

RESOLUTION

A RESOLUTION OF PARKROSE SCHOOL DISTRICT NO. 3, MULTNOMAH COUNTY, OREGON, CALLING A MEASURE ELECTION TO SUBMIT TO THE ELECTORS OF THE DISTRICT THE QUESTION OF CONTRACTING GENERAL OBLIGATION BONDED INDEBTEDNESS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$63,000,000 TO FINANCE THE CAPITAL COSTS AND COSTS OF ISSUANCE; DECLARING INTENT TO REIMBURSE EXPENDITURES; AND RELATED MATTERS.

WHEREAS, the Board of Directors of Parkrose School District No. 3, Multnomah County, Oregon (the "District"), through its community-based Bond Coordinating Council, determined that a need exists for the District to finance the capital costs for current and long-term building, safety and technology needs; and

WHEREAS, a scientific survey of district voters clearly indicates voters understand the need to protect their investment in educational facilities by making improvements to existing buildings and are willing to replace Parkrose Middle School that is too costly to renovate; and

WHEREAS, the District has carefully considered all of the capital costs to assure the proposed facilities and building improvements provide equal educational opportunities for Parkrose's approximately 3,500 students without raising the District's current tax rate; and

WHEREAS, the District believes the current lower costs for construction not only provide an opportunity to replace outdated buildings and facilities at the most reasonable and responsible cost to taxpayers for construction but also would provide energy efficient facilities that could reduce the District's ongoing energy consumption; and

WHEREAS, the Board of Directors of Parkrose School District No. 3, Multnomah County, Oregon, has determined that a need exists for the District to finance the capital costs, as more fully described in the Notice of Bond Election, attached hereto as Exhibit "A" (the "Notice"), and to pay bond issuance costs (collectively, the "Project"); and

WHEREAS, in connection with the Project, the District has evaluated the need for safety improvements, the joint funding of safety improvements with other public and private entities and the funding of safety improvements in accordance with ORS 332.176; and

WHEREAS, the costs of the Project are estimated to be not more than \$63,000,000; and

WHEREAS, ORS 328.205, as amended (the "Act"), subject to voter approval, authorizes the District to contract bonded indebtedness to provide funds to finance the costs of the Project and to pay bond issuance costs; and

WHEREAS, the District anticipates incurring expenditures (the "Expenditures") to finance the costs of the Project and wishes to declare its official intent to reimburse itself for any qualifying Expenditures it may make from its general funds on the Project from the proceeds of bonds or other debt obligations (the "Bonds"), the interest on which shall be excluded from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, the District has been provisionally qualified for allocation of Qualified School Construction Bonds and Qualified Zone Academy Bonds for up to \$15,000,000 that, if available may provide unusually low cost funding for the Project and thus lower the cost to taxpayers;

NOW, THEREFORE, the Board of Directors of Parkrose School District No. 3, in Multnomah County, Oregon, resolves as follows:

1. A measure election is hereby called for the purpose of submitting to the electors of the District the question of contracting general obligation bonded indebtedness in the name of the District in an amount not to exceed \$63,000,000. Bond proceeds will be used to finance the Project and pay Bond issuance costs. The Bonds shall mature over a period of not more than thirty (30) years from their respective date of issuance and may be issued in one or more series.

2. The measure election hereby called shall be held in the District on the 17th day of May 2011. 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.

3. The District authorizes the Superintendent as authorized representative and district election authority under ORS 255.005(4) ("Authorized Representative") to act on behalf of the District, to submit the final ballot title and explanatory statement and to take such further action as is necessary to carry out the intent and purposes herein in compliance with the applicable provisions of law.

4. The District election authority shall cause to be delivered to the Election Officer of Multnomah County, Oregon (the "Election Officer"), Notice in substantially the form as attached hereto as Exhibit "A", which shall be approved and filed by the Authorized Representative of the District, not later than March 17, 2011, (61 days prior to the election date).

5. The District hereby declares its official intent to reimburse itself with the proceeds of the Bonds for any of the Expenditures incurred by it prior to the issuance of the Bonds.

6. The law firm of Orrick, Herrington & Sutcliffe LLP, is hereby appointed to serve as bond counsel with respect to the Bonds. Seattle-Northwest Securities Corporation is hereby appointed as underwriter to the District with respect to the Bonds. The District will pay the fees and expenses of bond counsel and underwriter from Bond proceeds.

ADOPTED by the Board of Directors of Parkrose School District No. 3, Multnomah County, Oregon this 28th day of February, 2011.

**PARKROSE SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON**

By: _____
Chair, Board of Directors

ATTEST:

By: _____
Superintendent/District Clerk

EXHIBIT "A"

NOTICE OF BOND ELECTION

**PARKROSE SCHOOL DISTRICT NO. 3
MULTNOMAH COUNTY, OREGON**

NOTICE IS HEREBY GIVEN that on May 17, 2011, an election will be held within the boundaries of the Parkrose School District No. 3, Multnomah County, Oregon. The election shall be conducted by mail. The following question will be submitted to the qualified voters thereof:

CAPTION:

PARKROSE SCHOOL BOND TO UPGRADE FACILITIES,
REPLACE MIDDLE SCHOOL

QUESTION:

Shall District renovate and upgrade facilities, replace middle school, improve safety, technology by issuing \$63,000,000 in general obligation bonds? 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:

Passage of this measure provides funds to finance capital costs at Parkrose facilities. This measure would:

- Increase access to technology for student learning by upgrading technology and related infrastructure at all facilities.
- Replace roofs, upgrade plumbing, electrical systems and floors.
- Increase energy efficiency by upgrading heating and ventilation systems and replacing windows.
- Make health, life, safety upgrades in all facilities such as security cameras and entry upgrades to meet safety standards and asbestos removal.
- Replace and equip Parkrose Middle School on the same site.
- Construct and equip multipurpose rooms for activities for elementary school students.

- Purchase property.
- Pay bond issuance costs.

The District's 1995 general obligation bond levy expires in December 2011 and it is anticipated that property taxes for this proposed bond levy would remain at the current tax rate.

Bonds would mature in 30 years or less from their date of issuance and may be issued in one or more series. The bond measure is not expected to increase the District's current property tax rate.

Signature of authorized District Election Authority

Date signed

Printed name of authorized District Election Authority

Title