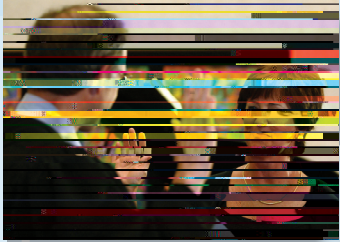
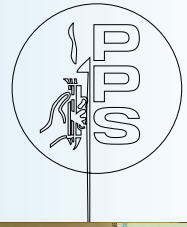


Portland Public Schools Board of EdBs



Agenda



PORTLAND PUBLIC SCHOOLS

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BOARD ITEM STAFF REPORT

This report relates to two Resolutions. One is to declare District-owned real property as surplus, and to authorize the Superintendent to sell the property to NAYA, the current tenant of the facility. The second is to approve the purchase and sale agreement that has been negotiated with NAYA.

The process to get to this point has explicitly followed Board policy and the Superintendent's Administrative Directive on surplus property declarations and methods of sale.

The Board Policy (8.70.040-P) and state law provide that the Superintendent may recommend district property be declared surplus if it is no longer required for school purposes. The Superintendent's recommendation must be based on a thorough analysis of the property vis. a vis. short- and long-term enrollment projections, why the property is unnecessary for educational programs, property factors (such as size, location, improvements, value) and how those factors support disposing of the property. The Resolution can also identify any community uses of the property (important in selling the property for a particular use, as in this case) and a description of the public input process and any issues raised during that process.

The Resolution contains the required analysis of each of those points, citing in particular that even if enrollment were to increase within the District at some time in the future, the facility is not in a traditional or potential new neighborhood where students would be expected to live, being located on a busy commercial street with heavy truck traffic, and surrounded by industrial development. The Resolution also indicates that if more space were to be needed in public schools, the District owns the vacant Whitaker/Adams site in the area, more closely located to the adjoining residential neighborhoods.

Finally, financial findings are included in the Resolution. The proposed purchase price is at fair market value based on recent appraisals. If the District were to retain the facility as leased space, significant repairs and improvements would need to be made. Capital improvements would not be a prudent use of the District's capital funds, but if they were expended, would substantially reduce the net proceeds from lease revenue, making Lakeside a less of a desired property to produce revenue to the District.

NAYA contacted the former Superintendent about the potential of purchasing the Lakeside property in 2006. The

Consistent with the surplus declaration, the second resolution approves the purchase and sale agreement reached between PPS and NAYA for the fair market value of \$2.9m.

The agreement includes contingencies for any required environmental mitigation.

The Portland Schools Real Estate Trust, advisor to the Board on real estate transactions, has reviewed this proposed sale, and has given its unanimous support.

PPS staff has conducted due diligence in all aspects of this transaction, evaluating the potential need of the site by the District in future years, the community benefits of the transfer of ownership, and the financial elements of the proposed sale. Staff recommends to the Superintendent that the property be declared surplus and sold to NAYA, and that the purchase and sale agreement resolution be approved.

The property transaction will return the fair market value of the property to the District, as determined by qualified appraisals. PPS and NAYA have agreed upon a \$2.9m purchase price, cash on closing.

As indicated above, local governments were notified of this potential action, and provided no interest in acquiring the property.

Letters of support of the sale to NAYA were received from the Multnomah County Chair Ted Wheeler, the Director of Portland Parks and Recreation Zari Santner, and Metro's President David Bragdon.

Personnel

Appointment of Temporary Teachers and Notice of Nonrenewal

1. The Board of Education accepts the recommendation to designate the following persons as temporary teachers for the term listed below. These temporary contracts will not be renewed beyond their respective termination dates because the assignments are temporary and District does not require the teachers' services beyond completion of their respective temporary assignments.

Full Name	Location	Job Title	FTE	Start Date	End Date
Holm, Claire C	Ockley Green K-8	Teacher-K8 Gr 1	1.000000	4/8/2009	6/12/2009
Weiner, Adam	Marysville K-8	Teacher-K8 Music	1.000000	9/1/2009	1/3/2010

Purchases, Bids, Contracts

The Superintendent RECOMMENDS adoption of the following items:

Numbers 4114 through 4116

Revenue Contracts that Exceed \$25,000 Limit for Delegation of Authority

Board Policy 8.90.010-P, "Contracts," requires the Board

State of Oregon, Department of Education	07/01/09 through 06/30/10	IGA / R 56868	Columbia Regional Program to provide educational services for children with severe disabilities in Clackamas, Multnomah, Hood River, and Wasco Counties.	Fund 205 Grants G1024 and G1025		
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Expenditure Contracts that Exceed \$25,000 Limit for Delegation of Authority

Board Policy 8.90.101-P, "Contracts," requires the Board of Education ("Board") enter into contracts and approve payment for products, materials, supplies, capital outlay, equipment, and services whenever the total amount reaches \$25,000 or more annually per contractor. Contracts meeting this criterion are listed below.

The Superintendent recommends that the Board approve these contracts. The Board accepts this recommendation and by this resolution authorizes the Deputy Clerk to enter into agreements in a form approved by General Counsel for the District.

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Coastwide Laboratories	06/30/09	Purchase Order PO 85278	District-wide: Blanket order for miscellaneous custodial supplies.	Fund 101 Dept. 5593	\$900,000 \$754	F. Leavitt
North Coast Electric	06/30/09	Purchase Order PO 85280	District-wide: Blanket order for miscellaneous lighting and building needs.	Fund 101 Dept. 5593	\$120,000 \$2,752	F. Leavitt
Pierre Foods	07/01/09 through 06/30/10	Material Requirements MR 56701	District-wide: Diverted commodity processing (food products) on a requirements basis.	Fund 202 Dept. 5570	\$170,000 \$14,309	K. Obbink
VavRosky MacColl, PC	07/01/09 through 06/30/10	Personal / Professional Services PS 56825				

Mountain States Networking	07/01/09 through 06/30/10	Personal / Professional Services PS 56135 Amendment 1	District-wide: One-year renewal for network engineering services, primarily for response to outages and problems, secondarily for support in operational activities, on as-needed basis.	Fund 101 Dept. 5581	\$12,000 \$42,000 \$354,140	N. Jwayad
Garten Services, Inc.	07/01/09 through 06/30/10	General Services GS 56157 Amendment 2	District-wide: One-year renewal for electronic waste removal and recycling.	Fund 101 Dept. 5581	\$27,400 \$102,400 N/A	N. Jwayad
VersiFit Technologies, LLC	07/01/09 through 06/30/10	Information Technology IT 56433	District-wide: One-year renewal for maintenance and support services for data warehouse system.	Fund 101 Dept. 5581		

Todd Hess
Bldg
Company

07/10/09
through
12/31/09

Construction
Contract
C 56271
Change Order 3

Da Vinci Arts:
Additional funds for

Portland Community College	05/01/09 through 06/30/09	IGA 56011 Amendment 2	District-wide: Additional funds for alternative education services.	Fund 101 Dept. 5485	\$52,312 \$2,207,260	J. Villano
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“Payment Total” is the total amount actually paid to the vendor since July 1, 2008, and thus may be more or less than the “Contract / Amendment Amount” or “Contract Total.” “N/A” in the Payment Total column indicates no payments made to date. Payment Total is not included for IGAs.

Expenditure Contracts that Exceed \$25,000 Limit for Delegation of Authority
21st Century Capital Projects Fund

Board Policy 8.90.101-P, "Contracts," requires the Board of Education ("Board") enter into contracts and approve payment for products, materials, supplies, capital outlay, equipment, and services whenever the total amount reaches \$25,000 or more annually per contractor. Contracts meeting this criterion are listed below.

The Superintendent recommends that the Board approv

Other Matters Requiring Board Action

The Superintendent RECOMMENDS adoption of the following items:

Numbers 4117 through 4123

Designation of Real Property as Surplus at the Lakeside Site (5135 NE Columbia Boulevard) and
Direction of Its Sale to the Native American Youth and Family Center

- A. The Board of Education ("Board") seeks to ensure that the physical assets of Portland Public Schools ("District") are supporting in the most productive way possible our core mission of educating District students.
- B. The District has limitations on the financial resources available to support its educational programs and seeks new sources of revenue to support its programs and activities. One of the prime needs of the District is the improvement of its capital facilities. Board Policy 8.70.042-P provides that net revenues from the sale of surplus property shall be dedicated to a special reserve fund to support capital needs, including renovation and maintenance of the District's capital infrastructure, or to leverage additional capital funds.
- C. The District owns a 10-acre property developed with a 63,500 square foot school building located at 5135 NE Columbia Boulevard (Lot 1 of Partition Plat 2008-143) ("Lakeside Site" or "Site").
- D. The Native American Youth and Family Center ("NAYA") currently leases the Lakeside Site. In 2007, NAYA contacted the Superintendent to begin

J. The Superintendent recommends to the Board that the Lakeside Site be declared surplus real property and sold to NAYA subject to final approval of a purchase and sale agreement by the Board.

K. The Superintendent makes the following report pursuant to Board Policy 8.70.040-P in support of her recommendation:

- 1). Public Notice: The Board of Education; the City of Portland, Oregon; Multnomah County, Oregon; the Cully Association of Neighbors, and the Central Northeast Neighbors Association were notified on April 14, 2009, of the Superintendent's intent to recommend that the Lakeside Site be declared surplus real property by the Board of Education and sold to the NAYA.

Public Notice was published as to the Superintendent's intent to recommend that this property be declared surplus and sold to NAYA was published in the _____ on April 21, 2009, and in _____ on April 26, 2009.

- 2). Public Input Opportunity:

District staff attended the May 12, 2009, Cully Association of Neighbors meeting to provide information on the surplus process and the Superintendent's recommendation that the Lakeside Site be declared surplus an

The building is too small to house a full middle school or K-8 program.

The size and layout of the building could impose limitations on the education program that could be offered.

Projections for the District indicated that its enrollment is stabilizing and is projected to remain close to 46,000 until 2011-12. Under the medium growth scenario forecasted by Portland State University, District enrollment could grow slowly from 2012 to 2020 to an enrollment of around 47,000 students. Beyond 2020, District enrollment is likely to increase as the Portland metro area population increases.

Lakeside, however, is not located either in a traditional or potentially new neighborhood where students would be expected to reside, and is geographically isolated by Columbia Boulevard and industrial development.

If enrollment demands required more space in the public schools in this area, the District could improve and expand the schools in nearby residential neighborhood areas to accommodate more students. The District also has the vacant Whitaker-Adams site (the former location of Adams High School and later Whitaker Middle School) available in the area if land for a new school were to be required.

The District now holds four vacant buildings in reserve, with more than 248,000 square foot of space, located in residential areas of the District for its future needs.

The District finds that the facility will not be needed to accommodate its programs because of stable or only slightly increasing enrollment over the near term, reserve and excess capacity at other schools and sites, and the Lakeside Site's small size and geographic location.

b. Financial Factors

Based on appraisal, the fair market value of the Site is \$2,900,000.

The facility at the Site will need significant repairs and improvements (, boiler and heating system replacement, roof replacement, window replacements) as outlined in a December 2007 Facilities Condition Study prepared for the District.

The study estimated that the Lakeside Site needed in excess of \$1.7 million for repairs and over \$4 million for full renewal and modernization of the building and its systems.

Given stable or slightly increasing enrollment trends, the industrial neighborhood where the Site is located, four school buildings in reserve, and excess capacity at

- B. ODOT is authorized under state statutes to acquire property for right of way purposes under condemnation proceedings or by purchase at fair market price.
- C. Board of Education Policy 8.70.040-P, Disposition of Surplus Real Property, provides the public

The meeting of the Board's Student Achievement Committee convened on the above date at 8:01AM at the call of committee Chair Sonja Henning in the Willamette Conference Room of the Blanchard Education Service Center, located at 501 N. Dixon, Portland, Oregon.

Present were:

Board Committee Members
Sonja Henning, Chair

Guests

Special Ed students as “one of them”. The principals’ desire was to have Special Ed students more integrated in the general education program. The attitude at PPS was a very positive one. There was a broad understanding of Special Ed programming. Teachers would like to have more Para educators in their classrooms, but that may not necessarily be the best thing for the Special Ed student.

Ms. Jackson reported on next steps and when they will move into strategic planning. A report will be completed this summer and stakeholders will meet and write a strategic improvement plan. Ruth Adkins asked if stakeholders would include parents. Ms. Jackson responded yes, and that parents were looking forward to interacting with the District.

Ms. Brzezinski reported that ESL and TAG have had state reviews that contained corrective actions and feedback.

Diana Fernandez stated that the District will institute its own self audit in the fall. Each student’s schedule will be reviewed. Ms. Fernandez provided a written Title II (ESL) Audit Update. Ms. Adkins commented that we need to think of a way to make our plans more visible to the Board and the public.

Teri Geist provided a compliance update on TAG. The state’s review had been a huge wake-up call to staff. The District has until June 30th to come into compliance or risk the loss of funds. Work this year had been focused on coming into compliance. There was much more equity of access now in schools. A single-subject acceleration will be easier to obtain, along with an accelerated grade level.

Chair Henning adjourned the meeting at 11:00am.

Submitted by:

Caren Huson-Quiniones, Board Senior Specialist
PPS Board of Education

Co-Chair Williams recognized the Board's Student Representative for 2008-2009, Olin Stickler, stating that he had offered a student perspective on issues facing the Board, and had tried very

Resolution 4109, Naming Resolution for Harrison Park School (formerly Clark @ Binnsmead School), was approved by unanimous vote (5-yes, 0-no, with Directors Gonzalez and Wynde absent and Student Representative Stickler voting yes, unofficial).

Co-Chair Williams reported that, after 21 days of being open for public comment, Policy 4.30.010-P – Student Conduct and Discipline Policy, was now before the Board for a vote.

Director Adkins stated that the Student Conduct and Discipline Policy was being brought to the Board after unanimous support from SSCR. During the comment period itself, there were really no substantive changes suggested, just wordsmithing. After adoption, this will be the new policy moving forward and there will be a series of Administrative Directives to support the policy. Director Adkins thanked staff and the community for the process, and Chief of Staff Zeke Smith had outlined the supporting funds in his memo which was included in the Board Book. Director Adkins reported that SSCR will continue to review the implementation and results of the amended policy.

Co-Chair Williams commented that it was very important to maximize the time students spend in school, and that the District used to have in-school suspensions; students were sent to classrooms and educated in the office. Co-Chair Williams as

schools would have 300-1,100 students and would not have the traditional experience of a community school.

John Wilhelmi reviewed course requirements for graduates of the class of 2011, and reviewed electives.

Director Regan asked what the average size was of an urban high school in the United State and Oregon. Ms. Singer responded that she would research the question and added that in late September, staff will return to the Board with a more detailed plan, greater refinement in the number and size of schools, and further program definition and locations. Ms. Singer commented that the process would not happen over night, and that staff was envisioning a six-year phase in.

Director Regan stated that with No Child Left Behind and benchmarks rising every year, can we really say we would not allow transfers, as it is required by federal law. Does that mean if someone is in a failing school that they would be forced into a Magnet school. Ms. Singer responded that at the high school level at PPS, only a few of our schools now have Title 1 funding coming to them, and it does not look like any of our high schools would hit the 75% free or reduced lunch rate, so a student would not have the right by law to transfer. Demographics can change over time, so we have to consider what would happen if a school did reach the free or reduced lunch rate. More analysis would be needed. You can control where students attend and control where they can transfer to. Director Regan stated that a further discussion of Title 1 in high schools was needed. Director Henning commented that what we continue to miss with AYP is the monitoring of improvement. Looking at where our students need the help is high schools; if the support isn't there, it's going to fall off and the graduation rate will suffer.

Director Regan stated that she felt there was a tremendous urgency in this work and added that her concern was facilities were shown to open in 2013, and we plan to go out for a bond in 2010, but she does not feel a sense of urgency with staff. Why was there a three-year gap? We know

attractive that parents want their kids to be in the school system. In terms of the timeline, one concern was student assignment changes being phased in during 2010-2011 was going to fast.

Director Adkins commented that she would like to see more emphasis in the hands-on learning and how it will be provided across our system. Her concern was that magnet schools would be set up in a way that would not drain our neighborhood schools. In terms of the number of campuses and programs, the essential thing is to plan ahead for growth in high school numbers.

Co-Chair Sargent stated that as staff is looking at the magnet issue, she would be interested in looking at powerhouse schools around the country – are there magnets or districts that support the arts as a whole at the high school level? What have those districts done to create those powerhouse schools? Does it require a magnet or something different? Also, Co-Chair Sargent stated that she was concerned about the distribution of teachers across the system of high schools; we have to be confident in how we are going to do this. We need strong teachers in every school and we need teachers that want to be in those schools.

Director Henning mentioned that her main concern was structurally and the folks who are making the decisions. There is a senior core of PPS individuals who will be making decisions and her question of confidence is at the center. She hopes the core team that makes the decision are a group of individuals who understand the equity piece and know PPS well. Every person on the team needs to show a history of making a commitment to the students. Superintendent Smith stated that beyond just a core group, we have checks and balances with community members who have been involved from the beginning of this discussion. Superintendent Smith added that as we move on, we will get more and more input from communities and stakeholders; this was just the first wave.

Director Sargent moved to adopt the Business Agenda, with the Board already having voted on Resolutions 4104 through 4110.

Receiving no citizen comment, Co-Chair Williams called for the vote on the Business Agenda. The Business Agenda was approved by a vote of 6-0.

The meeting of the Board's Finance, Audit

CJ Sylvester commented that the Committee could direct staff to go back and tell the developer to hold the line, we need the improvements, rework your numbers, and then come back to the entire Board on July 20th for a decision.

The Committee instructed staff to negotiate hard and to have negotiations completed no later than July 15th.

Director Sargent adjourned the meeting at 1:16pm.

Submitted by:

Caren Huson-Quiniones, Board Support
PPS Board of Education