
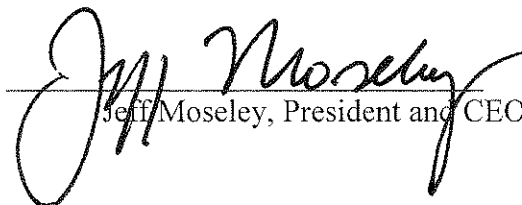


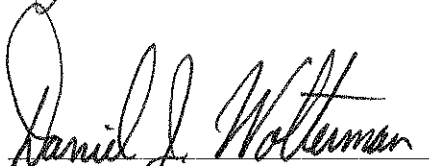
Resolution of the Board of Directors Supporting the 2007 Bond Election for Capital Improvements in the Houston Independent School District

The Greater Houston Partnership's Board of Directors support the passage of the 2007 HISD Bond Proposal, and calls on the HISD Board and Leadership to commit themselves to open dialogue and sustained outreach to community leaders and citizens while seeking engagement and advice to define the Proposal's construction, renovation and consolidation plans.

Houston is known for the richness of its education history, diversity and the collaboration of its community and business leaders. In this regard we encourage HISD leadership to also further engage the community in outlining its vision for establishing a world class school system not only in terms of infrastructure, but also in the areas of education programming across its curricula, including especially reading, science, math and technology.


John D. Hofmeister, Chairman


Jeff Moseley, President and CEO


Daniel J. Wolterman, Secretary



MEMORANDUM

DATE: October 3, 2007

TO: Greater Houston Partnership Board of Directors

FROM: Lori Veters, Chairman
Education and Workforce Advisory Committee

SUBJECT: Resolution of the Board of Directors Supporting the 2007 Bond Election for Capital Improvements in the Houston Independent School District

RECOMMENDATION

The Greater Houston Partnership's Board of Directors support the passage of the 2007 HISD Bond Proposal, and calls on the HISD Board and Leadership to commit themselves to open dialogue and sustained outreach to community leaders and citizens while seeking engagement and advice to define the Proposal's construction, renovation and consolidation plans.

Houston is known for the richness of its education history, diversity and the collaboration of its community and business leaders. In this regard we encourage HISD leadership to also further engage the community in outlining its vision for establishing a world class school system not only in terms of infrastructure, but also in the areas of education programming across its curricula, including especially reading, science, math and technology.

BACKGROUND

HISD enlisted the services of Magellan Consulting Incorporated who conducted an independent facilities assessment, to look at capital needs and educational suitability for all schools within the HISD system.

Our endorsement of the board Election is driven by HISD's commitment to the specific goals of 1) safety in all schools, 2) science labs for all middle and high schools, 3) the further renovation of over 134 additional schools.

We endorse HISD's commitment to an efficient construction management plan. Given the facilities assessment, the Greater Houston Partnership supports HISD's \$805 million dollar bond proposal.

Facilities Plan General Recommendations

1. Provide **Safety and Security Upgrades for All Schools**
2. Provide **Science Lab Upgrades for All Secondary Schools**

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3. Renovate **Remaining Schools** (134) that are Not in the **Existing 2002 Bond Program**
4. Consider **Disposition of Surplus Properties**
5. Provide critical infrastructure funding for 24 new school
 - 13 new schools to replace aging facilities too costly to repair (\$212 million)
 - 3 new schools to relieve overcrowding (\$62 million)
 - 2 new facilities for early college high schools (ECHS) in the north and south, and a third ECHS in a renovated facility in central Houston (\$11 million)
 - 6 new schools to replace outdated facilities with low enrollment (\$98 million)

Total Capital Needs **\$1.045 Billion**

■ Funding Sources:

- Proposed **Bond Referendum** **\$805 Million**
- **Pay-As-You-Go** Program **\$145 Million**
- **Real Estate and Capital Project Reserves** **\$95 Million**

Total Funding Sources: **\$1.045 Billion**

FISCAL IMPACT

The HISD Board of Trustees voted to hold an \$805 million bond election in November. No tax increased will be realized as a result of this bond proposal.

BUSINESS CASE FOR SUPPORT (PROS)

- 1) HISD needs to consolidate its existing footprint and become more efficient
 - Plan allows the district to eliminate approximately 696,000 square feet.
 - The reduced square footage will save the district approximately \$4.5 million in operational costs per year
- 2) Continued demonstration of business commitment to long-term investment of students in the region (technology, science labs and programs, etc)
- 3) HISD enlisted the services of Magellan Consulting which conducted an independent facilities assessment to look at capital needs and educational suitability for all schools

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within the region.

- 4) Bond issue will complete the three phase bond program consistent with long-term plan.
- 5) HISD remains among the lowest tax rate district in Harris County.
- 6) This bond package requires no tax increase to fund the program.
- 7) HISD Superintendent & Board (Recommended by Bond Oversight Committee) reinstated a Pay-as-you-go program to better address deferred maintenance.

ISSUES RAISED (CONS)

- 1) School consolidations disproportionately affect the African American Community.
- 2) Dissenting HISD board member (8 Trustees for bond, 1 against) was concerned inadequate time afforded for community input to consolidation plan.
- 3) Building vacated by school closures have potential to create blight in affected communities.
- 4) Select members of the African American Community do not feel HISD has been responsive to their concerns.
- 5) In some instances students are attending schools away from their communities (school choice) where specific programming is not offered and this is causing the declining enrollment at the neighborhood schools.
- 6) Disproportionate levels of funding for Phase 3 bond program exists in some communities.
- 7) Proliferation of charter schools in neighborhoods already populated by HISD schools is negatively impacting student enrollment.

IMPLEMENTATION

This bond election would be on the November 6, 2007 ballot.

RESOURCES REQUIRED

This recommendation can be implemented with available Greater Houston Partnership staff and within the current operating budget.