

Local Bond Measure Election Results

November, 2018

Oregon residents approved almost \$1.4 billion of bond measures across the State during the November general election, which was historically strong. Although results have yet to be certified, and therefore are still preliminary, bonds approved by this election far outweigh the \$852 million approved at the previous Oregon November special election in 2017. By election measure, approximately 61% of the issues were approved, however an encouraging 71% of the total requested par amount was approved by voters. Oregon typically sees more ballot measures during general elections, which are held in November, of even-numbered years.

November 2018					
	Pass	%	Fail	%	
Par Amount	\$ 1,391,700,000	71%	\$ 579,400,000	29%	
Bond Measure	11	61%	7	39%	

Source: Kirkpatrick Pettis Capital Management and various Oregon County Clerks.

Issuer	Tax Rate	Par Amount	Pass/Fail
Baker School District 5J	1.9700	\$ 48,000,000	Fail
Oregon City School District	1.2400	\$ 158,000,000	Pass
Canby Fire District	0.2800	\$ 4,900,000	Pass
METRO	0.2400	\$ 652,800,000	Pass
Clatsop County	0.2100	\$ 20,000,000	Pass
Astoria School District 1C	1.0000	\$ 70,000,000	Pass
Warrenton-Hammond School District 30	2.6800	\$ 38,500,000	Pass
Sunset-Empire Park and Rec. District	0.7000	\$ 20,000,000	Fail
Redmond School District 2J	0.5400	\$ 70,000,000	Fail
Siuslaw School District #97-J5	2.7200	\$ 108,700,000	Fail
Ashland School District #5	2.0000	\$ 109,000,000	Pass
Eagle Point School District #9	0.8900	\$ 95,000,000	Fail
City of Springfield	0.5000	\$ 10,000,000	Pass
Eugene School District #4J	0.6600	\$ 319,300,000	Pass
Toledo Rural Fire Protection District	0.7500	\$ 2,700,000	Fail
Dufur School District #29	1.7100	\$ 4,000,000	Pass
North Wasco County School District #21	2.9900	\$ 235,000,000	Fail
City of Lafayette	0.9700	\$ 5,200,000	Pass

Source: Kirkpatrick Pettis Capital Management and various Oregon County Clerks.

The majority of the bonds approved were for school districts making capital improvements to existing facilities and constructing new facilities to accommodate enrollment growth. Approximately 55% of school bonds were approved, which represents 56% of the requested par amount for schools. Success was greatest in the Portland metropolitan area, where all of the bond measures were approved by voters. Tax-rate and the overall par amount requested did not seem to weigh into voter decisions as much as demographics and geography. Furthermore, a significant marketing point for several of the school issues was the Oregon School Capital Improvement Matching program, a grant program offered by the Oregon Department of Education which provides additional funding to communities that pass general obligation bonds for school improvements. In the case of Dufur School District, the State has committed to providing a \$4 million grant in addition to the \$4 million approved by voters.



Local Bond Measure Election Results

November, 2018



Some of the elections were closer than others. Redmond School District's \$70 million bond measure included a variety of projects ranging from rebuilding an elementary school originally constructed in the 1960's, with a roof that now sags when it sees snow, to security and energy efficiency improvements at existing district facilities. The measure was narrowly approved in Deschutes County with a margin of 243 votes, but was squashed in Jefferson County where 653 voters declined the measure. The failure of the measure in Jefferson County is likely due to the relatively large retired population of voters occupying the northern tip of the District in Crooked River Ranch.

The most significant measure to pass was Metro's \$653 million measure to fund an estimated 3,900 affordable housing units, in which an estimated 12,000 residents will live. The measure was presented in Clackamas, Multnomah and Washington Counties, and it passed in all three. This measure is significant because it was coordinated along with an amendment to the Oregon Constitution permitting cities and counties to use bond proceeds for projects in which nonprofit groups and private developers have a stake. Although the measure just passed, Metro has "shovel-ready" projects in each county. Metro outlined its initial steps including forming an oversight committee, which will be in charge of allocating money for the housing projects. From the perspective of a bond investor, the oversight of a measure of this nature is crucial due to the variety of influences and the public-private nature of the projects.

Overall, this election will provide a significant source of additional supply to the bond market and many of these issues may become portfolio holdings of Aquila Tax-Free Trust of Oregon.



Timothy Iltz
Vice President and Municipal Bond Analyst