

Prospective Bond Board Workshop

June 27, 2024

RENEW
HISD



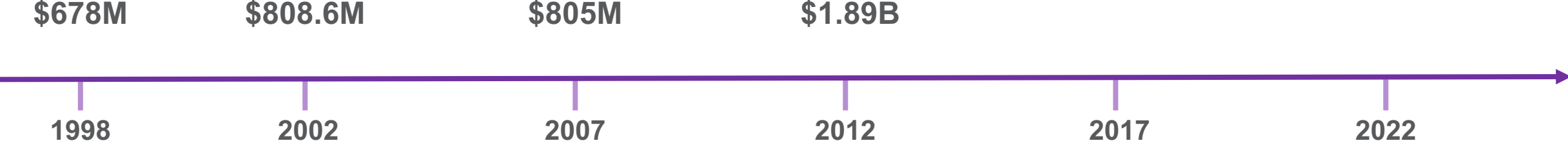
RENEW HISD



Proposal Headlines

What are the key investments proposed in the 2024 HISD Bond?

Our Bond History



Total
\$4,181,600,000

Other Districts Invest More



\$8.0B
139,695 Students
190 Schools



\$5.2B
118,155 Students
88 Schools



\$4.9B
72,830 Students
116 Schools



\$4.9B
101,976 Students
125 Schools



\$4.8B
29,107 Students
25 Schools



\$4.4B
72,352 Students
70 Schools



\$4.3B
94,785 Students
74 Schools



\$4.2B
184,109 Students
274 Schools

Total Borrowing from 1992-2024

Current State





**Safe & Healthy
Campuses**

\$1.04B



**Future
Ready**

\$1.07B



**Restoring Houston's
Schools**

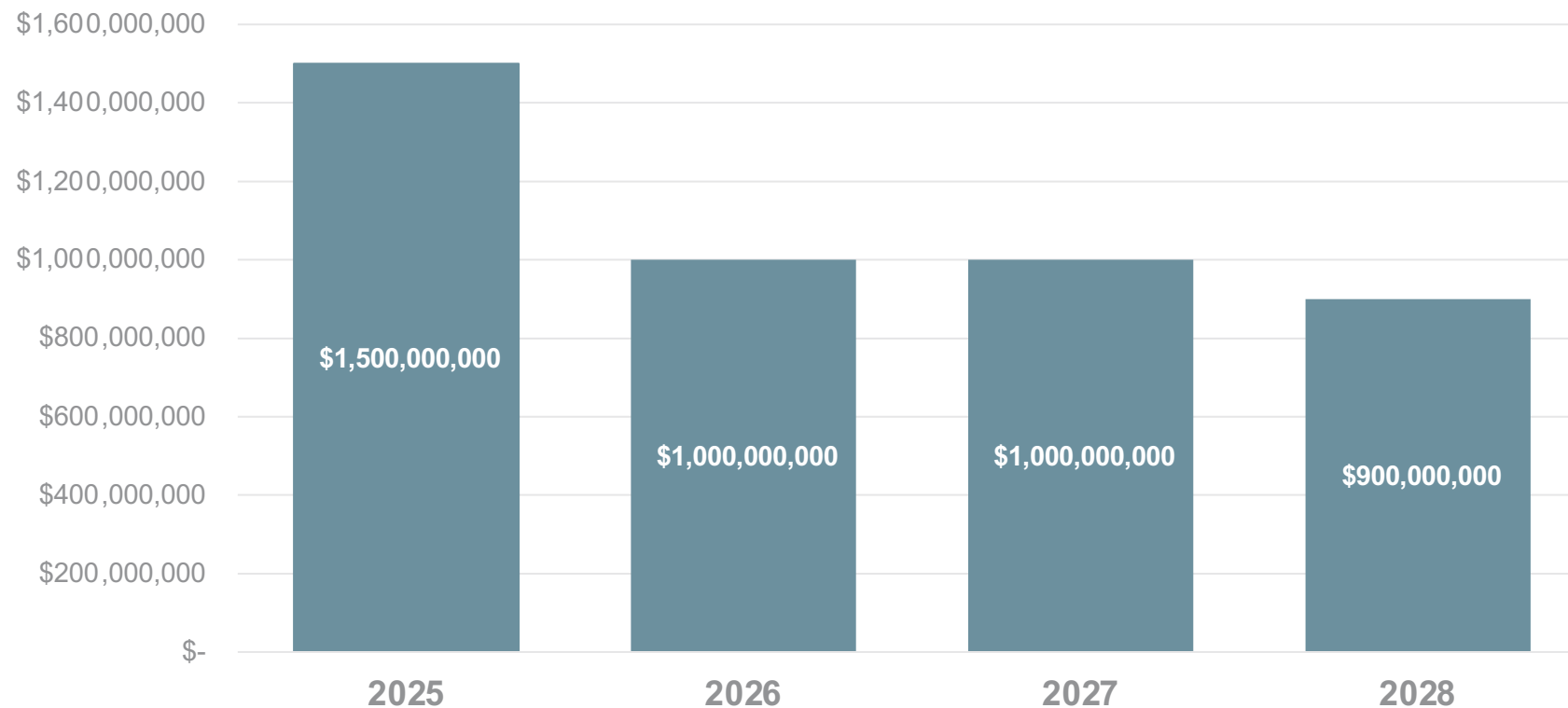
\$2.27B



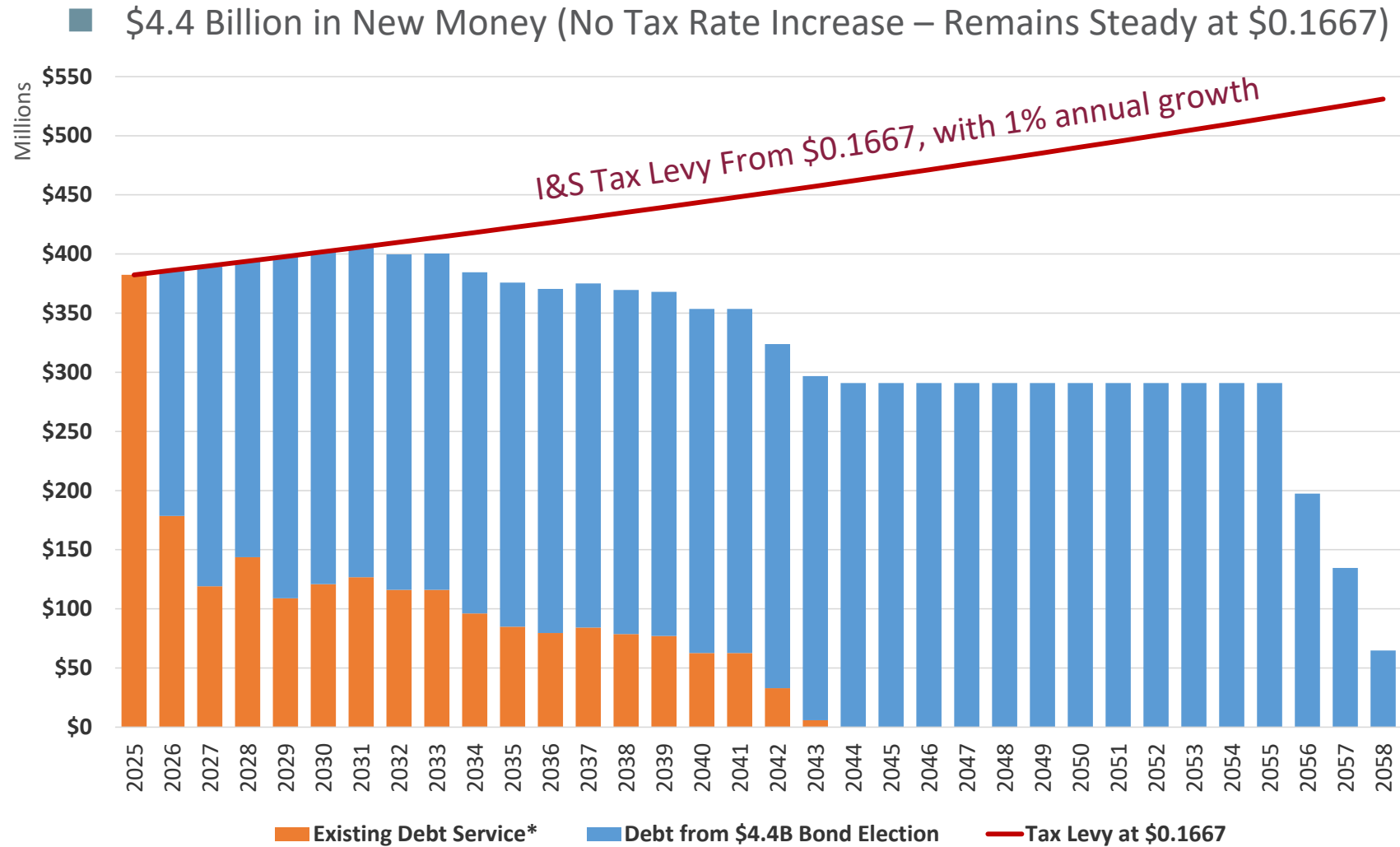
**\$4.4 Billion
No Tax Increase**

Bond Election Assumptions

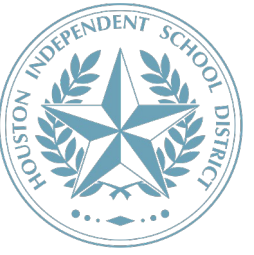
- Bond Election will not increase the I&S tax rate (will remain steady at \$0.1667, as it has been since FY 2018)
- Assessed Valuation Growth of 0.64% for FY 2025, and 1.00% thereafter
- 30-Year Amortization for New Money Bonds
- Bonds are issued according to the following schedule:



Projected Debt Service



* Existing Debt Service is net of planned defeasances, State Aid for Additional Homestead Exemption, and scheduled I&S fund balance increases.



Bond Planning Principles and Process



Our Values

1

This investment in our students is also an investment in our city.

2

All HISD students deserve to learn in safe and healthy facilities.

3

We have an obligation to protect and improve our community schools.

Principles to Inform Design



Five broad principles governed our thinking in developing the draft set of bond recommendations.

Maximize investments in student safety, health, and proficiency.

Prioritize investments to achieve District goals.

Meet the challenges of the future.

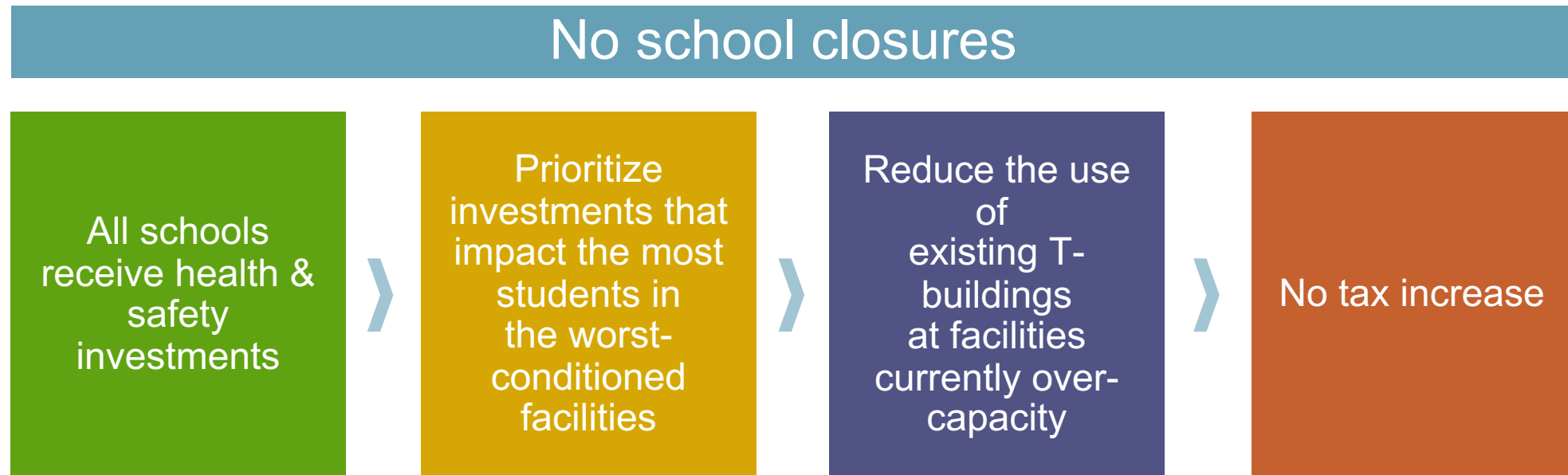
Improve access for families and neighborhoods.

Do not increase taxes.



Restoring Houston's Schools Design Process

Given HISD has not had a bond in over a decade, we knew we **would not be able to address all the individual needs of every school** in this bond. To help **prioritize** which proposed investments to include in the **Restoring Houston's Schools** bucket, we followed the **process** below.





A Research-Based Approach

An Overview of Analysis and Decision-Making



Data-Driven Analysis

Given the breadth and depth of facilities needs in HISD, the Administration has researched and analyzed a comprehensive set of indicators and considerations to prioritize potential investments.



**Lessons Learned
from Previous
Bonds**



**Facility
Data**



**Demography,
Geography, &
Economy**



**Legal &
Financial**



Key Research Questions: Safe and Healthy Campuses

1

What does current law and guidance require to ensure student safety?

2

Do current HISD facilities meet this safety guidance?
What does our safety and security audit say schools need?

3

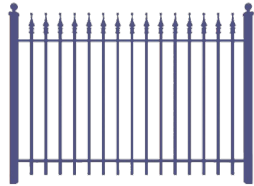
What is current state of HISD air and water quality?
How can we improve upon this?

Initial Findings:

Safe and Healthy Campuses

Safety

All buildings showed some level of need for safety investments to meet the recommendations in the external assessment.



Healthy Environments

- 49% of buildings need lead remediations
- 69% of buildings need HVAC replacements, partial replacements, or repair



Proposed Approach: Safe and Healthy Campuses

- 100% of physical campuses are receiving safety or health investments
- All students will benefit from the district-level safety investments

Safety Upgrades

- Secure Single Point of Entry
- Perimeter Fencing
- Upgrading Classroom Doors
- Upgrading Exterior Doors
- Mobile Command Center
- New Patrol Vehicles
- Equipment for Expanded Officer Force

Health Upgrades

- Ongoing Lead Abatement
- HVAC Upgrades (replacements, partial replacements, and repair work)

Proposed Investment: \$1.04 Billion

Future Ready - Pre-K



Key Research Questions: Pre-K

1

What does the research tell us about the benefits of high-quality early learning?

2

What is current and future state of demand, access, and enrollment in Houston ISD PreK?

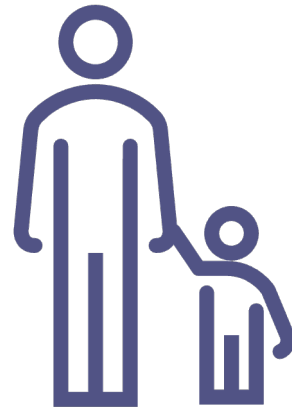
3

What methodology is used to determine where and how to expand Pre-K, and why is this the best approach?

Early Years Matter for Kids

90%

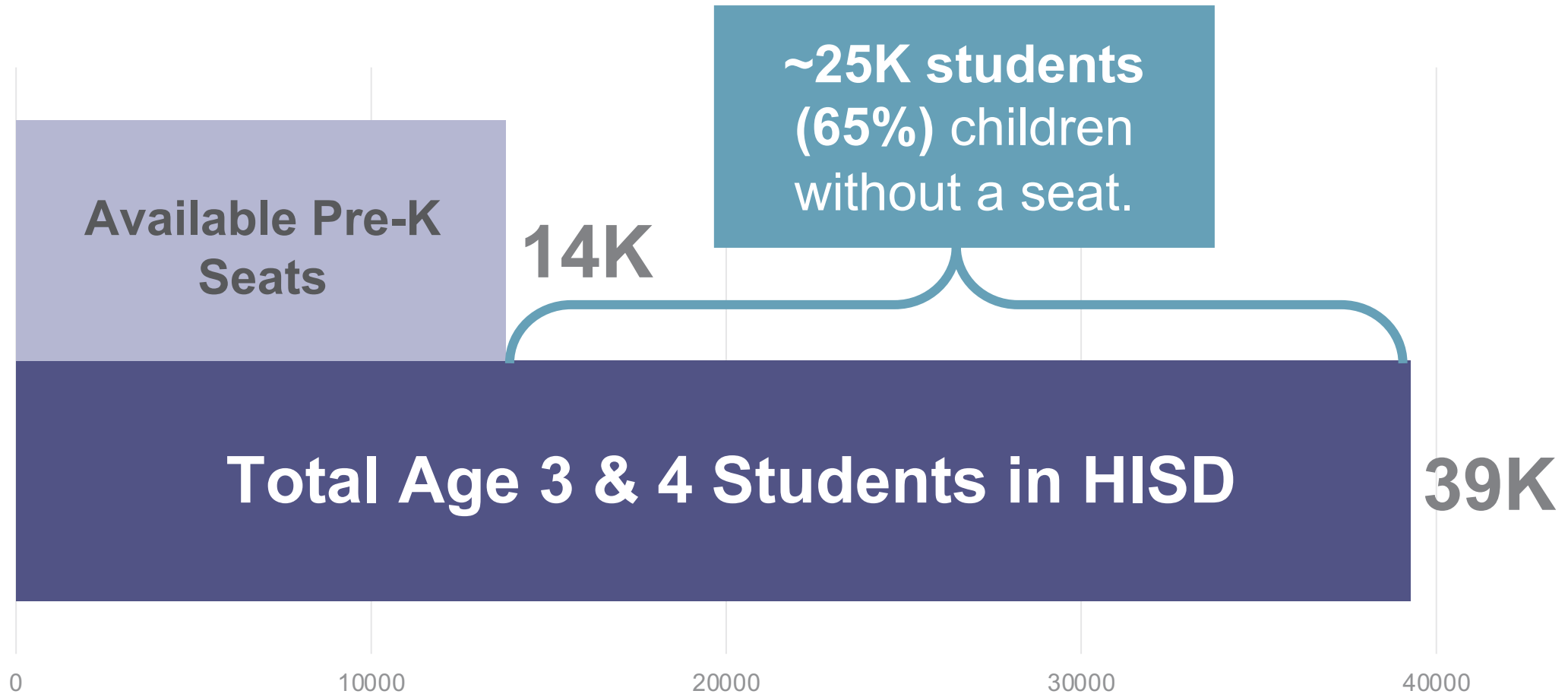
Of child's brain formed
by Age 5



2-3x

More vocab for many
students than their peers
by Age 3

Yet Not All Students Have Access to Pre-K



SY23-24
New Seats:

814

Goal for
SY24-25:

800



Good start but must remain a priority

Proposed Pre-K Expansion Approach



	Strategy	Estimated Seats	Estimated Cost	Rationale / Considerations
1	Rebuild	Estimated 700 seats	\$0 additional funds allocated	<ul style="list-style-type: none"> Ensure rebuilds address all key issues in design
2	Space Optimization	Estimated 2,100 seats	\$50M	<ul style="list-style-type: none"> Least expensive per student cost Prioritize campus site-based volume of need by eligibility status
3	Unused Land	Estimated 800 seats	\$100M	<ul style="list-style-type: none"> Exploring for all campuses with no existing capacity AND available, unused land
4	New Early Childhood Center	Estimated 400 seats	\$50M	<ul style="list-style-type: none"> Build in feeder with largest unmet demand with limited ability to use other expansion options

Proposed Investment: \$200 Million to add 4,000 seats

Future Ready - CTE



Key Research Questions Future Ready - CTE

1

What does research say about the impact of high quality CTE programming?

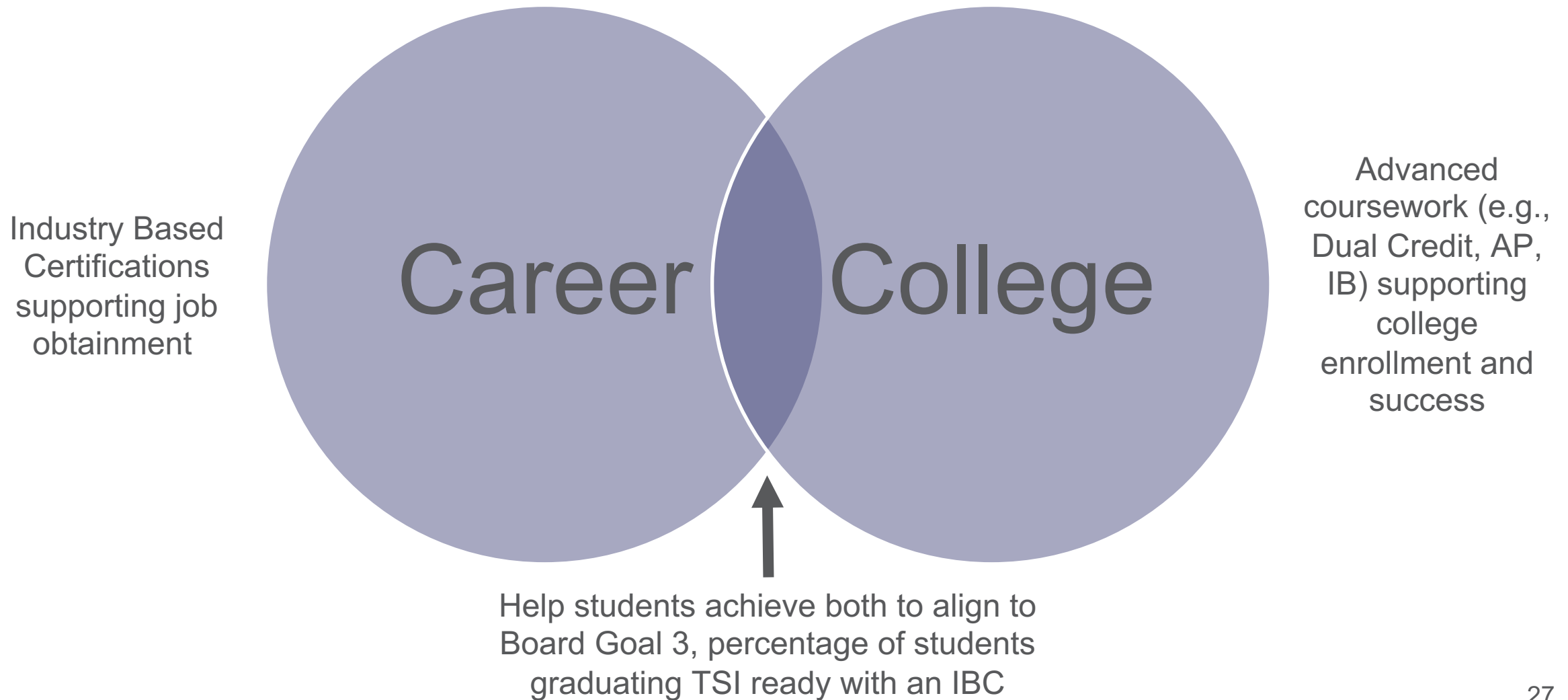
2

What programs of study are aligned to the future of work and are programs accessible to students?

3

Why are Career Centers a recommended strategy?

Pathways to Post Graduation Success



Improved Outcomes for CTE Students



8

**percentage
points**

**more likely to
graduate HS on
time**



2

**percentage
points**

**more likely to
enroll in a
postsecondary
program**



5

**percentage
points**

**more likely to be
employed full
time 8 years
after graduation**



20

**percentage
points**

**ahead in median
annual income 8
years after
graduation**

Most students do not have access to programs for high volume, high wage careers.

Program Access at Comprehensive High Schools

TEA Program of Study	North	South	Central	West	TOTAL
Agriculture technology and mechanical systems	0%	0%	0%	0%	0%
Plumbing and pipefitter	14%	0%	0%	0%	2%
Electrical	71%	0%	27%	0%	21%
HVAC	14%	20%	0%	0%	7%
Renewable energy	0%	0%	0%	0%	0%
Nursing science	0%	0%	0%	0%	0%
Robotics and automation technology, industrial, maintenance	0%	14%	0%	0%	0%
Welding	71%	30%	33%	10%	33%
Diesel and heavy equipment maintenance	0%	0%	0%	0%	0%
Electric and hybrid vehicle maintenance (automotive)	0%	0%	0%	0%	0%

Prospective CTE Programs

Increasing Student Access



Architecture and Construction



Energy



Health Sciences



Manufacturing



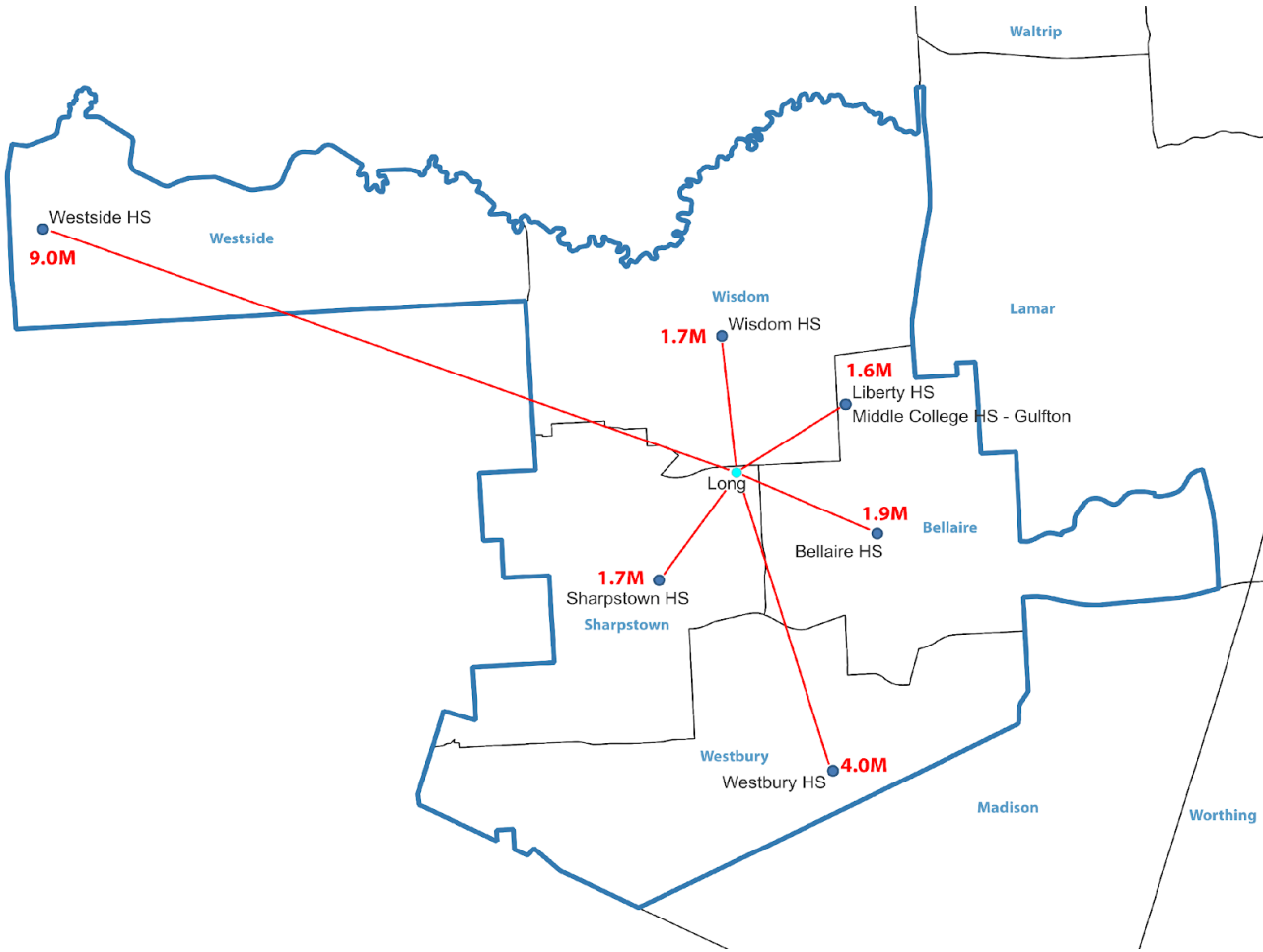
Agriculture, Food, and Natural Resources



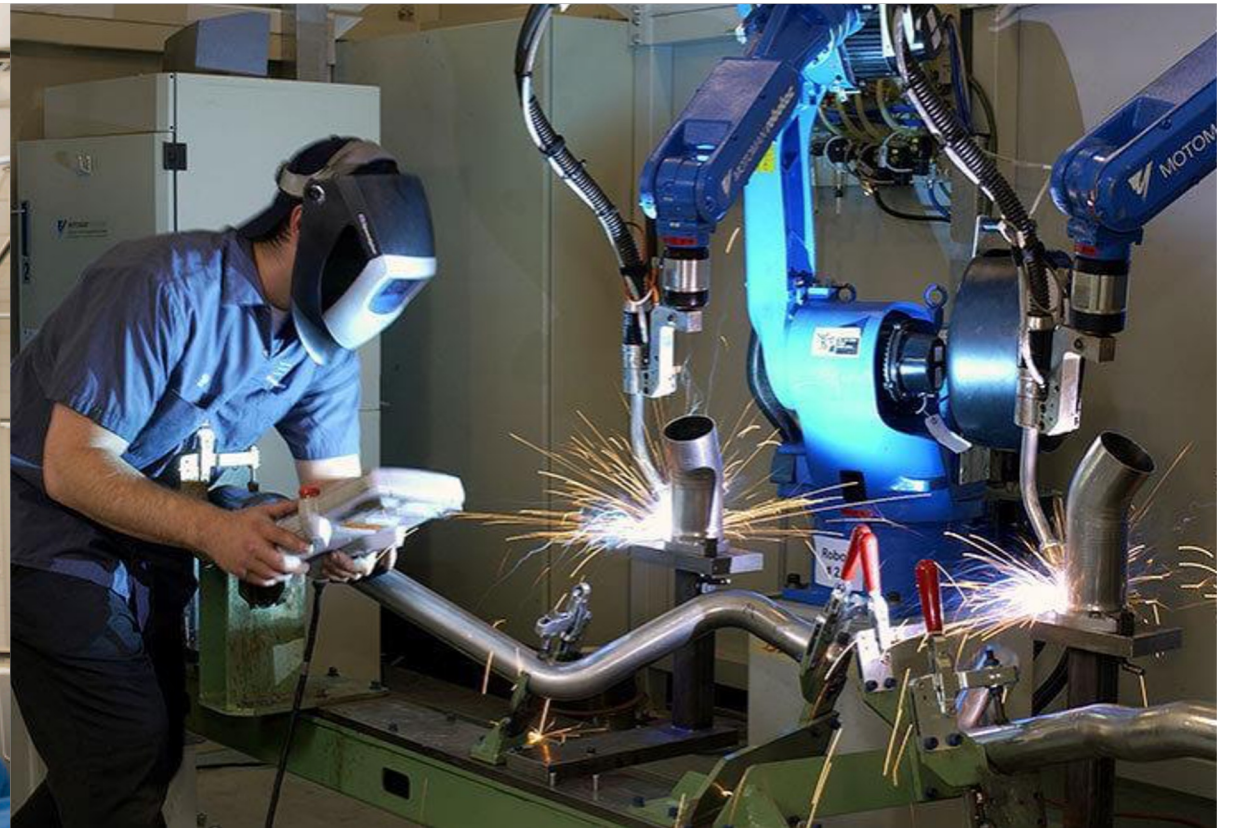
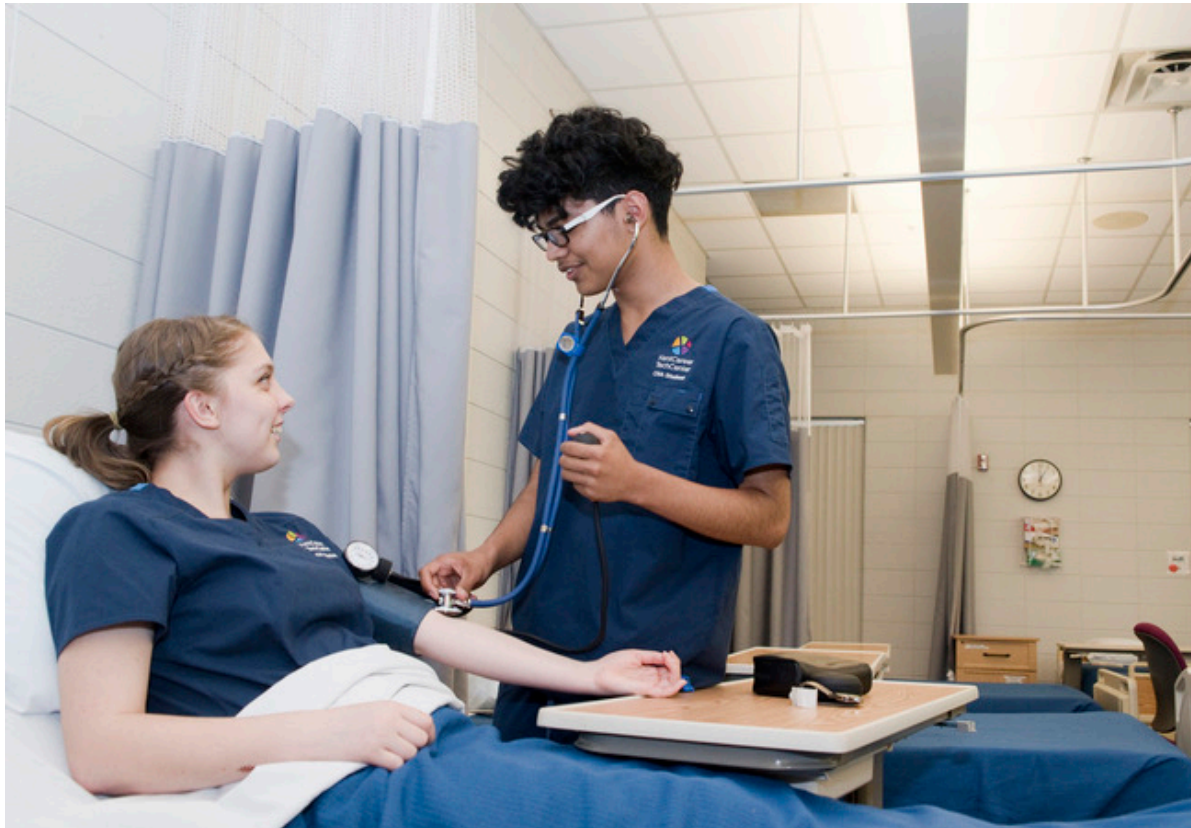
Information Technology



Transportation, Distribution, and Logistics



CTE Proposal: 4 State of the Art Facilities



Investing in Student Technology

Current State



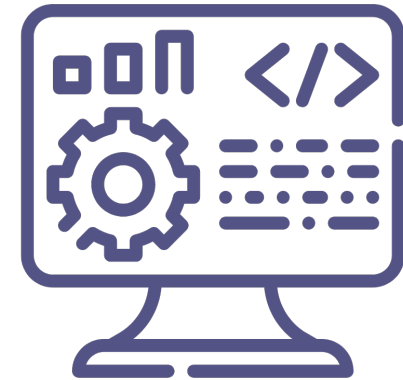
Internet and Wi-Fi



Laptops & Tablets



Classroom
Technology

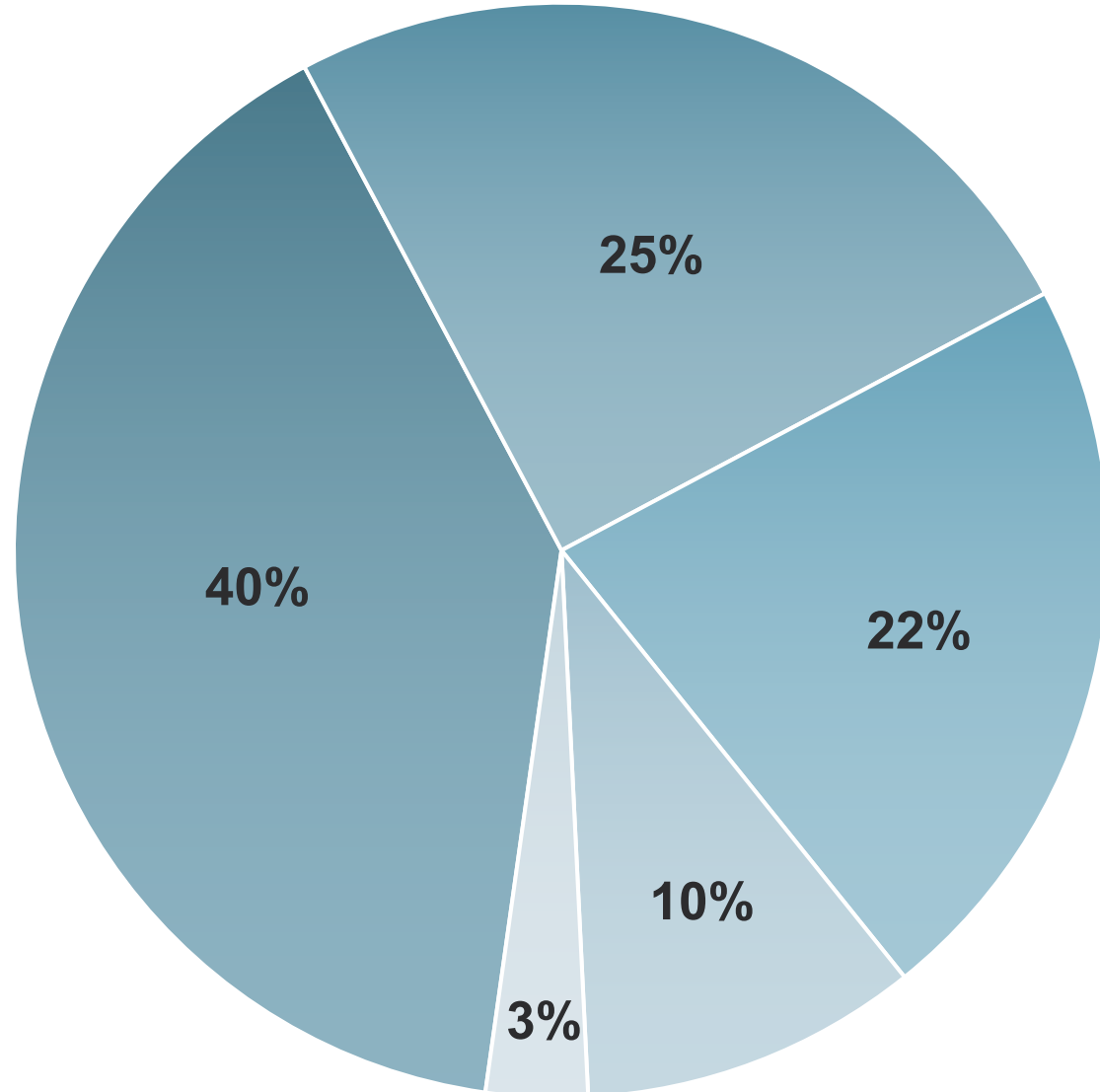


Districtwide
Operations
Software

Future Ready - Student Technology



- Student, Teacher, and Staff Devices
- Connectivity and Connectivity Infrastructure
- Application Systems Modernization
- Classroom Technology
- Cybersecurity



Restoring Houston's Schools



Key Research Questions

Restoring Houston's Schools

1

What does the external facilities assessment show as the most acute needs across the district?

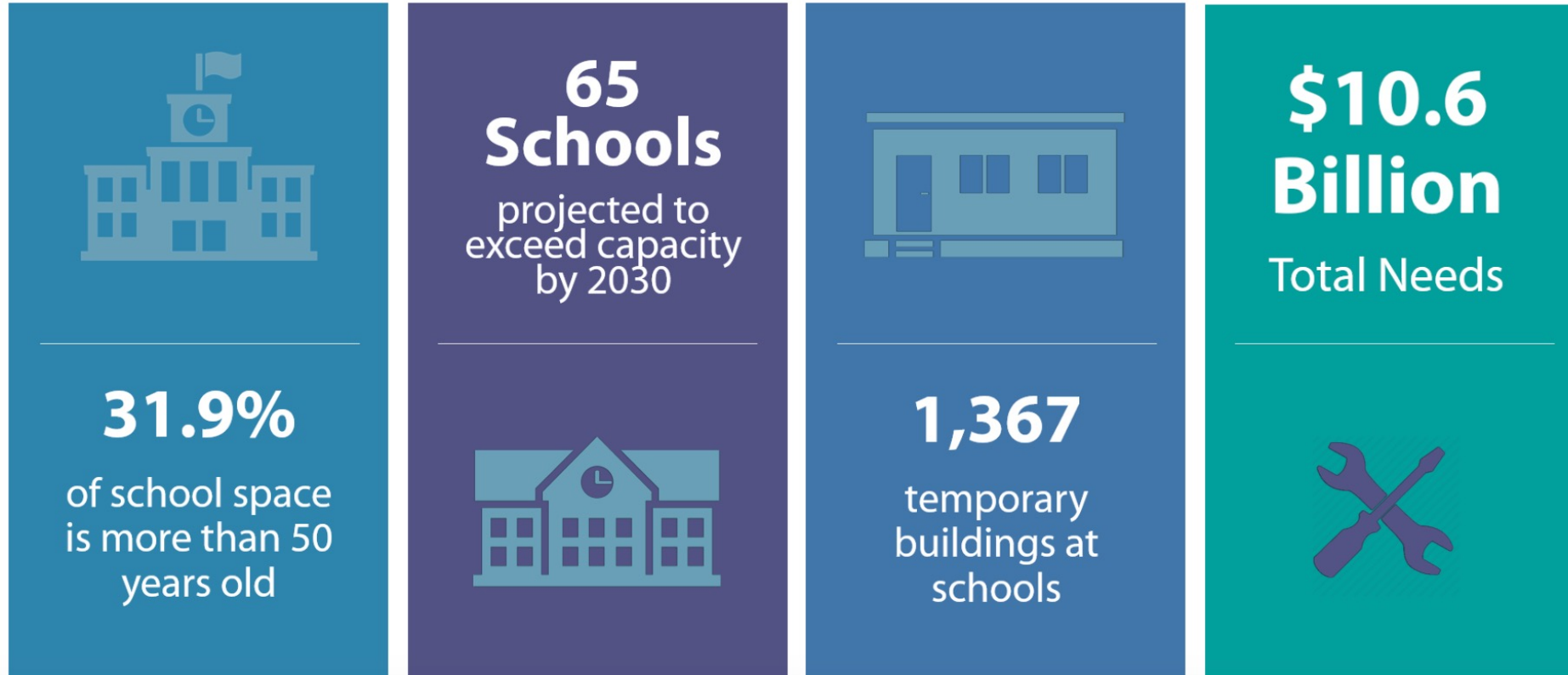
2

What does our internal facilities repair requests data show about buildings that need the most work?

3

How does the facilities condition data align with student enrollment trends and projections?

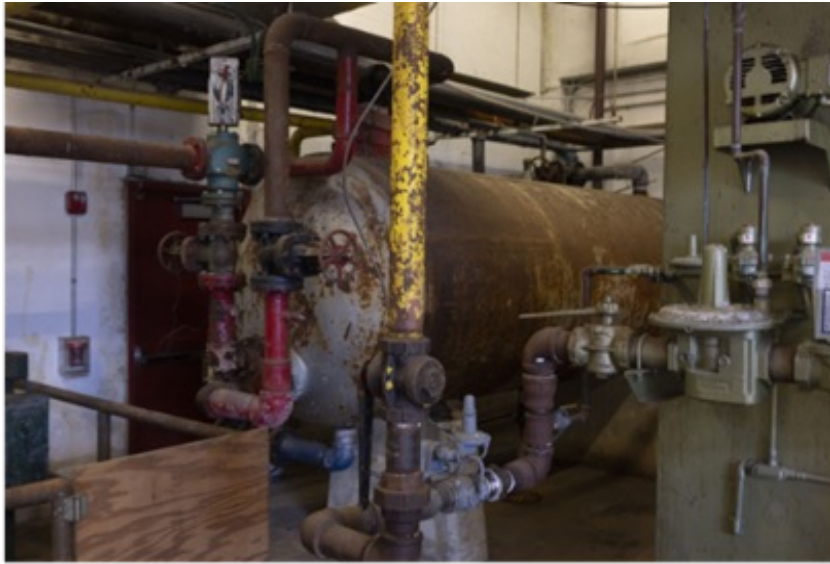
Initial Findings: Restoring Houston's Schools



Central Division



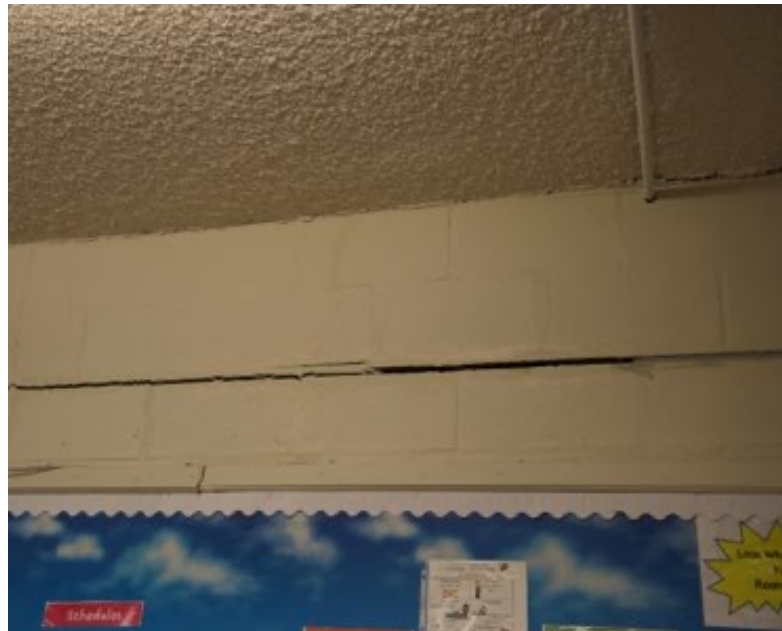
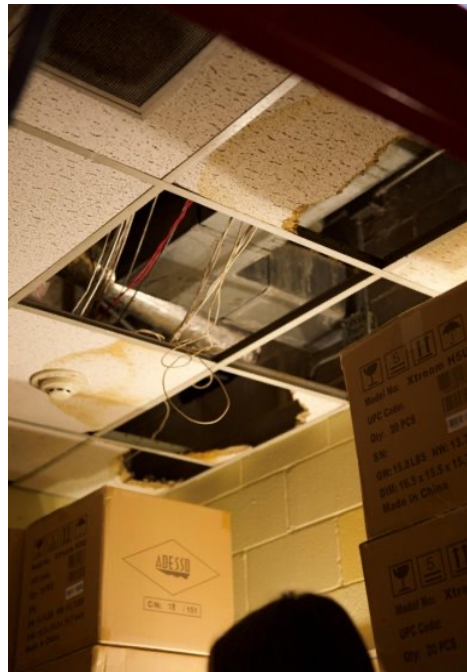
North Division



South Division



West Division



Proposed Approach: Restoring Houston's Schools

43 schools will receive Restoring Houston's Schools investment.



New/Full Rebuild

- 15 full rebuilds (11 ELs, 4 MSs)
- 1 new build (impacts 3 schools – 2 ELs, 1 MS)
- 3 co-location full rebuilds (impacts 6 campuses - 3 ELs, 3 MSs)



Renovation and/or Expansion

- 7 partial renovations (2 ELs, 5 MSs)
- 4 partial renovations + expansion (3 ELs, 1 MS)
- 2 expansions (2 ELs)
- 3 co-location partial renovations (impacts 6 schools - 3 ELs, 3 MSs)

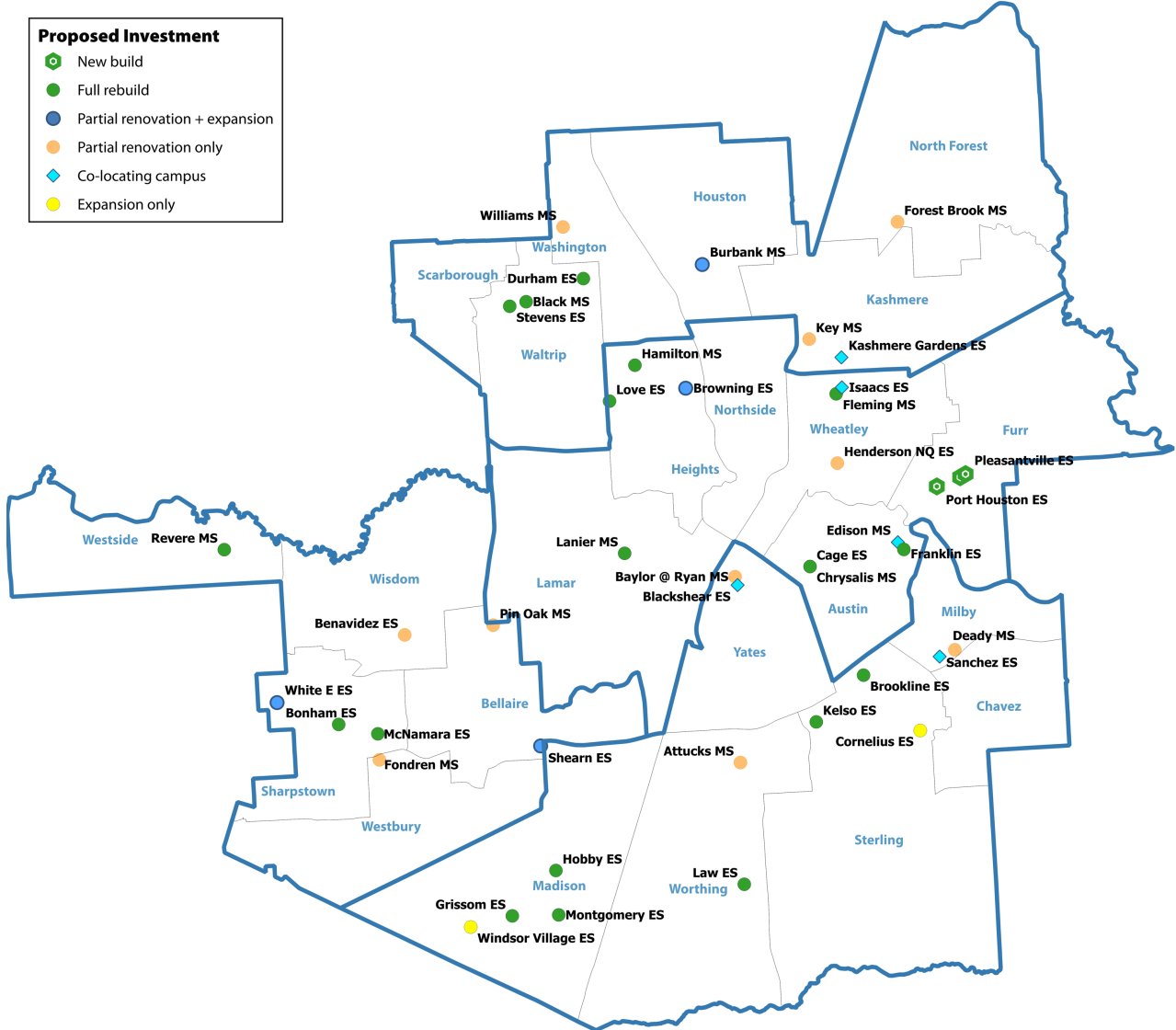
Proposed Investment: \$2.27 Billion

Restoring Houston's Schools



Proposed Investment

- New build
- Full rebuild
- Partial renovation + expansion
- Partial renovation only
- ◆ Co-locating campus
- Expansion only





What are the options for investing in small campuses with facility needs?

School Closure

Close under-enrolled campuses and re-zone those students to other schools.

Invest in More Facilities

Rebuild/renovate every facility that needs improvement without regard to the size of the school.

Co-location

Co-locate schools in a single building or in multiple buildings on a single site.



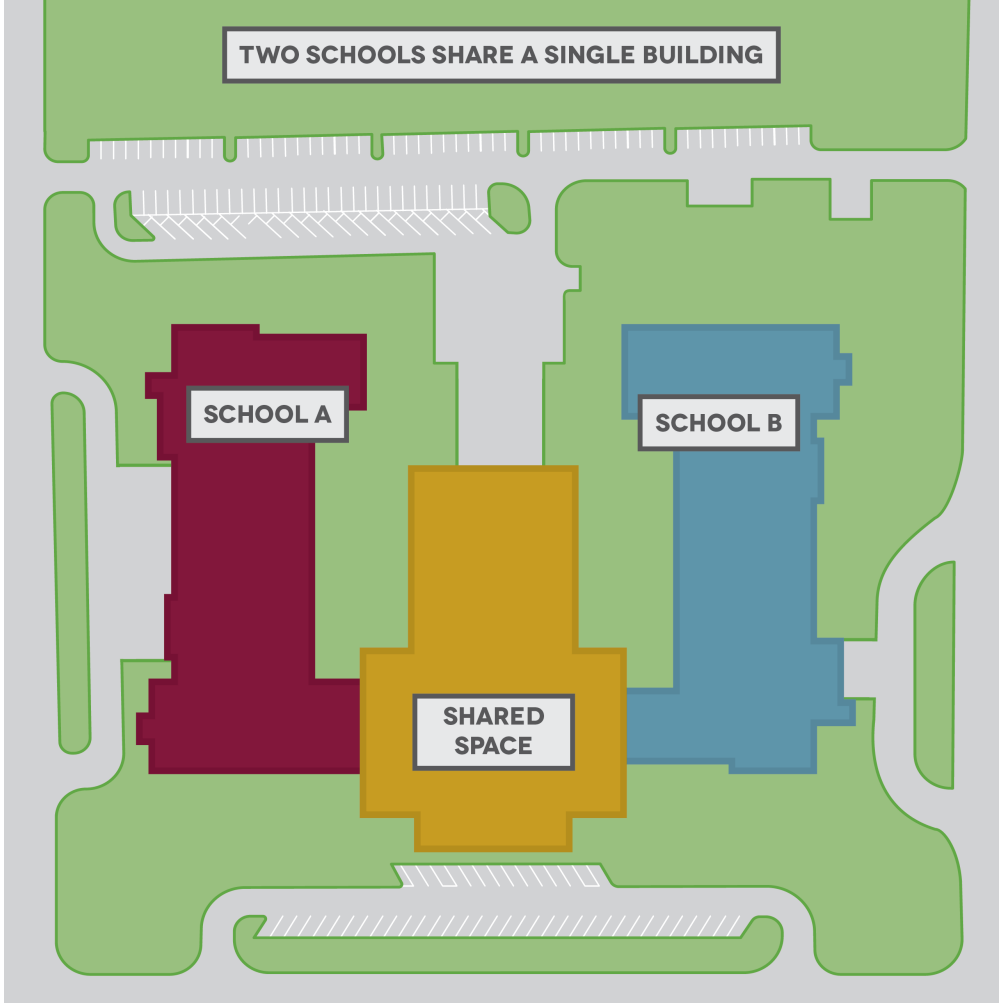
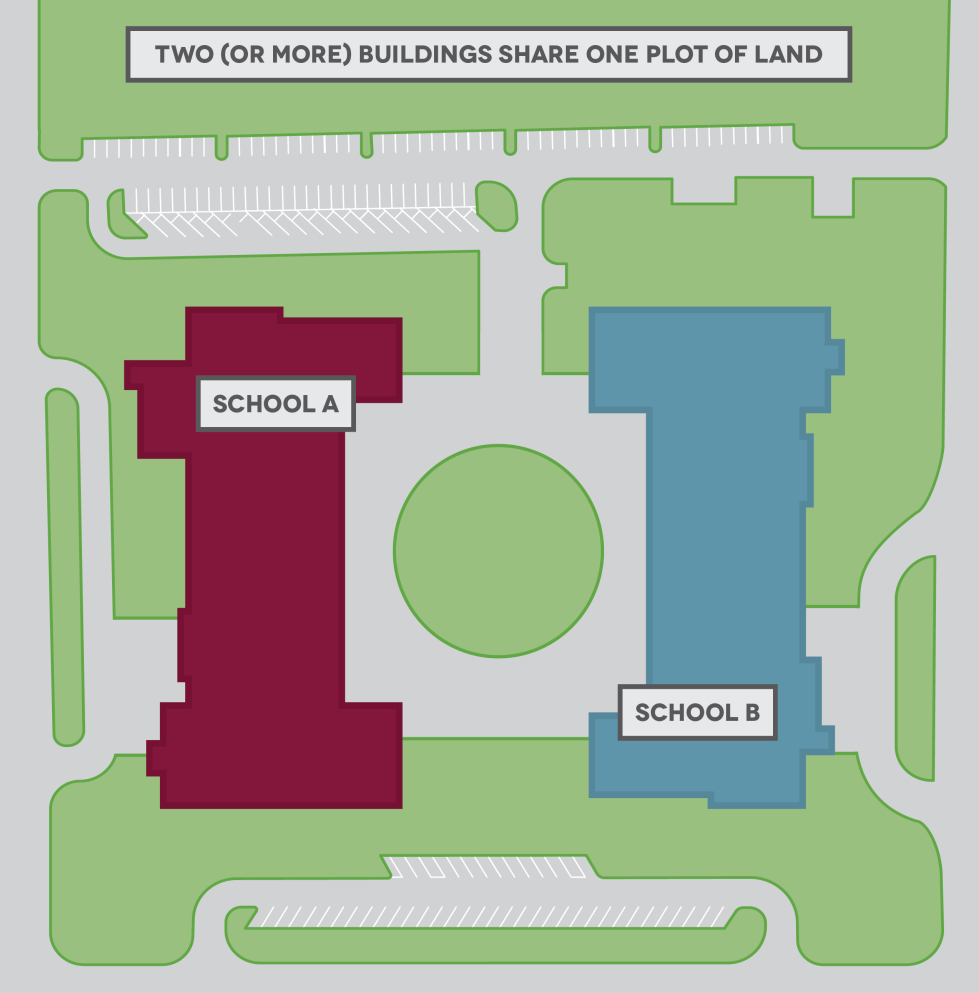
Why Co-location?

We have a moral obligation to improve community schools before we consider closure.

Every child deserves access to a safe, healthy, and effective learning environment while we do the work to strengthen some of our smaller schools.

This allows us to maximize the numbers of students served in improved facilities AND be responsible stewards of limited resources. By co-locating some schools, we invest in seven campuses instead of 15 individual schools.

Co-location: Examples



Holland MS + Pleasantville ES + Port Houston ES

Proposed Action*

Build a new shared campus with designated facilities for Holland, Pleasantville, and Port Houston.

New Build and Co-location



Why this is strategic:

- All three facilities are in need of a lot of repair – so much so that a new facility is in order.
- All three schools have low enrollment, and are projected to decline further overall.
- Building a new shared campus would provide each school with a better learning environment and increase efficiencies via sharing space.

*Note: "Proposed Action" refers only to the scope of investment included in the Restoring Houston's Schools bucket. All schools will receive additional Health & Safety investments.

Fleming MS + Isaacs ES

Proposed Action*

Fully rebuild at Fleming Middle School and move Isaacs Elementary students to co-locate at new Fleming building.

New Build and Co-location



Why this is strategic:

- Both facilities are in a critical state and in need of a new building.
- Both schools have low enrollment and are projected to decline, making separate facility investments less advisable,
- These schools are very close geographically - 0.3 miles.

*Note: "Proposed Action" refers only to the scope of investment included in the Restoring Houston's Schools bucket. All schools will receive additional Health & Safety investments.

Cage ES + Project Chrysalis MS

Proposed Action*

Full rebuild and expansion at Cage Elementary School and move Project Chrysalis Middle School students to **co-locate** at new Cage building.

Rebuild, Expand, and Co-location



Why this is strategic:

- Cage Elementary's building status is beyond normal repair.
- Cage also has very low enrollment and is projected to decline.
- Meanwhile, Project Chrysalis is fully housed in T-buildings that are already located at Cage. Rebuilding Cage and using the new, expanded facility to co-locate both schools will provide each school with a better learning environment while also reducing the use of T-buildings for instruction.

Franklin ES + Edison MS

Proposed Action*

Full rebuild and expansion at Franklin Elementary School and move Edison Middle School students to **co-locate** at new Franklin building.

Rebuild, Expand, and Co-location



Why this is strategic:

- Both facilities are in a critical state beyond normal repairs.
- Both schools have low enrollment and are projected to decline, making separate facility investments less advisable,
- These schools are very close geographically - 0.2 miles.

*Note: "Proposed Action" refers only to the scope of investment included in the Restoring Houston's Schools bucket. All schools will receive additional Health & Safety investments.

Key MS + Kashmere Gardens ES

Proposed Action*

Partial renovation at Key and move Kashmere Gardens students to **co-locate** at renovated Key building.

Renovation and Co-location



Why this is strategic:

- Both facilities need substantial improvement, and Kashmere Gardens is beyond the reach of typical repairs.
- Key is currently underenrolled and projected to decline further, with enough space to accommodate a co-location with Kashmere Gardens.
- These schools are very close geographically - 1.1 miles.

***Note:** "Proposed Action" refers only to the scope of investment included in the Restoring Houston's Schools bucket. All schools will receive additional Health & Safety investments.

Deady MS + Sanchez ES

Proposed Action*

Partial renovation at Deady and move Sanchez students to **co-locate** at renovated Deady building.

Renovation and Co-location



Why this is strategic:

- Both facilities need substantial improvement.
- Deady is currently underenrolled and projected to decline further, with enough space to accommodate a co-location with Sanchez.
- These schools are very close geographically - 0.5 miles.

Baylor College of Medicine at Ryan MS + Blackshear ES

Proposed Action*

Partial renovation at Baylor and move Blackshear students to **co-locate** at renovated Baylor building.

Renovation and Co-location



Why this is strategic:

- Both facilities need substantial improvement.
- Both schools have low enrollment and are projected to decline.
- These schools are very close geographically - 0.3 miles.



Community Engagement

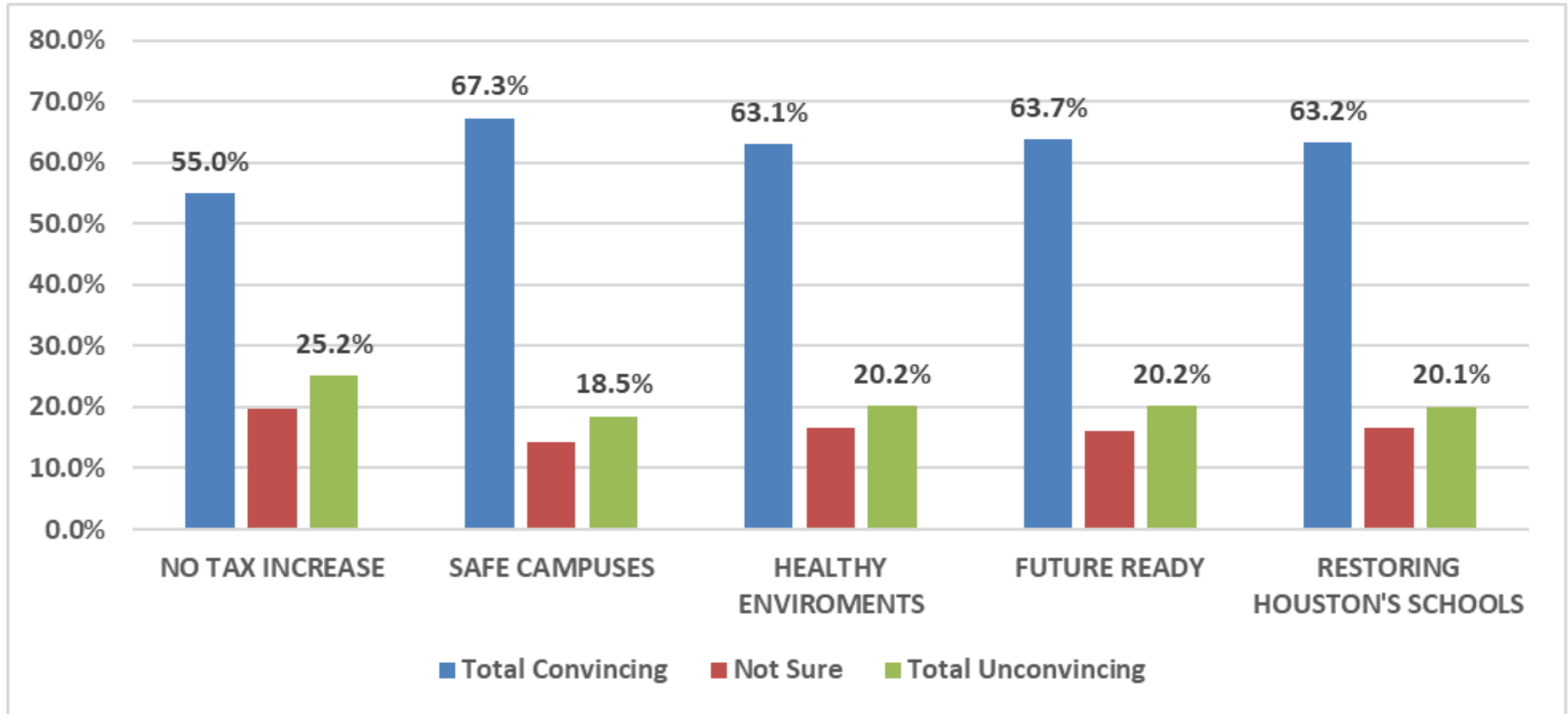
Phase 1: Stakeholder Research



Introduction to Bond Proposal Elements

- [NO TAX INCREASE] HISD has a top bond rating, and the district could borrow up to five billion dollars without raising taxes. This bond will total \$4.4 billion which allows the district to provide safe, healthy, and effective learning environments at every school and tackle the most urgent infrastructure needs without raising taxes.
- [SAFE CAMPUSES] Every child deserves a safe learning environment where our students can focus on learning without fear of harm, and educators can teach with confidence, knowing their workspace is secure. In 2023, the state legislature mandated security upgrades for every district in Texas. HISD has conducted a safety audit, which identified nearly half a billion dollars in improvements to secure schools. This includes fencing around schools, security cameras, secure doors for classrooms, and secure entryways for campuses. Every campus in HISD would receive security improvements.
- [HEALTHY ENVIRONMENTS] The well-being of our students is integral to their success both inside and outside the classroom. The district will prioritize a healthy learning environment - where kids don't have to learn in classrooms which are too cold or too hot, and with clean air, water, buildings, and grounds. The bond will invest half a billion dollars in improving air systems across the district, and nearly \$300 million dollars in removing lead from campuses across the district.
- [FUTURE READY] Preparing our students for the challenges and opportunities of tomorrow means equipping them with the skills and knowledge they need to thrive in a rapidly changing world. The bond will invest one billion dollars in expanding pre-kindergarten in the neighborhoods where the young population is growing, four new career and technical education centers to better distribute access to career training across the district, and in technology upgrades for students and educators across the district - including the integration of AI technologies. This investment will give kids access to the skills and experiences they need to find high-paying jobs and careers after high school.
- [RESTORING HOUSTON'S SCHOOLS] School districts across Texas typically pass a bond every five years. The last time voters approved a bond for HISD was in 2012, and since then facilities have continued to age, with some in significant disrepair. The bond will allocate around two billion dollars to addressing up to 50 campuses with the most urgent structural needs.

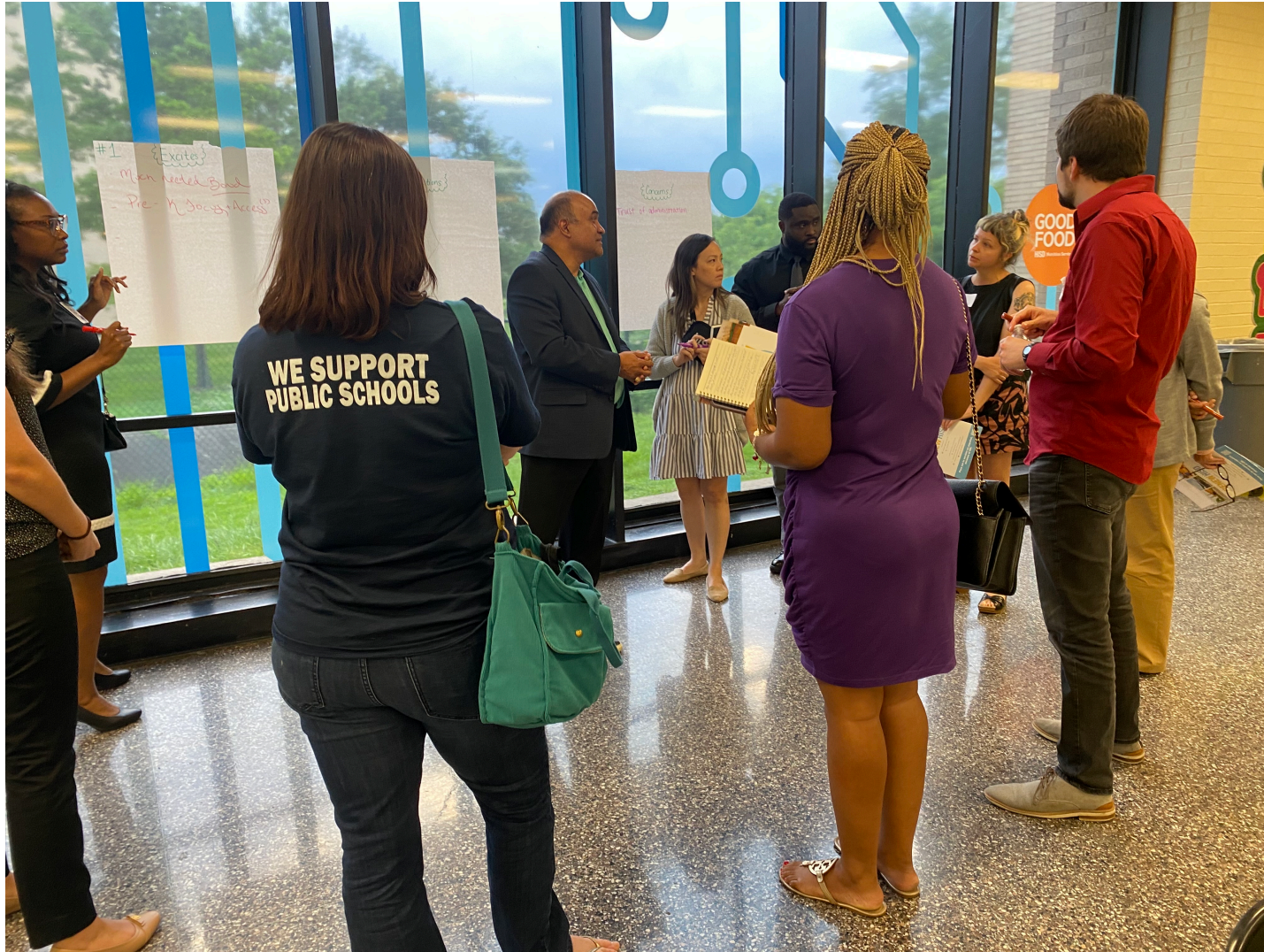
Community Response to Bond Elements



Two Key Takeaways

- **Transparency is the Gateway to Trust.** When respondents were not convinced by arguments for the bond, their oppositions focused on transparency and trust.
- **The HISD community responds when they understand the need.** When presented with comprehensive information about the facility conditions, people prioritize addressing the facilities problem.

Phase 2: Community Advisory Committee



Community Advisory Committee (CAC)



The Who

- 28 individuals: current and former HISD trustees, teachers, principals, parents, community members, and private/public sector leaders
- Co-Chairs: Judith Cruz, Garnet Coleman, Scott McClelland

The CAC's Role

- Gather and share community input on the bond proposal
- Provide recommendations to the Administration and School Board
- Educate the community about the potential bond

CAC by the Numbers

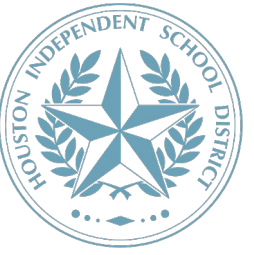
4 meetings held for CAC members
2 CAC feedback surveys

1 CAC report created,
sharing insights and
recommendations

~300 community members participated in
5 community meetings hosted by the CAC;
87 community surveys submitted

85+ questions submitted by the CAC and community answered by
the Administration

CAC Findings: Safe and Healthy Schools



Strengths

- Comprehensive and broad investments
- Addressing deferred maintenance



Recommendations

- Consider specialized spaces
- Prioritize climate considerations



CAC Findings: Future Ready

Strengths

- Pre-K and CTE expansion
- Technology investments



Recommendations

- Pursue partnerships for both Pre-K and CTE
- Refine and expand strategy for both Pre-K and CTE
- Create a CCMR task force
- Consider deferring CTE centers to prioritize money towards restoring current schools

CAC Findings: Restoring Houston's Schools



Strengths

- Broad support for equitable environments
- Co-locations as a creative option
- 2024 bond as a first step



Recommendations

- Align new construction with enrollment projections
- Include Pre-K classrooms in planning
- Explain how schools were selected for investment
- Demonstrate how the proposal promotes equity
- Maximize infrastructure in co-located schools
- Consider space sharing with community partners



Implementation Planning

Recommendations

- Strong and accessible progress monitoring needed
- Ensure authentic community engagement
- Communicate clearly and frequently
- Consider long term sustainability of investments
- Scope future bond proposals
- Demonstrate fiscal responsibility, transparency, and sound risk management
- Establish and communicate timelines
- Clarify next steps if the bond does not pass



Next Steps



Bond Planning: Work Ahead

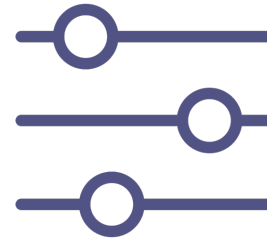
The Administration has studied the work of past bonds to inform our approach to community engagement, transparency, tracking and sharing progress, and ensuring appropriate guardrails and controls.



**Community
Engagement**



Transparency



Guardrails

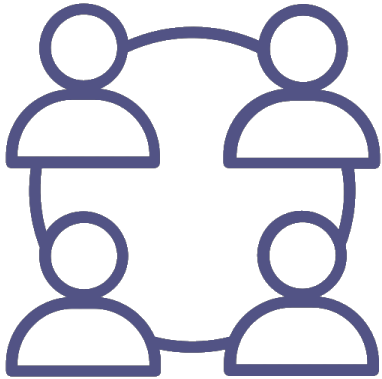


Progress Tracking

Community Engagement Opportunities



Career and Technical
Education Design



Project Advisory
Teams

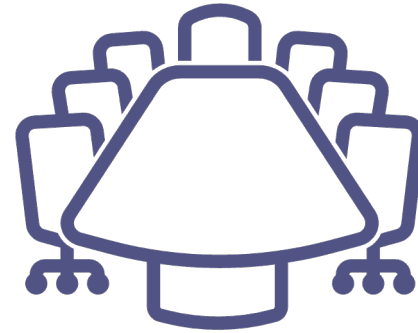


MWBE
Promotion & Registration

Transparency & Guardrails



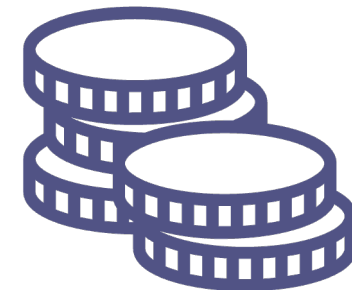
Election Order



School Board



Bond Oversight Committee



Borrow in Tranches

Progress Tracking



Program Management
(PM) Services

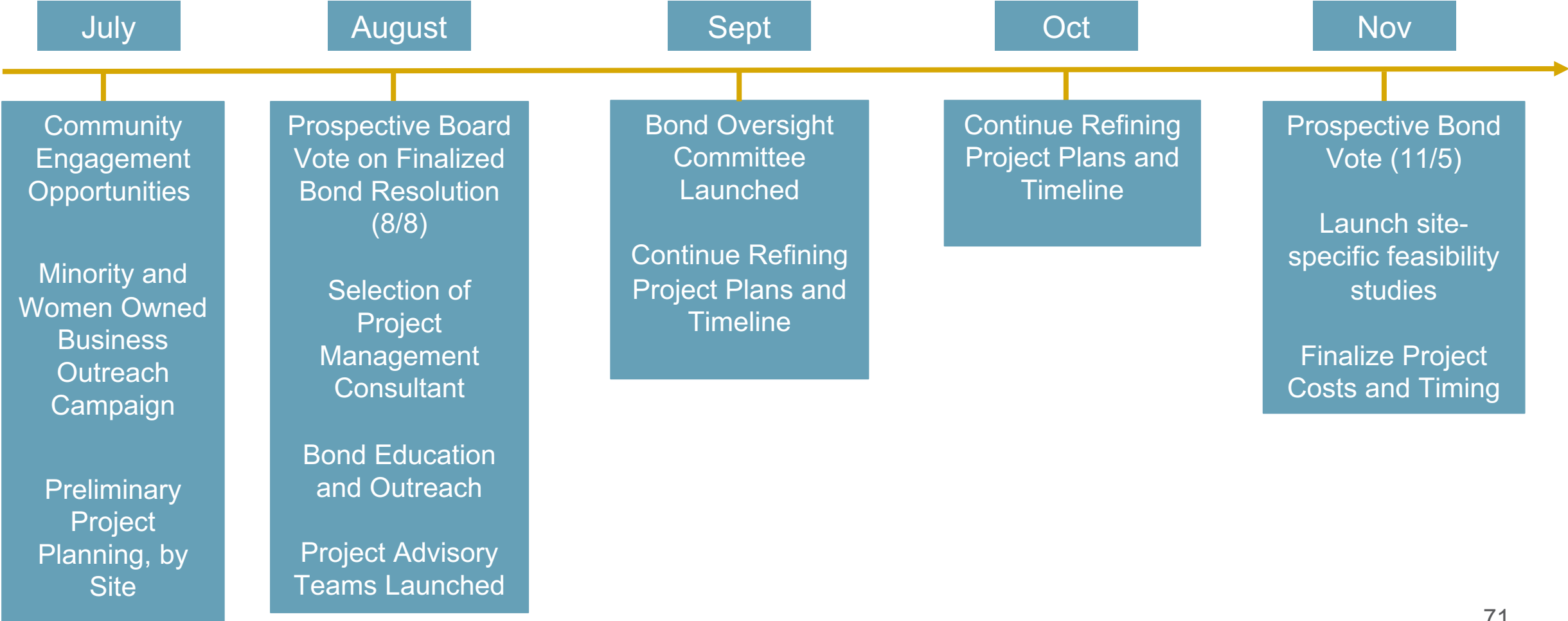


Public Dashboard



Internal Experience

5 Month Timeline



RENEW HISD

