



Proposed Health, Safety and Modernization Bond Frequently Asked Questions



What is the purpose of this proposed bond?

On average, Portland Public Schools' buildings are 77 years old¹. Some were built more than 100 years ago; more than half were built before 1940. Before the 2012 bond that improved Franklin, Roosevelt, Grant and Faubion schools, only two schools had been built in the last 35 years.

Many schools are in need of repair and upgrade to provide students with modern learning environments and to address unsafe conditions. Testing last summer showed that 99 percent of schools in the district have at least one cold water fixture with lead above acceptable EPA levels. Many schools' roofs are beyond their useful life and some frequently leak. Fire safety systems at most schools are insufficient, and 42 schools lack sprinkler systems.

Over the long term, Portland Public Schools plans to modernize and improve every school through a series of capital construction bonds, bringing schools up to current building code and educational standards.

In 2012, voters approved a \$482 million bond funded renovation of Franklin High School, Grant High School and Roosevelt High School, and replacement of Faubion PreK-8 school.

It also funded summer improvement projects at 52 schools, including upgraded science classrooms, new roofs, and seismic retrofits and strengthening, as well as funds to plan for modernizations of Benson, Lincoln, and Madison High School and Kellogg Middle School.

If approved by voters in May, the proposed Health, Safety and Modernization bond would finance or refinance capital costs, including proposed projects that:

- Reduce or eliminate exposure to hazardous materials, including lead, asbestos, and radon;
- Upgrade fire alarm and sprinkler systems;
- Increase access to schools for people with disabilities;
- Repair or replace leaking, worn or deteriorating school roofs and improve related seismic connections;
- Upgrade school safety and security;
- Renovate or replace schools, including Benson, Lincoln, Madison, and Kellogg.

In addition, if approved, the proposed 2017 bond would fund planning to modernize Cleveland, Jefferson, and Wilson High Schools.

How much would this bond cost taxpayers?

The average levy rate for the proposed 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.

How long would the proposed bond be in effect? How long would we see the increase in our property taxes?

Bonds would mature in 30 years or less from issuance date and may be issued in one or more series.

How much of the proposed bond would be used for health and safety projects?

Approximately \$324 million of the proposed bond would be invested in health and safety projects: Approximately 30% of each of the four modernization project budgets would go toward health and safety projects, and in addition at least \$150 million would go toward resolving health and safety concerns at schools across the district.

Could PPS find another way to fund these projects? [i.e. Why Capital bonds?]

The school district's taxing authority is limited by law. Currently, PPS uses property taxes and construction excise taxes to address capital needs. The construction excise tax is generated when the City of Portland issues building permits.

PPS is leveraging proposed bond funding through an \$8 million state capital grant. In addition, there are other state grants for specific purposes, and PPS applies when those opportunities are available.

¹The average age of PPS' buildings is based on records kept by the Office of Property Management. This statistic is also referenced in the [Health and Safety Memo](#) presented to the Board of Education by the interim Chief Operating Officer.

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What's the full extent of the need in PPS' schools?

In the past year, PPS technical staff have assessed schools' health and safety needs across eleven areas—from lead in drinking water and paint to fire safety—to inform a prioritized set of additional critical health and safety improvements in this bond cycle. The cost of fully mitigating all eleven health and safety areas is approximately \$1.6 billion.

Why aren't you proposing a bond in the full amount of health and safety need?

The \$150 million in additional health and safety investments would address the most urgent needs, including resolving issues of lead in water and paint, and radon at every affected school.

However, it is not feasible to address the entire \$1.6 billion in health and safety needs in this bond, for two reasons: One, it is more cost effective to address some health & safety needs as part of a full rebuild or modernization, given the major construction and long term access needed to fully accomplish the projects.

The district has a long term plan to upgrade and modernize all schools.

Two, there is a practical limit to how much construction work can be accomplished over the 6-8 years bond investment cycle, both due to availability of skilled construction workers, as well as working around school schedules. Much of the health and safety work can only be accomplished when students are not in the building, limiting the amount of time available during the year to address these issues.

How would we know that PPS is using money as the district says it's going to use it?

With the 2012 bond, PPS formed the Bond Accountability Committee, a seven-member committee made up of community members with a reputation for fairness and transparency and experience in building design, construction, public contracting, budgeting, and/or auditing. If approved by voters, the proposed Health, Safety and Modernization Bond calls for the continuation of the BAC. The BAC meets quarterly to review bond-funded projects and offer advice to the School Board, on:

- Whether bond revenues are expended only for the purpose for which the bond was approved;
- Alignment with the goals and principles of the district's Long Range Facilities Plan;
- Alignment with the goals of the Business Equity Policy;
- Lowering maintenance and construction costs while improving operating efficiency;
- Historic preservation and school renovation;
- Potential capital partnerships for joint and shared use of PPS facilities;
- Implementation of appropriate ways to address seismic issues;
- Compliance with ADA requirements.

What have previous PPS capital construction bond funds been used for?

PPS voters have supported two bond measures over the last 22 years. In 1995, voters passed a bond that built Forest Park Elementary School; provided classroom computers and computer labs; carried out seismic safety upgrades at 53 schools, increased fire safety at 45 schools through emergency lighting, fire alarms, sprinklers and smoke containment improvements; increased accessibility; and addressed major building repairs.

In 2012, Portland voters approved the School Building Improvement Bond that renovated Franklin High School,

Grant High School and Roosevelt High School, and replaced Faubion PreK-8 school; began planning for the upgrade of all high schools in the district in coming years; replaced leaking, worn or deteriorating school roofs; strengthening schools against earthquakes; repaid previous loans that funded nine roof replacements, 47 boiler conversions, and the Rosa Parks School; increased access to schools for students, teachers and visitors with disabilities; and upgraded science classrooms at middle grade schools.

Why isn't [School] included in this bond proposal?

The Long Range Facilities Plan, developed in 2012, laid the groundwork for fully modernizing all of the schools in the district. Per that plan, and the work of a 2014 bond development committee, high schools are slated for modernization first.

The 2012 voter-approved bond funded modernization of Franklin, Roosevelt, Grant and Faubion schools and provided master planning funding for Benson, Madison, Lincoln and Kellogg.

If approved by voters, the proposed Health, Safety and Modernization bond would fund planning for modernization of Cleveland, Jefferson, and Wilson.

While the number of schools that can be fully rebuilt or modernized in this bond process is limited, \$150 million of the bond would be used to resolve health and safety issues, such as lead in the water and paint, at schools across the district.

What happens if the proposed bond doesn't pass?

How will you complete all of these health and safety projects and ensure the safety of our kids?

PPS will continue to respond to health & safety emergencies and take steps to make sure schools remain safe.

But, PPS will not have funding available to embark on significant long-term mitigation of these hazards.

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If the proposed bond passes, how do we know that the schools that would be rebuilt or modernized would be maintained so health and safety issues aren't a problem in the future?

The school board approved a Capital Asset Renewal policy, which dedicates an on-going revenue to fund preventative maintenance and repair at Forest Park, Rosa Parks and any schools that would be renovated in the future.

Renovated buildings reduce PPS' maintenance costs, as newer buildings require less maintenance and repair.

If the proposed bond passes, is there a renewable energy plan to ensure that the schools that would be rebuilt or modernized are energy efficient?

According to the Long Range Facilities Plan developed in 2012, all schools that are modernized have to be at a minimum LEED silver standard, and all new schools (including schools that are rebuilt) have to be at a minimum LEED gold standard. You can read more about LEED certification here: usgbc.org/leed.

How long does it take to rebuild a school? Where would students go in the meantime?

School construction can take anywhere from 12 to 24 months, depending on the size of the school and the extent of the construction work effort. For some proposed projects, like Madison, the staff and students would temporarily move into "swing space" at Marshall, where

Franklin students are currently located while their school is modernized and where Grant students will be next year. In other cases, as happened at Roosevelt, students may remain in their current school while a replacement school is built in phases or on another part of the school property.

Why would some schools buildings be renovated rather than replaced?

The decision to fully renovate or completely replace an older building depends on the school building, its construction and character, its site and the scope of the work to be completed. Suburban school districts often construct new schools on green fields (vacant parcels that do not require removal of existing structures). This type of construction generally is easier and more economical than redevelopment of occupied sites. However, demolition followed by new construction or renovation are the only options available to PPS.

PPS also has many historic schools. If a school bond is approved, historic buildings that would be upgraded through a school construction bond would be renovated in a way that is consistent with the building's historical designations and building components, while providing up-to-date teaching and learning environments and more durable, sustainable finishes. Teachers, staff and families would be involved in planning to help preserve the unique aspects of each school and its integration into the surrounding community.

What is the size of PPS?

Portland Public Schools is the largest school district in Oregon, with more than 48,500 students and more than 90 school sites. Portland Public Schools is the second largest property owner in Portland and one of the region's largest employers with more than 5,000 teachers and school support staff.

More than 8 out of 10 students who live in Portland attend a PPS school. In the past 4 years, PPS' enrollment has increased by more than 1,000 students and enrollment is projected to exceed 50,000 students by 2022.

How old are the buildings in PPS?

The average age of PPS' schools is 77 years old. More than half of PPS schools were built in the 1940s or earlier. Before the 2012 School Improvement bond, which rebuilt and modernized Franklin, Roosevelt, Faubion and--slated to begin this year--Grant, only two schools have been built in the last 30 years, Rosa Parks Elementary in North Portland and Forest Park K-5 in Northwest.

How is PPS funded and how are resources spent?

More than 80 percent of PPS' general fund comes from state support or local property taxes. The remainder comes from other sources.

Overall, more than 80 percent of the PPS General Fund budget pays for staff - more than 5,000 teachers, educational aides and other school district staff from custodians, bus drivers and nutrition services workers to secretaries, principals and professional and technical employees.

- More than 70 percent of PPS funds are spent on teachers, curriculum and school support.

- Transportation, school maintenance and other costs account for 17 percent of the PPS budget.
- PPS spends 4.7 percent of its resources on central administration. PPS employees pay a share of health care premiums. PPS staff pay a 6 percent contribution to state employee retirement system.

According to the Chalkboard's Open Books Project, PPS spends a comparable portion of its budget on the classroom (72%) as Beaverton (72%) and Salem-Keizer (73%) school districts, and more than the overall state average (70%).