fourth paragraph notes that PPS staff worked closely with the LRFP Advisory Committee to develop the plan.

<https://www.pps.net/Page/954>



The purpose of the plan is to **evaluate** the adequacy of existing educational facilities, **plan for future** capital facilities spending and address how the student population will be housed

School facility plan for large school districts

Text News Annotations [Related Statutes](#)

- (1) As used in this section, "large school district" means a school district that has an enrollment of over 2,500 students based on certified enrollment numbers submitted to the Department of Education during the first quarter of each new school year.
- (2) A city or county containing a large school district shall:
 - (a) Include as an element of its comprehensive plan a school facility plan prepared by the district in consultation with the affected city or county.
 - (b) Initiate planning activities with a school district to accomplish planning as required under ORS 195.020 (Special district planning responsibilities).
- (3) The provisions of subsection (2)(a) of this section do not apply to a city or a county that contains less than 10 percent of the total population of the large school district.
- (4) The large school district shall select a representative to meet and confer with a representative of the city or county, as described in subsection (2)(b) of this section, to accomplish the planning required by ORS 195.020 (Special district planning responsibilities) and shall notify the city or county of the selected representative. The city or county shall provide the facilities and set the time for the planning activities. The representatives shall meet at least twice each year, unless all representatives agree in writing to another schedule, and make a written summary of issues discussed and proposed actions.
- (5) (a) The school facility plan must cover a period of at least 10 years and must include, but need not be limited to, the following elements:

long range facilities plan - facility goals

Goal One: Every PPS school shall provide an **equitable and effective learning environment** that maximizes the achievement of every student.

Goal Two: Every PPS school shall be **safe, healthy, accessible** and designed to meet students' essential needs.

Goal Three: PPS shall optimize utilization of all schools while taking the **academic program** needs of each school into account.

long range facilities plan - guiding principles

In every facilities planning and capital investment decision, PPS will:

A: Develop partnerships

B: Embrace sustainability

C: Demonstrate fiscal responsibility

D: Practice inclusivity

long range facilities plan - recommendations

non-capital

Create school facilities that support and enhance evidence-based and emerging best practices in terms of school size and educational program.

Pursue partnerships to leverage community support and innovation.

Actively manage existing properties to allow future flexibility with regard to changing demographic needs and best practices in teaching, and to maximize value to the district and community.

Consider “**options other than new**” (non-capital options) to meet capacity demands (including limiting transfers, etc.)

long range facilities plan - recommendations

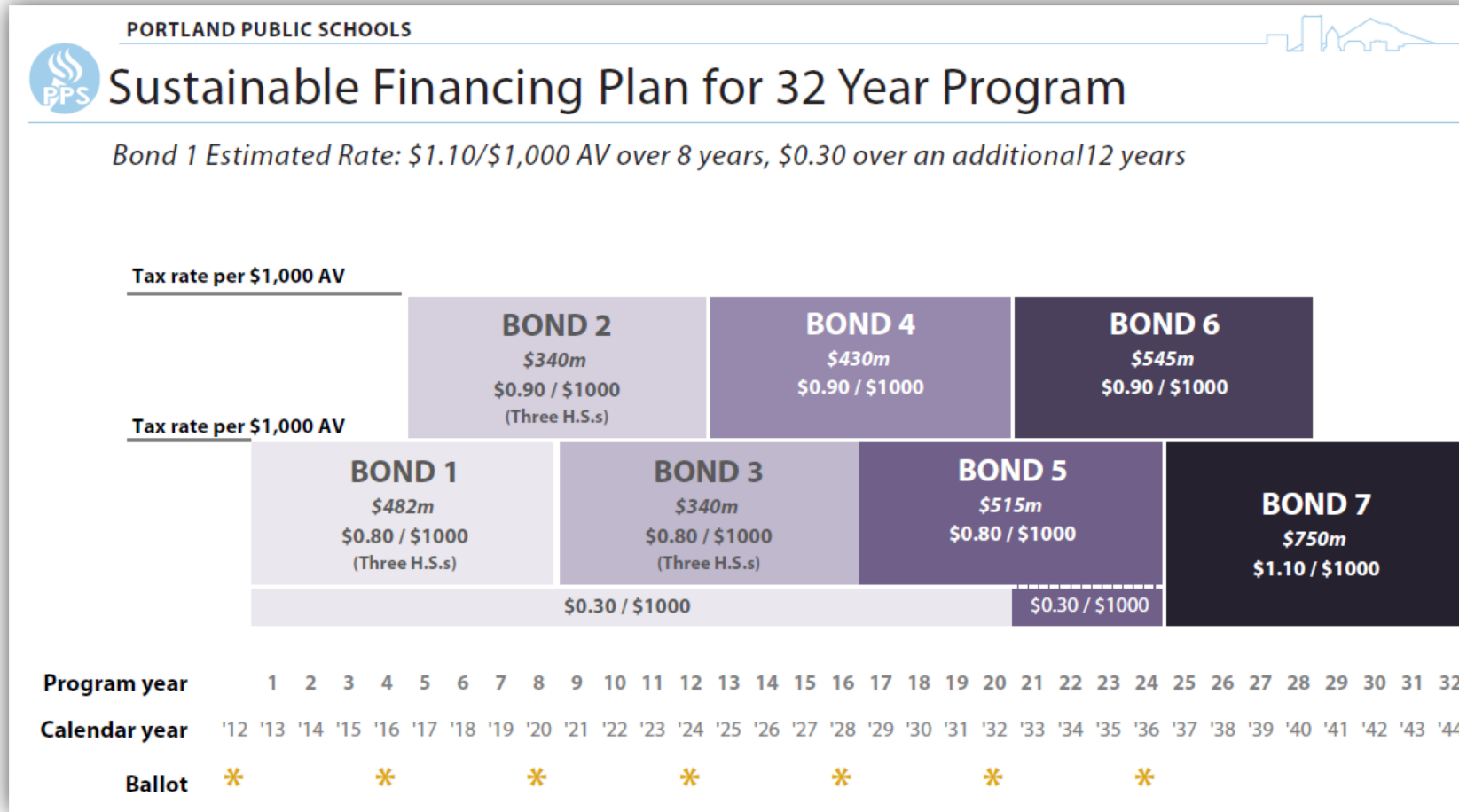
capital

- Express a bold vision for the master plan and especially the first phase. The plan should inspire the public to rally behind the District while maximizing student success.
- Use a strategic approach that fully renovates/replaces schools to reduce the deferred maintenance backlog. **Use the bulk of the money from each capital phase to modernize schools.**
- Demonstrate that PPS can do the work successfully. The first phase of the master plan is critical in building public trust. It is needed to build credibility.
- **Allocate some money to fix the worst facility needs.** This needs to occur in each phase. These funds would focus on fixing the building shell first to minimize further building deterioration.
- Plan for a “robust program” capacity for each rebuilt or fully renovated facility.
- Endeavor to **significantly rebuild/fully renovate the portfolio over a 24- to 40-year time frame.**
- Priority should be given to capital projects that reduce future operational costs in order to make more operational funds available for the classroom.
- Screen all future capital projects through the guiding principles.
- Address capacity and create modern learning environments by providing facilities that are flexible.
- Consider replacing existing schools that require major renovation.
- Invest prudently in schools identified for future replacement.
- Upgrade strategically selected school facilities to act as emergency shelters immediately following a major earthquake.

long-term capital plan

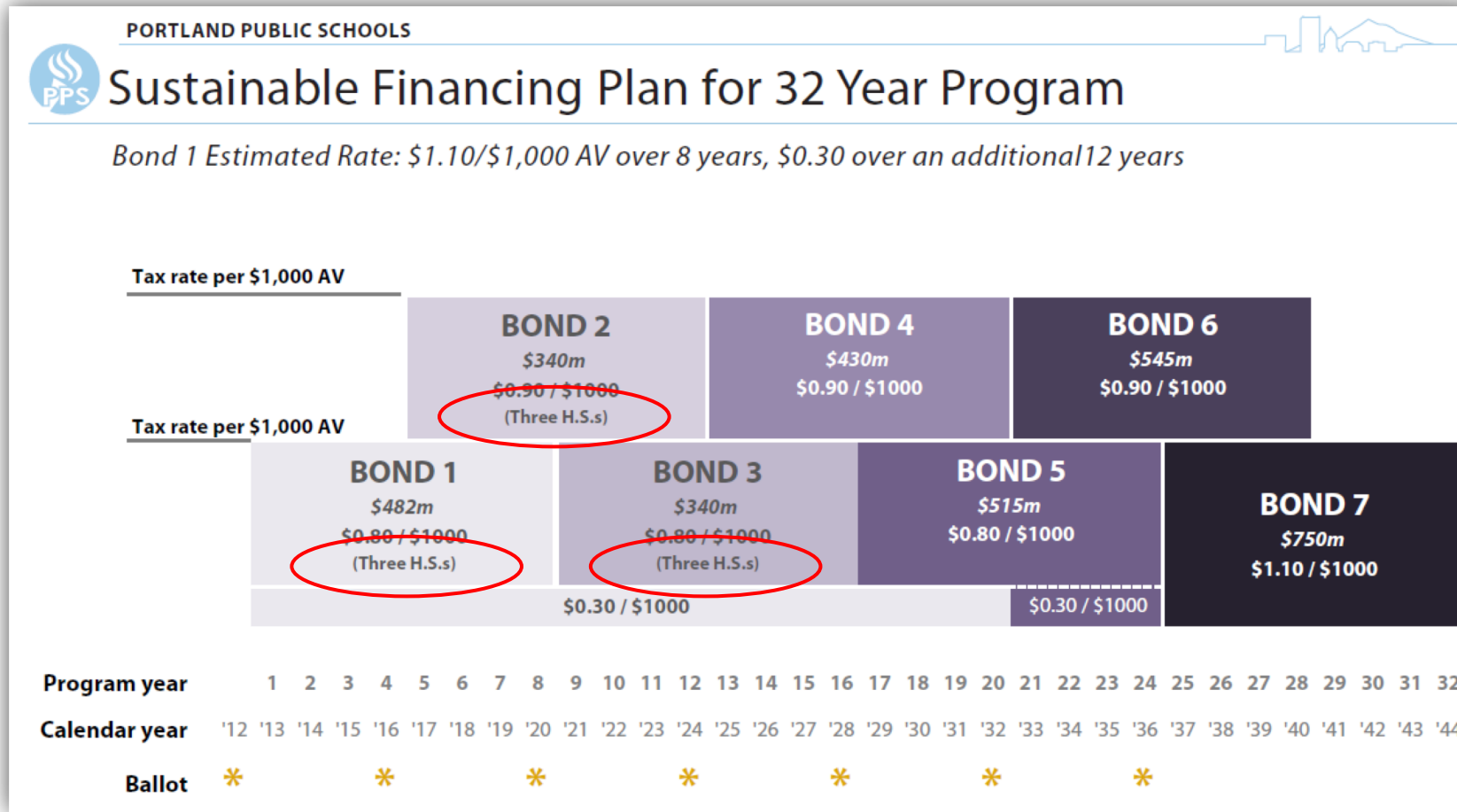
multi-decade

| multi-billion



long-term capital plan

start with high schools



2012 bond

Followed recommendations of LRF

- **allocated majority of the fund for modernization projects**
- **prioritized high school modernizations**
- **used some of the funds for other high priority improvements**

Three criteria were chosen for the 2012 bond high school modernizations

- **seismic performance rating**
- **accessibility to programs**
- **high enrollment**

2012 bond – modernization criteria










PRIORITY CONSIDERATIONS OPTION 'A'																	
SORTED BY: "Poor" Seismic + Priority Access + High Enrollment																	
School	Grades	Original Year Built	Bldg SF	Graduation Rate	Site Acreage	Free & Reduced Price Meals	2012 DRAFT Seismic Ratings	Priority Elevator Needs	Priority Access Needs	Priority Roof Replacement	FCI	11/12 Student Enrollment	PPS H.S. Students w/in Boundary	Capture Rate	11/12 Student Capacity	11/12 Student Over-Crowding	Partnership Potential ¹
HIGH SCHOOLS						> 65%	= Poor	= YES	= 1	= YES	> 0.60	= 1400				> 25	= X
Grant	9 - 12	1923	274,469	86%	10.2	23%	Poor	_	1	YES	0.66	1,565	1,350	82%	1,994	(429)	
Franklin	9 - 12	1915	218,574	74%	18.3	56%	Poor	YES	1	_	0.58	1,480	2,041	59%	1,759	(279)	
Roosevelt	9 - 12	1921	228,535	46%	17.1	75%	Poor	_	1	YES	0.71	748	1,310	52%	1,464	(716)	X
Denson	9 - 12	1916	391,790	80%	8.8	63%	Poor	_	2	_	0.52	889			2,301	(1412)	X
Cleveland	9 - 12	1928	257,757	73%	11.3	28%	Poor	_	2	YES	0.63	1,520	1,767	71%	1,781	(261)	
Jefferson	9 - 12	1909	321,354	56%	14.0	76%	Poor	_	3	_	0.62	548	1,514	22%	1,958	(1410)	X
Lincoln	9 - 12	1951	200,046	90%	11.0	15%	Fair	_	2	_	0.45	1,476	1,484	86%	1,281	195	X
Wilson	9 - 12	1954	265,990	76%	22.8	24%	Fair	_	3	YES	0.59	1,387	1,450	87%	1,735	(348)	
Madison	9 - 12	1955	287,937	57%	20.0	68%	Fair	_	3	_	0.61	1,161	1,677	51%	1,905	(744)	

2012 bond passed! 66% approval

PORTLAND PUBLIC SCHOOLS • JULY, 9 2012

Preferred School Construction Bond Proposal

A citizens' advisory group has concluded that extensive work is needed to bring PPS school buildings up to modern safety and learning standards. (This group included parents, teachers, business and community leaders, including construction experts.) Based on community input, the Portland School Board is considering this school construction bond proposal to launch a long-term plan to modernize schools. (This option addresses specific school upgrade priorities which were determined through community input.)

High School, Seismic & Access • \$1.10 per \$1000 of assessed value	
 \$5 million	Educational Facility Improvements Improve grades 6-8 science classrooms with sinks and electrical outlets at as many as 39 schools.
 \$69.5 million	Seismic and other building improvements Seismic strengthening at as many as 26 schools. Replace and seismically brace roofs at as many as 14 schools. Replace roofs at as many as 8 schools. Improve accessibility to educational programs at as many as 33 schools.
 \$278 million	Full modernizations or replacement These schools are identified as potential modernizations or replacement: <ul style="list-style-type: none"> • High schools with high seismic risk. • High schools with major access upgrades needed. • Faubion = capital partnership with Concordia University. <p>3 high schools.....</p> <p>1 K-8.....</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  Grant \$95 million </div> <div style="text-align: center;">  Franklin \$85 million </div> <div style="text-align: center;">  Roosevelt \$70 million </div> </div> <div style="text-align: center; margin-top: 10px;">  Faubion \$28 million </div>
 \$45 million	Debt repayment <ul style="list-style-type: none"> • Rosa Parks K-8. • Boiler conversions, prior roof replacements and other financed capital projects.
 \$84.5 million	Program costs Required reserves, materials and labor cost escalation, bond issuance costs and improvements and transportation to buildings where students attend school while their school is renovated. Master planning for 6 high schools (\$1.5 million).
\$482 million	Total Bond Program Estimated rate: \$1.10/\$1,000 of assessed value over 8 years, \$0.30 over an additional 12 years.

PPS SCHOOL BUILDING IMPROVEMENT BOND

Portland Public Schools is the largest school district in Oregon, with 78 schools and over 47,000 students. Portland Public Schools' buildings are on average older than 65 years, some were built over 100 years ago and more than half of PPS schools were built before 1940. There are only two schools that have been built in the last 30 years.

A \$482 million school construction bond was approved by voters November 2012. It will fund school upgrades that will:

- Replace leaking, worn or deteriorating school roofs.
- Renovate Franklin High School, Grant High School and Roosevelt High School, and replace Faubion Park K-8 school. (It will also begin planning for the upgrade of all high schools in coming years.)
- Reinforce schools against earthquakes.
- Repair previous loans that funded 9 roof replacements, 47 boiler conversions, and the Rosa Parks School.
- Increase access to schools for students, teachers and visitors with disabilities.
- Upgrade science classrooms at middle grade schools.

Bond Projects 2012-20



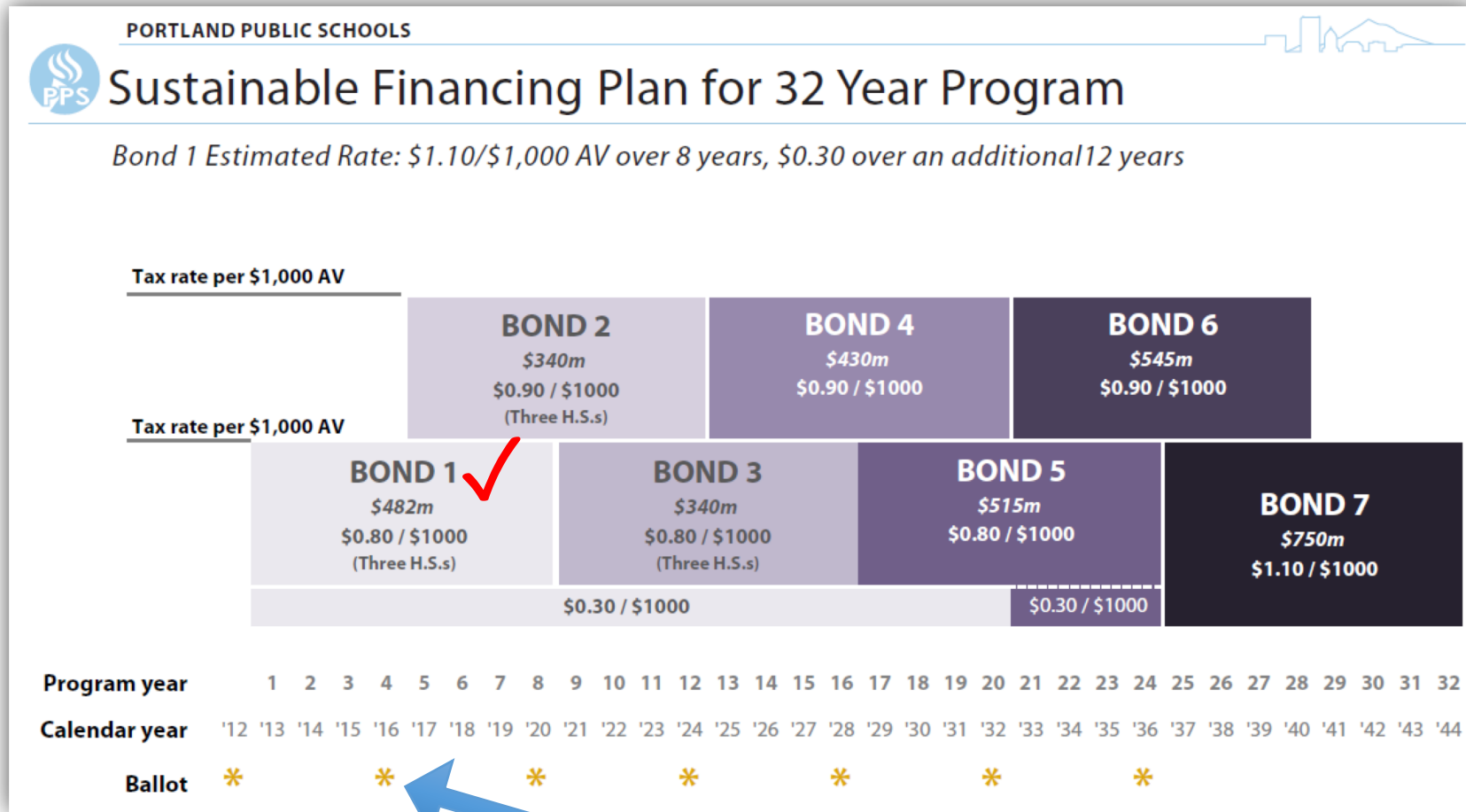
Timeline

- ✓ Construction completed 2013-15
- ✓ Construction in summer 2016
- Construction 2015-17
- Master Planning 2015-16 (Benson, Madison, Lincoln)
- Construction 2017-19

Legend:

- New seismically strengthened roof
- Building level seismic strengthening
- New elevator
- Accessibility improvements
- Grade 6-8 science room improvements
- Full modernization
- Master planning

bond #2 planning



 **Next 2016**

2017 bond

Followed recommendations of LRF

- **allocated majority of the fund for modernization projects**
- **prioritized high school modernizations**
- **used some of the funds for other high priority improvements**

2016/17 bond development committee

Why did they meet

- “to evaluate and affirm priorities and provide recommendations for any proposed 2016 capital bond ballot measure”

What did they do

- The committee made recommendations for a potential 2016 and 2020 bond

2016/17 bond priorities

The committee recommended continuing the plan of allocating the **bulk of the bond funds to modernizations**, focusing on **high schools first** and allocating some funds to other high priorities (health and safety).

The committee also recommended including **three high schools** in each of the **next two bonds**.

The committee prioritized three criteria for the high school modernizations:

- **Facility condition**
- **Improving facilities for the highest number of historically underserved students**
- **High enrollment/overcrowding**

2016/17 bond priorities

- “**Benson high school** is the district’s only career technical education focus option and has significant seismic retrofit needs. Benson also has a large percentage of **historically underserved students.**”
- “**Lincoln high school** is, by far, the district’s most **overcrowded** high school building. PPS has exhausted all available in-building options for managing the enrollment at Lincoln.”
- “**Madison high school**, PPS’ high school which serves the largest portion of East and NE Portland, has one of the **highest facility condition indexes** (poor facility condition) and a large percentage of **historically underserved students.**”

2017 bond passed – 66% approval

PORTLAND PUBLIC SCHOOLS

Proposed Health, Safety & Modernization Bond: \$790 million
\$324 MILLION FOR HEALTH & SAFETY

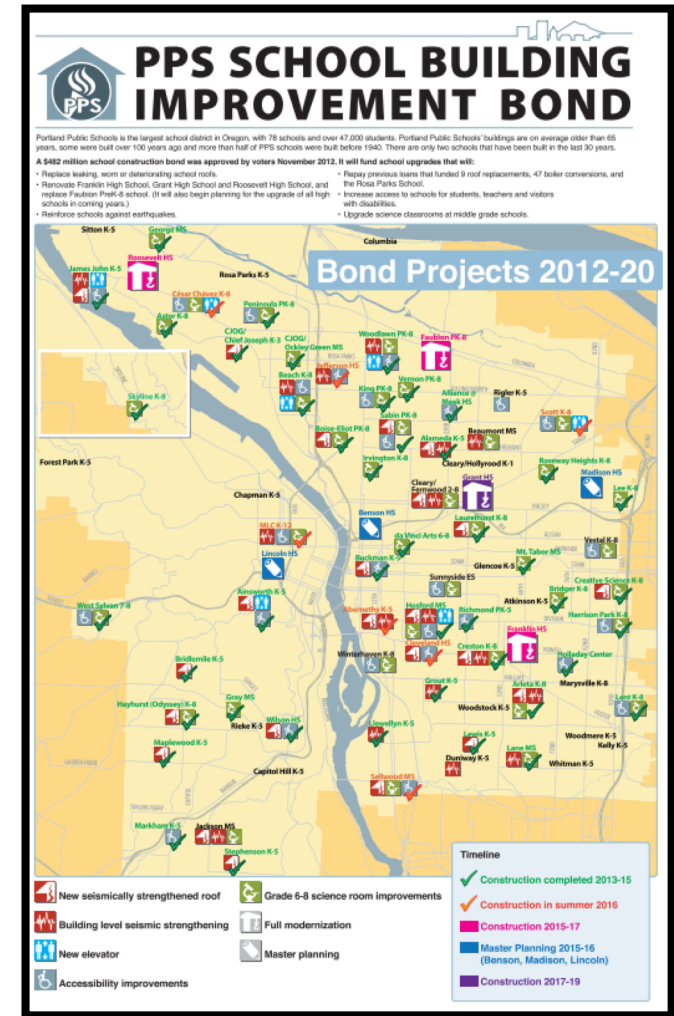
Approximately 30% of modernization & rebuild budgets targeted to health & safety projects in all applicable categories

- Additional health & safety projects . . . \$150 million
- Modernization & additions . . . \$202 million
- Benson . . . \$202 million
- Madison . . . \$146 million
- Full rebuild Lincoln . . . \$187 million
- Kellogg . . . \$45 million
- Management, Contingency & Miscellaneous . . . \$60 million

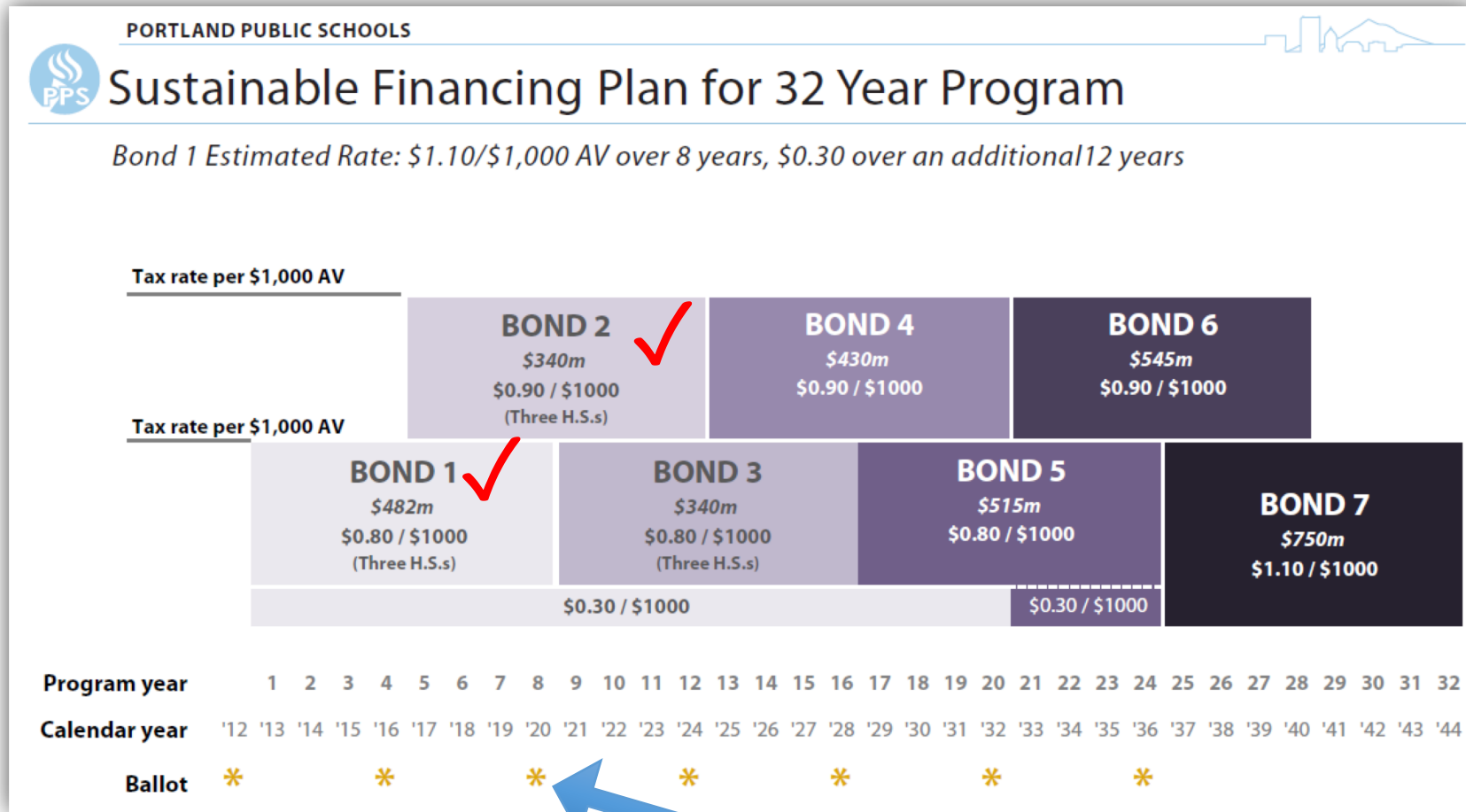
PROPOSED \$150M OF ADDITIONAL HEALTH & SAFETY PROJECTS		
PROJECT CATEGORY	DOLLAR AMOUNT	SCHOOLS FUNDED
Water quality	\$28,492,000	Up to 90
Lead-based paint	\$16,623,936	Up to 88
Asbestos	\$12,000,000	Up to 48
Radon	\$1,126,125	Up to 90
Fire alarm and/or sprinkler systems	\$25,849,990	Up to 16
Roofs	\$50,907,949	Up to 14
Accessibility/ADA	\$10,000,000	Up to 9
Security systems	\$5,000,000	Up to 11

EMAIL: BOND2017@PPS.NET • WEB: WWW.PPS.NET/BOND2017

\$150M health & safety improvements



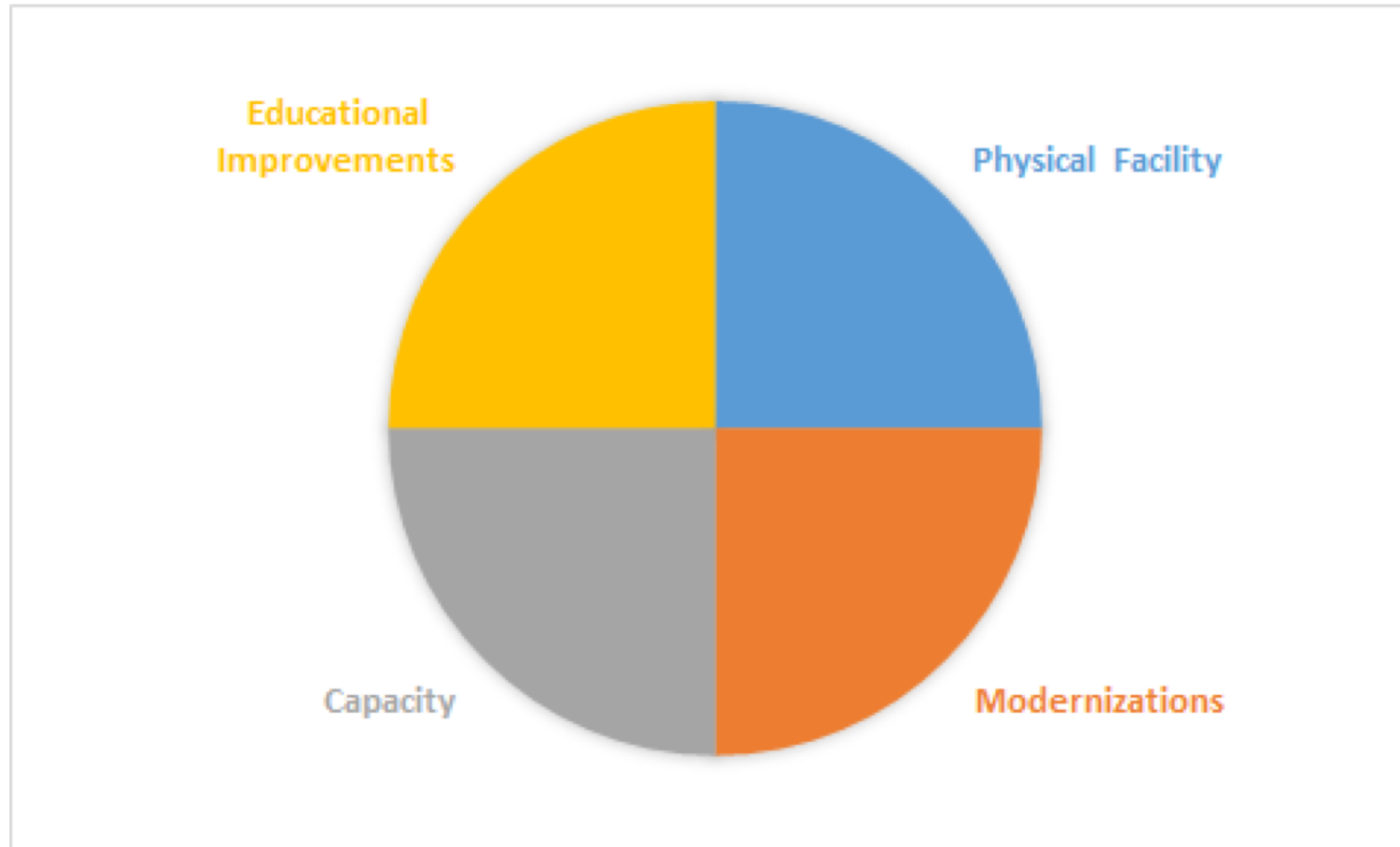
bond #2 planning



school improvement bond committee

Kicked-off in October 2019.....but first, a little context

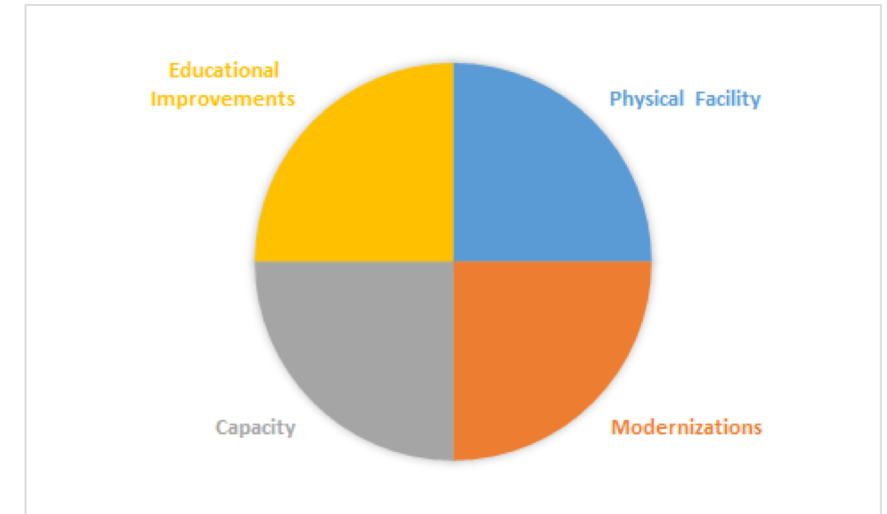
categories of work



categories of work

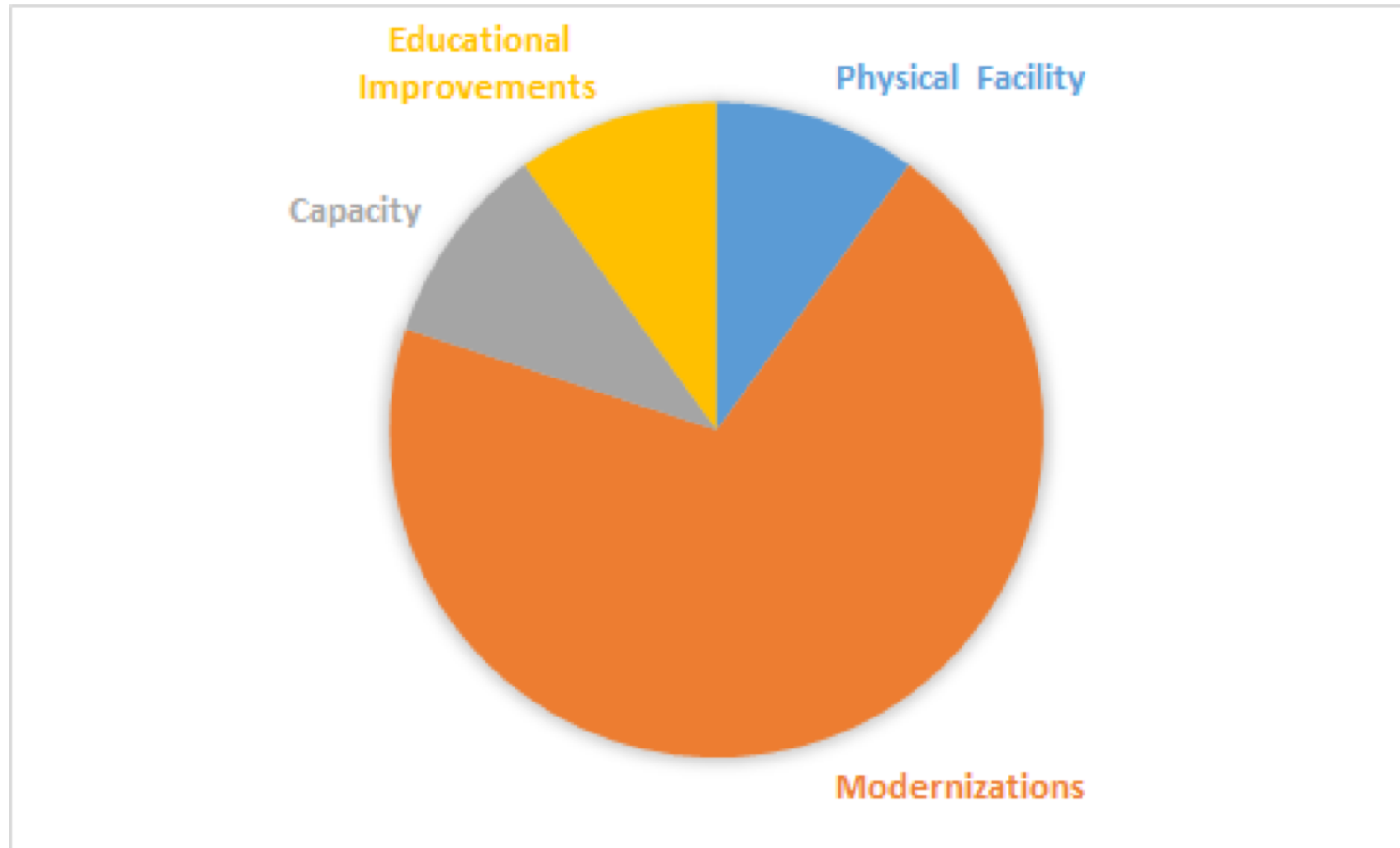
All 4 categories of work are critical work:

- **Educational Improvements** - reflect the core mission of educating students.
- **Physical Facility Improvements** - address the basic needs of safe, warm and dry.
- **Capacity** - responds to the need to accommodate student enrollment.
- **Modernizations** - most efficient use of funds (address all needs at once).



categories of work

Long Range
Facilities Plan and
previous bonds
have prioritized
spending for
Modernizations



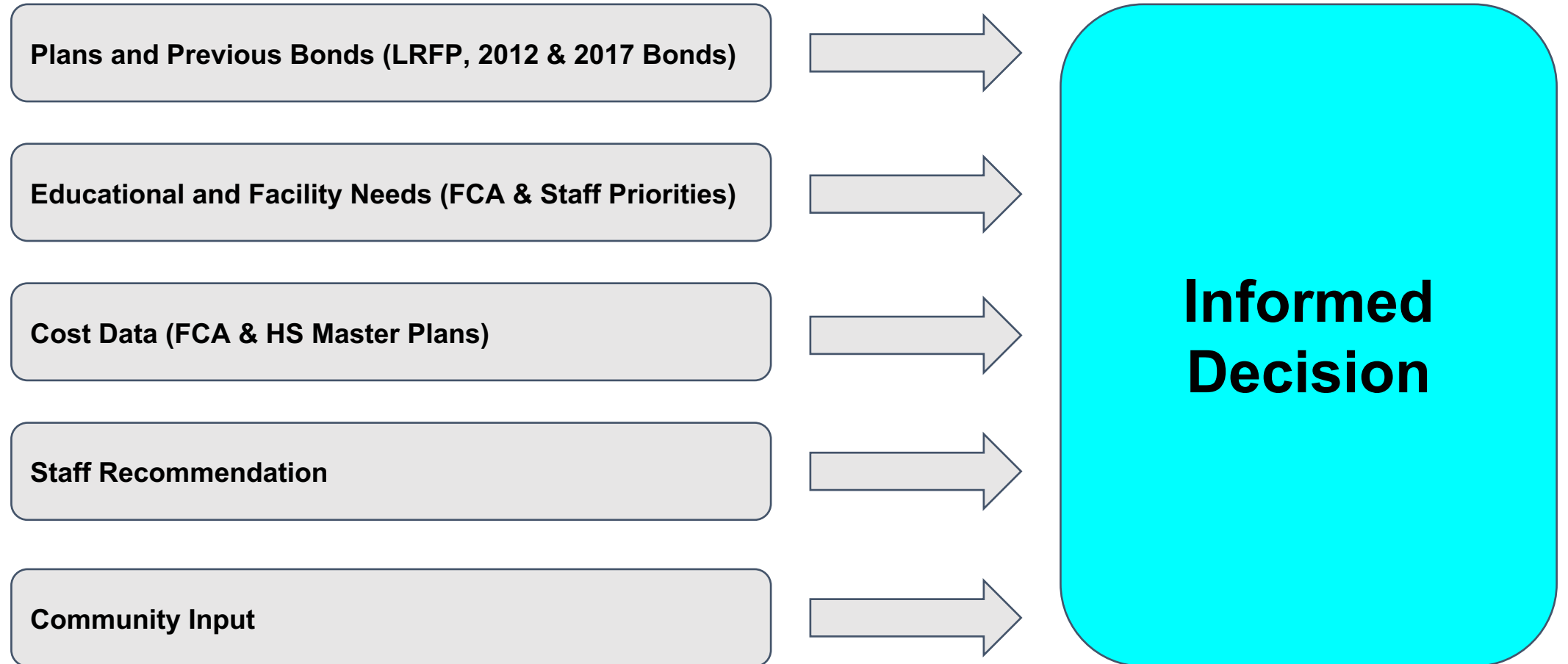
school improvement bond committee

Kicked-off in October 2019

Discussed topics related to the categories of work, including:

- **“high-level” criteria**
 - long range facilities plan
 - previous bond committee recommendations
- **modernization criteria**
 - 2012 bond
 - 2017 bond
- **initial staff priorities for**
 - educational improvements
 - physical facility improvements
 - capacity needs
- **conceptual master plans**
 - Cleveland
 - Jefferson
 - Wilson
- **facility condition assessment**

school improvement bond committee



discussion

“High-Level” Criteria

LRFP

- Use the **bulk of the money from each capital phase to modernize schools**
- Prioritize **high school modernizations first**
- Allocate **some money to fix the worst facility needs**

2017 bond development committee

- Continue the plan of re-building/modernizing high schools first, and including **three high schools in each of the next two bonds**

Modernization Criteria

2012 criteria

- seismic rating
- ADA needs
- student enrollment / overcrowding

2017 criteria

- facility condition
- historically underserved student enrollment
- student enrollment / overcrowding

Note: you will see these reflected in the Sample Scenarios

discussion

Educational Improvements + Physical Facility Improvements + Capacity

Initial staff priorities

- Educational Improvements
 - Technology
 - Curriculum
 - SPED
 - etc
- Physical Facility Improvements
 - Roof
 - Mechanical
 - Seismic
 - Security
 - etc

Note: you will see these reflected in the Sample Scenarios

transition to cost data

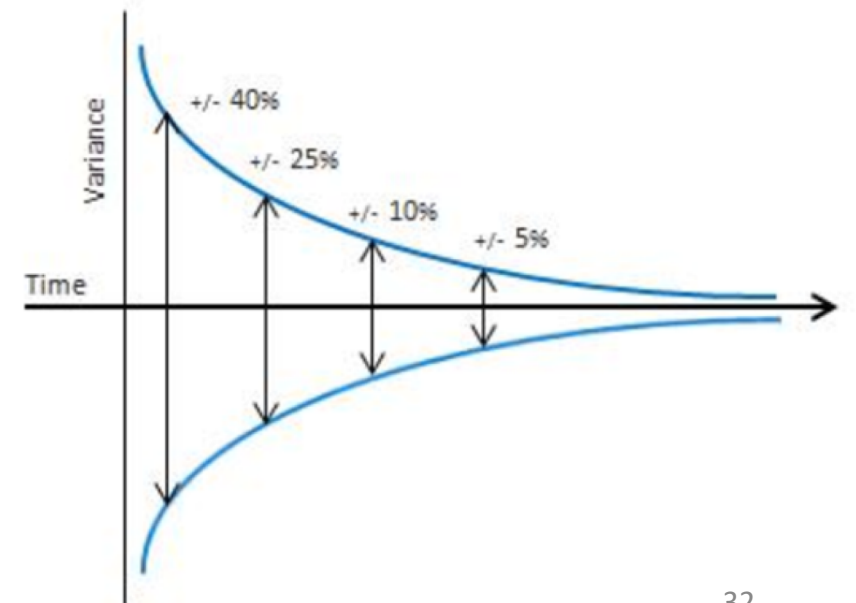
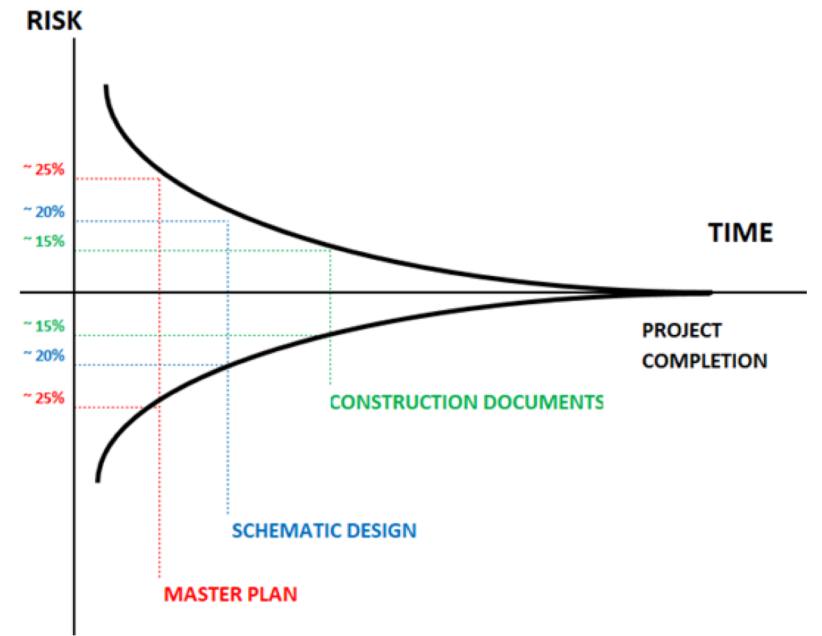
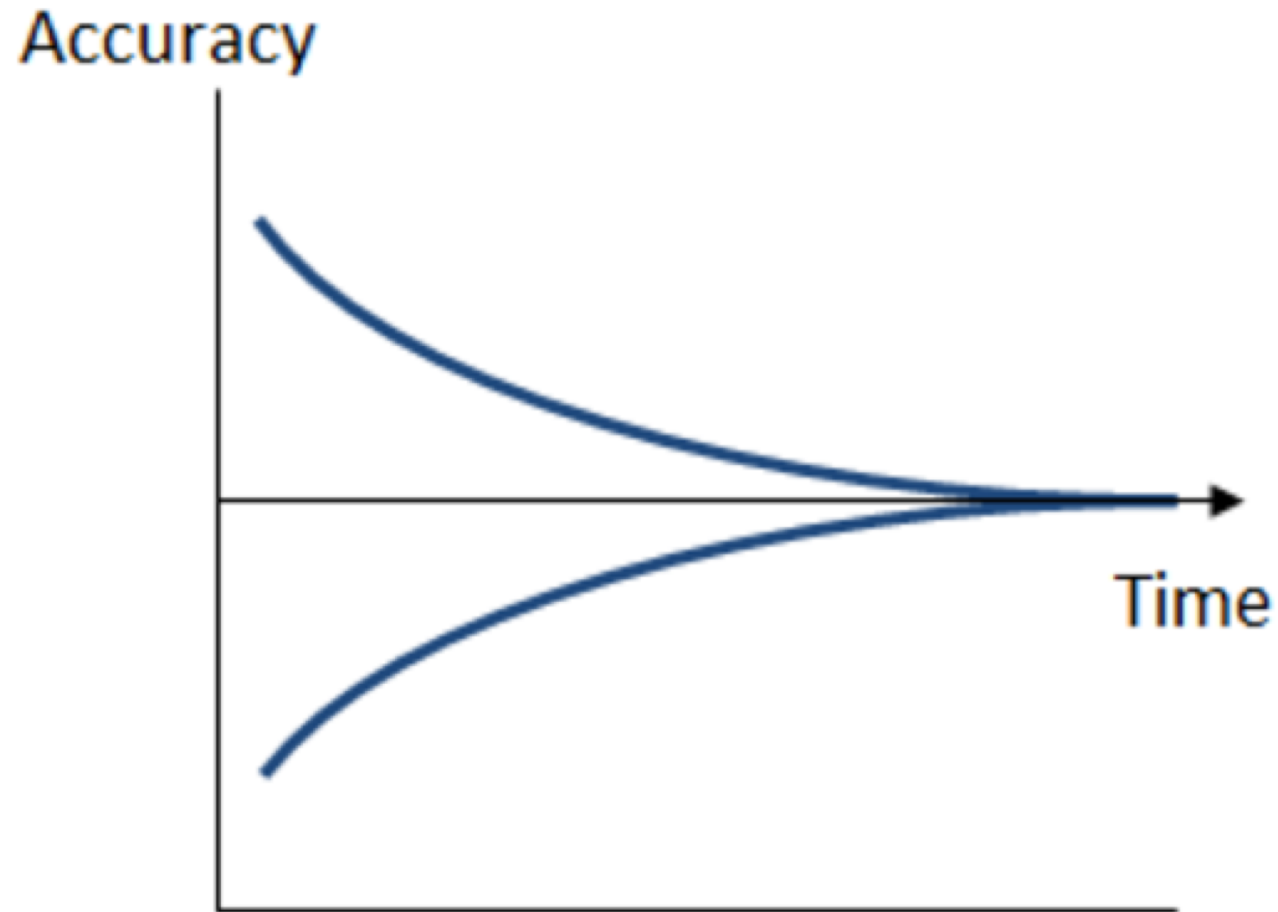
Handouts

- Presentation
- PPS Construction Timeline
- **Facilities Deficiencies**
- **Sample Scenarios Overview**
- **Sample Scenarios**
- PPS Building Portfolio Overview
- Conceptual Master Plan Options Overview
 - Cleveland High School
 - Jefferson High School
 - Wilson High School
- OTIS Bond Update
- OTL Instructional Resource Adoption Planning
- Sample Bond Framework

estimating methodology

COST VARIABLES	DATA SOURCES	POTENTIAL RANGE
HARD COSTS	FCA PROFESSIONAL ESTIMATE (\$/SF * SF)	PROJECT / SCOPE SPECIFIC
SOFT COSTS	HISTORIC COST DATA PROFESSIONAL ESTIMATE	0% - 30%
FF&E	HISTORIC COST DATA PROFESSIONAL ESTIMATE	PROJECT / SCOPE SPECIFIC
PROJECT CONTINGENCY	HISTORIC COST DATA PROFESSIONAL ESTIMATE	10% - 15%
SWING	HISTORIC COST DATA PROFESSIONAL ESTIMATE	PROJECT / SCOPE SPECIFIC
ESCALATION	PROFESSIONAL ESTIMATE INDUSTRY STANDARD	3% - 7% ANNUAL
ESTIMATING CONTINGENCY	BASED ON CONFIDENCE IN COST ESTIMATE	0% - 20%

the cone of uncertainty



discussion

Handouts

- Presentation
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- **Facilities Deficiencies**
- **Sample Scenarios Overview**
- **Sample Scenarios**
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- Sample Bond Framework

discussion - sample bond framework

1. PPS will allocate \$_____ to finish, build, replace or modernize:
 - a. 2017 Bond projects
 - b. Multiple Pathways to Graduation project
 - c. HS#1
 - d. HS#2
 - e. HS#3

2. PPS will spend no less than \$_____ on Educational Improvements, including but not limited to:
 - a. Technology
 - b. Curriculum
 - c. Performing & visual arts classroom improvements
 - d. SPED classroom improvements
 - e. etc

3. PPS will spend no less than \$_____ on Physical Facility Improvements, including but not limited to:
 - a. Roof replacements
 - b. Mechanical system upgrades
 - c. Security system upgrades
 - d. ADA improvements
 - e. etc

4. PPS will spend no less than \$_____ on Capacity Improvements, including but not limited to:
 - a. Support of middle school conversion
 - b. District enrollment modifications
 - c. New/changing capacity needs
 - d. etc

5. PPS has budgeted \$_____ (10%) in Program Contingency that will be spent on one or more of the above categories of work.

next steps

- **Refined cost estimates**
 - Staff is meeting with the BAC on 2/25 to review cost methodology and assumptions
- **Staff recommendation**
 - Staff to provide recommendation for a full bond package based upon best information available to date
- **Community input**

questions

Next School Improvement Bond Committee Meeting

- Thursday, March 12