

Portland Public Schools District # 1J

2025-26 Bond Hearing Minutes

Tuesday, May 6, 2025
5:00 pm
Prophet Building
501 North Dixon Street
Portland, Oregon

Present:

TSCC:

Chair Harmony Quiroz
Vice Chair Matt Donahue
Commissioner Dr. Rita Moore
Executive Director Allegra Willhite
Budget Analyst Brittanie Abayare

Absent: Commissioners Allison Lugo Knapp and Tod Burton

Portland Public Schools:

Eddie Wang, Board Chair
Herman Greene, Board Member
Julia Brim-Edwards, Board Member
Christy Splitt, Board Member

Deborah Kafoury, Chief of Staff
Michelle Morrison, Chief Financial Officer
Dan Jung, Chief Operations Officer
Dr. Renard Adams, Chief Accountability and Equity Officer
Nicole Watson, Senior Director of Family and Community Engagement

Opening Remarks and Introductions

The hearing opened with a statement from Chair Quiroz explaining the purpose of the public hearing, which is to provide the public with an opportunity to learn about the proposed bond measure, ask questions, and comment on the record. Commissioners introduced themselves and affirmed there were no conflicts of interest. She stated that minutes would be recorded, and that TSCC does not take any action on the proposed bond or advocate for or against measures. Commissioners and TSCC staff introduced themselves and Chair Quiroz asked that PPS board members and staff introduce themselves as they come up to speak.

Public Comment

Chair Quiroz opened the public comment portion of the hearing by explaining the format. Members of the public were invited to testify for up to three minutes each. Executive Director Allegra Willhite served as timekeeper and informed speakers when they were nearing the end of their allotted time.

In addition to verbal testimony, TSCC received written public comment from community member John Charles, President of the Cascade Policy Institute. The written testimony includes a detailed critique of the PPS bond proposal. While TSCC does not read written comments aloud in the interest of time, this testimony was shared in full with all Commissioners in advance of the hearing and was made available to the public as part of the official record on the TSCC website. [Public Comment from John Charles PPS Bond Hearing](#)

Allegra introduced each member of the public and allotted each person three minutes to speak –

Tom Busse, Libertarian Party of Multnomah County

Expressed strong objections to the hearing process and TSCC's role. He stated that the hearing was not in compliance with ORS timelines and criticized the lack of voter-facing financial analysis. He asserted that TSCC should have legal authority to approve or deny measures and that PPS was overbuilding schools in the face of infrastructure needs elsewhere in the city. He called for a moratorium on new taxes in line with prior statements by state leaders.

John Charles, President, Cascade Policy Institute

Spoke briefly and deferred the bulk of his comments to his written submission. He criticized the lack of detailed budgeting in the bond proposal and objected to the district's exclusion of enrollment data in school design. He cited \$50 million in climate- and sustainability-driven costs as unnecessary, symbolic spending. He questioned the transparency and due diligence of PPS's process. He urged TSCC to either not certify or to certify the bond with formal objections, asserting that this would influence public awareness even without regulatory power.

Bill Schnabel, Community Member

Delivered an plea for PPS to reinstate cursive writing instruction. Through a series of historical quotes and civic texts, he suggested that many students today may not be able to read foundational documents written in cursive. He described this as a loss of cultural and civic literacy. He urged the district to reintroduce cursive education by the fifth grade to address this issue.

Commissioner Questions and District Responses

Chair Quiroz asked: We understand the proposed bond package was informed by feedback from families, students, and staff, among others. How did you gather this feedback? What gives you confidence that these projects and the total size of the bond are representative of the majority of stakeholders?

Deborah Kafoury, Chief of Staff responded that since the first bond was passed in 2012, there has been significant community involvement, attention, and interest in PPS bond measures. A community commitment was made back in 2012 to modernize all nine high schools. Since then, voters have repeatedly supported PPS bond measures, and as a result, six of the nine high schools have already been modernized.

The PPS Board of Directors began conversations about this specific bond in January 2024, prior to Deborah's arrival at the district. Since that time, the board has met almost monthly in work sessions, committees, or full board meetings. Community members have continually conveyed their commitment to PPS's modernization approach through participation in a variety of general obligation bond-related forums. These have included community-focused design advisory groups, open houses, design workshops, and opinion surveys. Additionally, two public opinion polls conducted in 2024 showed strong public support for the proposed bond.

Commissioner Moore asked: We've heard discussions in the community around the price of proposed bond projects, in particular the high school modernizations. Even after attempts to reduce costs, costs for the high schools are likely to be the majority of bond spending. Why are these projects so expensive relative to analogous projects in the region and across the country?

Dan Jung, COO, responded that PPS high school modernization efforts are large-scale capital projects that make up most of the proposed bond. While comparisons to similar projects are common, such comparisons can be misleading due to inconsistent cost reporting. Some projects report only hard costs, omitting soft costs, contingencies, permitting, escalation, and management fees. Local factors also significantly affect costs. Portland construction projects face:

- High prevailing wage requirements set by Oregon's Bureau of Labor and Industries.
- Higher cost of living than the national average and surrounding rural/suburban areas.
- Additional taxes on businesses.
- Sustainability mandates, including Oregon's 1.5% green energy requirement for public projects over \$5 million.
- Geographic isolation, which reduces contractor competition and increases bid prices.

Compared to other Oregon jurisdictions, Portland has:

- Higher permit and entitlement fees, sometimes exceeding \$4–5 million per project.
- Required right-of-way and nonconforming upgrades that add tens of millions in costs.
- Urban site constraints, requiring complex staging, traffic management, and just-in-time delivery logistics.

Because PPS has limited funds for ongoing maintenance, the district prioritizes long-lasting, durable materials—adding to upfront costs. PPS also has strong equity in contracting goals and must comply with its climate crisis response policy, which requires fully electric buildings and low-carbon materials.

The Cornerstone report compared five high school projects: three PPS schools in design (Jefferson, Ida B. Wells, and Cleveland), the completed Lincoln High School, and Beaverton High School (under construction). After adjusting for inflation, Lincoln was 15% more expensive than Beaverton due to premium space, equity goals, and complex site logistics.

The three new PPS high schools are 25–30% more expensive than Lincoln, largely due to:

- PPS's new all-electric infrastructure policy (not in place during Lincoln's design),
- Larger building footprints (about 10% bigger), and
- Expanded on-site athletic facilities.

Despite appearing more expensive, PPS projects reflect modern requirements, program needs, and regional cost realities. When comparing similar project scopes, the costs are within a reasonable range.

Follow-up Question asked by Commissioner Moore: The cost comparison report commissioned last fall by the district included specific project cost projections for the 3 high schools and identified a number of areas where costs could potentially be reduced. Among those were costs related to pre-construction and the CM/GC model which are significantly higher than in recent comparator projects, accounting for about 12% of the bond total. Most notably, those costs have apparently ballooned - almost double or

more - since the construction of Lincoln High School, completed less than 3 years ago. What explains these increases and have you explored ways to reduce them?

Dan responded that CM/GC remains the recommended delivery method for projects of this complexity and is widely used, including by Beaverton. The report calls out certain preconstruction and general condition costs, which can vary by site. PPS tends to ask for more of this work up front. They are evaluating ways to reduce those costs now that design is underway.

He stated that Lincoln's construction budget also came down over time—it started at \$240 million and completed at approximately \$225 million. These three projects are still in design, so the current numbers are conservative estimates.

Follow-up Question asked by Commissioner Moore: Do you expect the construction cost to increase 100% or 150% over Lincoln's?

Dan responded that the biggest driver of that increase is escalation. Lincoln was completed about three years ago. Over five or six years, at the 8% annual escalation rate cited in the report, costs rise 47%. Other major drivers include PPS's climate policy, which requires all-electric systems. This adds both system cost and square footage. Athletic upgrades, which were minimal at Lincoln due to its site but are extensive at the other three schools.

Follow-up Question asked by Commissioner Moore: I was present at the creation of the climate policy. The policy was crafted to provide flexibility. It was always considered aspirational. Was the board ever given an opportunity to consider modifying the design specifications to conform with the spirit of the policy, but reduce costs?

Dan noted that when the policy was approved, there was not a cost impact discussion about what those impacts would be. The most impactful cost driver is the requirement for all-electric infrastructure. That applies not just to new schools but to any new infrastructure going into the district, including mechanical and electrical systems.

Each high school goes through a comprehensive planning process before design begins. The board approves each project's comprehensive plan, which includes the scope, schedule, and budget. That budget is based on third-party cost estimates. All three high school projects were approved by the board and moved into design with those budgets.

There was an opportunity at that point to discuss reducing costs. In late 2024, there was an effort to review cost-saving measures. The Cornerstone report was part of that effort and identified the climate policy as a significant cost driver. The board gave some direction to look at some potential reductions, but overall the preference was to maintain the design and associated impacts within the projects.

Follow-up Question asked by Chair Quiroz: Can you give us a brief idea of the likelihood these costs will hold? What contingencies are included, and how much might be left for elementary and middle school upgrades?

Dan responded that there are a couple of contingencies built in. First, the bond budget for modernization work exceeds the estimates and budgets for the three high schools, so there's some margin already. They've also initiated a cost reduction effort currently underway. Additionally, the bond includes a program contingency for unanticipated costs.

The estimates come from third-party professional construction cost estimators—not internal staff. Designs are sent to the estimator at their current level of completion, and estimates are based on that. They then add soft costs and other expenses to arrive at total projected costs. While forecasting is inherently uncertain, especially over a 10–12 year horizon, these projections represent the best available information. Risk management strategies are built in to help manage that uncertainty.

Question asked by Chair Quiroz: The PPS Board is planning to build larger schools in a time of declining enrollment that is projected to continue into the next decade. The Portland State enrollment forecast from last July projected high school enrollment in ten years of about 11,000 students, but these 3 projects will build out high school capacity to 15,000. The Board appears to be taking a “if you build it, they will come” approach. What if this turns out to be wrong - what’s the plan if enrollment does not recover? And what are the fiscal and opportunity costs of over-building capacity at the high school level?

Dr. Renard Adams, Chief Accountability and Equity Officer, stated that the board’s direction was to build schools for the next 100 years—not just today’s projected enrollment. He said PPS believes that modern, well-equipped schools are critical to attracting families back to the district and to the city of Portland overall. In addition to new facilities, PPS is launching a new enrollment campaign help families rediscover what the district offers.

He added that Superintendent Dr. Kimberlee Armstrong, has stated publicly that modernized schools won’t sit empty because space could be used for other programs.

Follow-Up Question asked by Chair Quiroz: Has PPS done any analysis of what level of additional housing would be required to support that level of increased enrollment?

Dr. Adams stated that just the previous week, Superintendent Dr. Armstrong met with the Mayor and other Multnomah County school superintendents to discuss issues including housing. During that meeting, the Mayor shared that the city plans to waive System Development Charges (SDCs) temporarily to incentivize the development of new housing. These fees typically support infrastructure like parks, roads, and utilities.

He acknowledged that Portland faces a severe housing shortage across all income levels, which is likely contributing to enrollment declines. While the district has not conducted its own formal housing growth analysis, he shared that PPS is engaged in conversations with the City of Portland.

Follow-Up Question asked by Chair Quiroz: Chair Quiroz shared personal examples of her child’s school facing fire alarm issues, HVAC issues, and other aging school issues, and then asked the following question about infrastructure at the elementary and middle schools: There’s lots of reasons that families may not be encouraged to send their young kindergarteners or their first graders into our aging schools,. And these large dollar amounts for our high schools, while part of the system, don’t address the full needs of the system. So I’m curious, how was the distribution of the bond fund determined?

Commissioner Moore added on to the follow-up by stating: The 2012 bond included three high schools, and the sort of common wisdom is that all of our high schools are being built up to 1,700 students. That’s not accurate. Roosevelt was built up to 1,500, and the argument was, the existing enrollment didn’t warrant a 1,700 capacity, and Roosevelt could be expanded as enrollment increased. Have you utilized estimates from a demographer to estimate possible enrollment at the high school level? Have you considered decreasing the size at this initial build-out of the three high schools with the understanding that if enrollment warrants, you can always add?

Dan acknowledged the concern and affirmed that the district’s facility needs extend far beyond high schools. He said these decisions are made by the Board of Education and involve difficult tradeoffs. He noted that while the bulk of the bond funds are allocated to complete the high school modernization effort begun in 2012, there are still meaningful investments planned in elementary and middle schools, particularly in health, safety, and accessibility improvements.

He pointed out that while there are alternative approaches—such as building schools to smaller capacity initially and expanding later (as was done with Roosevelt High School, where classroom capacity was

built for 1,500 and the core spaces for 1,700)—that strategy was considered but ultimately not chosen by the current Board. Instead, the decision was to fully modernize the remaining high schools now, at scale.

Question asked by Vice Chair Donahue: In the 24-25 budget you anticipated continuing to spend down bond proceeds on capital projects for the 2017 and 2020 bonds. How much in bond proceeds do you have left to spend for those issuances? What is the anticipated timeline for finishing projects related to those bond approvals?

Dan stated that PPS currently has approximately \$700 million in unspent funds and the district anticipates completing these projects between 2029 and 2030.

Follow-up Question asked by Vice Chair Donahue: What is the split for the Jefferson build between 2020 and the new proposal?

Dan clarified that the total current cost estimate for the Jefferson High School modernization project is \$366 million. Of that, about \$100 million is expected to come from the 2025 bond measure.

Question asked by Chair Quiroz: A visible example of unspent bond funds and unmet commitments is the Center for Black Student Excellence, which was included in the 2020 bond. We'd like to hear the latest on this project. What and where will the Center be, how will it function, and how will you know if it is making an impact on improved student outcomes?

Nicole Watson, Senior Director of Family and Community Engagement, began by confirming that the Center for Black Student Excellence remains an active initiative. She stated that the district is reevaluating the project to ensure it aligns with its original vision while adapting to current conditions and opportunities.

She said the district is currently reviewing possible locations for the Center and plans to present a clear recommendation to the Board in the near future. An internal Steering Committee composed of representatives from finance, legal, real estate, operations, communications, and community engagement has been meeting regularly. The Center is envisioned as a hub for culturally affirming, identity-safe, and academically rigorous programming that uplifts Black students and their families. Metrics for success will include student belonging, access to culturally relevant resources, and increased engagement.

Follow-Up Question asked by Chair Quiroz: This is just one example of hard-to-see results from the 2020 bond. I'm curious what the district wants to say to voters who are worried that this is evidence that bond commitments won't be met. For the past five years, we've been hearing that progress will happen soon, but we have yet to see results. [The Center for Black Student Excellence] is part of the reason the 2020 bond was passed. So is there a timeline of when it will be available to students and families?? It's five years later, the public still doesn't have clear concept of what the Center will look like.

Nicole acknowledged the long delay and the community's frustration. She stated that she stepped into this role in February 2025 and quickly convened the Steering Committee with a mandate to reengage and move the project forward. She expressed a strong desire to move with "quiet intentionality," promising that updates will be forthcoming and will feel substantial to families and stakeholders

Question asked by Vice Chair Donahue: We understand that actual tax rates are dependent on interest rates and changes in assessed value. The district has committed to keeping bond levy rates under \$2.50 per \$1,000 of assessed value. The tax rate has been below that in recent years - how confident are you in your estimates for the new tax rates?

Michelle Morrison, Chief Financial Officer, responded that PPS has performed extensive financial analysis using current and historical data on assessed values and real property valuations in the district.

She stated that PPS is currently operating below the \$2.50 per \$1,000 tax rate and anticipates being able to maintain that trajectory with this bond.

When asked if that meant the district had included “a lot of cushion,” she replied affirmatively, stating, “We are generally very conservative in our estimates.”

Follow-up Question asked by Vice Chair Donahue: Your anticipation is that the debt service for this year’s bond is not going to start until FY26-27, correct?

Michelle confirmed that the district’s plan is for debt service on the 2025 bond to begin in fiscal year 2026–27.

Question asked by Commissioner Moore: Although elementary and middle schools have received some improvements in envelope integrity, safety, and accessibility under the series of bonds since 2012, with a few notable examples they remain in urgent need of modernization. What is the district’s plan to address the needs of elementary and middle schools when debt capacity will be limited for the next decade or more if this bond passes?

Dan reiterated that PPS has extensive and ongoing capital needs and stated that the majority of capital funding comes from general obligation bonds. He said PPS will use the portion of the current bond allocated to non-high school campuses to complete some improvement work at elementary and middle schools and will aggressively pursue additional funding through grants and other resources. He cited recent funds obtained through the Portland Clean Energy Fund as an example of the district’s effort to seek out alternative resources.

Follow-up Question asked by Commissioner Moore: Have you contemplated going out for any future bonds to cover elementary/middle schools in a certain timeline?

Dan replied that there is no plan to do so for approximately eight years, but he noted the district always has the ability to pursue additional bonds and incur new debt service if needed.

Chair Quiroz invited the district to use the remaining time to speak directly to voters and share the most compelling reasons to support the 2025 bond measure.

PPS Board Member Julia Brim-Edwards introduced herself as a PPS graduate and parent whose child spent 18 years in PPS. She said during those 18 years, there were no bond measures to improve school facilities. She noted that the buildings are more than 75 years old and that the original plan was focused on both health and safety improvements and modernization starting with the high schools. She also pointed out that the bond would not result in a tax rate increase, reaffirming the district’s commitment to maintain the rate at \$2.50 per \$1,000 while making significant investments in school facilities.

PPS Board Chair Eddie Wang addressed concerns about school size. He explained that although schools are being built to accommodate 1,700 students, the intention is not to fully fill them. He shared that when schools reach maximum capacity, it results in students losing instructional time. He noted that a school designed for 1,700 is most functional at about 1,400 students due to scheduling and instructional demands. He also warned that delays in passing the bond would lead to increased costs from inflation, and that the district’s goal has always been to ensure that every student, regardless of zip code, attends a modernized, high-quality school.

PPS Board Member Herman Greene stated that he scrutinizes every dollar of the bond to ensure those dollars are spent wisely—not to cut the bond, but to potentially direct excess funds toward elementary and middle schools. He argued that the bond is necessary not only to complete the high school modernizations but to make broader system-wide improvements. Green urged voters to say “yes” to the measure for the benefit of current and future generations.

PPS Board Member Christy Splitt concluded by saying that a great city needs great schools and noted that the bond is an opportunity to invest in both students and the city itself. She emphasized that with state education funding uncertain and inadequate, bonds and levies are the only available tools for Portland voters to make meaningful improvements in their schools.

Chair Quiroz thanked the board and district staff for their participation and stated that TSCC looks forward to the upcoming budget hearing with PPS in six weeks.