2016 Bond & Mill Levy Planning

Capacity & QLE Sub-Committee Meeting #1

Denver Public Schools
March 7, 2016
Agenda

- Introductions
- Purpose of this committee
- Connection of Capacity to Denver Plan 2020
- Review of 2012 Bond Investments
- Process of Evaluating Capacity Needs through 2020
- Overview of Quality Learning Environments
- Next Steps
Committee Introductions

HELLO
my name is

• Name
• Denver neighborhood where you live or work
• Why you chose this committee
• What lenses will you be viewing these projects through? (parent, charter school board member at xx school, CSC member, DPS business partner, Denver business owner)
**What is the scope of this group?**

**Overview of Investments in this Sub-Committee**

<table>
<thead>
<tr>
<th>Capacity</th>
<th>Quality Learning Environments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction of new schools</td>
<td>Investments in older schools to improve learning environments – includes, lighting, paint, furniture, classroom layouts, specialized classrooms (i.e. STEM)</td>
</tr>
<tr>
<td>Additions of existing schools</td>
<td>Improvements to non-traditional school buildings to address learning environment deficiencies</td>
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<tr>
<td>Modifications of interior school space to support enrollment growth</td>
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</tbody>
</table>
What is my role in the Sub-Committee?
Role of CPAC in this Sub-Committee

<table>
<thead>
<tr>
<th>Capacity</th>
<th>Quality Learning Environments</th>
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</thead>
<tbody>
<tr>
<td>Validate the forecast methodology and capacity implications</td>
<td>Develop the sub-committee’s Quality Learning Environment prioritization criteria</td>
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<tr>
<td>“Draw the line” to determine which projects should be funded given overall funding constraints</td>
<td>Review proposed Quality Learning Environment projects in detail</td>
</tr>
<tr>
<td>Help us work through optionality for projects with more than one potential solution</td>
<td>Create a prioritized project recommendation including funding scenarios to best address needs and achieve benefits</td>
</tr>
</tbody>
</table>
What are the information sources to support our role?

<table>
<thead>
<tr>
<th>DPS</th>
<th>Other Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide our data sources / methodologies / prioritization criteria</td>
<td>Public comment at each meeting with groups sharing additional information and potentially advocating for their projects</td>
</tr>
<tr>
<td>Will detail the implications of our analyses and recommendations of prioritized investments</td>
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</tr>
<tr>
<td>Will respond to sub-committee members questions of why certain projects were prioritized or de-prioritized, and engage in discussion on alternative solutions.</td>
<td></td>
</tr>
</tbody>
</table>
How will we achieve our objectives?
Overview of Process to Review with CPAC

<table>
<thead>
<tr>
<th>Overview</th>
<th>2020 Capacity Plan and Investment Priorities</th>
<th>Quality Learning Environments Overview</th>
<th>Cost Estimations for Project Solutions</th>
<th>CPAC Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Date:</strong> March 7</td>
<td>March 21</td>
<td>April 4</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td><strong>Location:</strong> West HS</td>
<td>North HS</td>
<td>George Wash.</td>
<td>TBD</td>
<td>TBD</td>
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<tr>
<td><strong>Agenda:</strong></td>
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<td></td>
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<tr>
<td>▪ Review 2012 investments</td>
<td>▪ Detailed regional capacity needs &amp; prelim solutions</td>
<td>▪ Understanding need</td>
<td>▪ Review any remaining questions</td>
<td></td>
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<tr>
<td>▪ Enrollment forecasting methodology</td>
<td>▪ Develop criteria to rate projects according to need</td>
<td>▪ Approach to reviewing</td>
<td>▪ “Draw the line” for QLE and Capacity</td>
<td></td>
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<tr>
<td>▪ Overview of Quality Learning Environments</td>
<td></td>
<td>▪ Prioritization criteria</td>
<td>▪ Discuss next steps for CPAC</td>
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</table>

CPAC Process ➔ Learning ➔ Prioritizing ➔ Recommending
Sub-Committee Working Agreements

- Start on time, end on time
- Respectful use of technology
- Ask clarifying questions
- Share the airwaves
- Come prepared

- What others???
Denver Plan 2020 Goals

Overarching Goal: Great schools in every neighborhood
By 2020, 80% of students from every region within DPS will attend a high performing school in their region, as measured by the district’s school performance framework.

- **School readiness**
  - By 2020, 80% of DPS third-graders will be at or above grade level in reading and writing.

- **Ready for college & career**
  - By 2020, the four-year graduation rate for students who start with DPS in ninth grade will increase to 90%.
  - By 2020, we will double the number of students per class who graduate college and career ready while raising the bar (adding Science and Social Studies in addition to English and Math).

- **Support the whole child**
  - Schools have Whole Child incorporated into their Unified Improvement Plan
  - Student survey fall 2015 measured progress on whole child. Will align on final measure spring 2016 and can have baseline and target conversations summer 2016 after first district-wide results

- **Close the opportunity gap**
  - By 2020, the graduation rate for African American and Latino students will increase by 30%.
  - The proficiency in reading and writing for third-grade African American and Latino students will increase by 25%.
How does Capacity support the Denver Plan 2020?
School Performance Compact / Facility Allocation Policy / Call Quality Schools

Quantity: Are there enough seats for each neighborhood student?
Supporting Tools: Strategic Regional Analysis 5-year forecasts

Quality: Are we on track for 80% of high-quality seats in each region?
Supporting Tools: School Performance Framework ratings
Flashback to March 2012...

Review of 2012 Bond Investments in Capacity
## 2012 Prioritization Criteria for New Capacity Investments

<table>
<thead>
<tr>
<th>Primary Criterion: Supply &amp; Demand</th>
<th>Data-Driven Approach</th>
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<tbody>
<tr>
<td>Forecasted Enrollment by Neighborhood</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Secondary Criterion: Commitments</th>
<th></th>
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<tbody>
<tr>
<td>Board of Education Commitments</td>
<td>Existing Capacity Constraints</td>
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</table>

Lens to apply to all decisions: Fiscal Responsibility

Capacity Solution with the Lowest Taxpayer Cost
Growth: DPS Became the Fastest Growing Urban District in the Country
## Summary of Impacts on Enrollment Forecast

### Inputs: Major Data Points

<table>
<thead>
<tr>
<th>Historical October Count Enrollment</th>
<th>Birth Rates</th>
<th>Residential Development</th>
<th>Capture Rates</th>
<th>Yield Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>High enrollment growth at all levels</td>
<td>Recession signals declining birth rates that will lead to smaller elementary cohorts starting in 2014</td>
<td>Housing prices still very low in many neighborhoods. 10,000+ new homes still planned.</td>
<td>Increased performance of DPS, has led to increasing rates of student-age population attending DPS at all grade levels.</td>
<td>Rates are steady overall with variability by neighborhood.</td>
</tr>
</tbody>
</table>

**Overall**

Improved school performance and creation of new school options are attracting more families to attend DPS along with increasing retention by reducing drop-out rates. Strong residential development ahead will lead to further growth, while low housing prices are creating strong yields.
Where was DPS expected to grow by 2016?
What % of Capacity was being utilized in 2012?
Where has DPS Invested to meet increased demand?
Roughly 7,200 seats have been added from the 2012 bond
## 2012 Bond Investment Summary: New Schools & Capacity

<table>
<thead>
<tr>
<th>Project</th>
<th>Class Level</th>
<th>Seats Created</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renovation of Byers campus for DSST MS/HS</td>
<td>6-12</td>
<td>950</td>
</tr>
<tr>
<td>Sandoval campus for Northfield HS</td>
<td>6-12</td>
<td>900</td>
</tr>
<tr>
<td>Ruben Valdez ES / MS campus</td>
<td>K-8</td>
<td>800</td>
</tr>
<tr>
<td>Jacobs elementary campus in Green Valley Ranch</td>
<td>E-5</td>
<td>550</td>
</tr>
<tr>
<td>Regis Groff campus in Green Valley Ranch</td>
<td>6-12</td>
<td>500</td>
</tr>
<tr>
<td>Joe Shoemaker elementary campus in Hampden Heights</td>
<td>E-5</td>
<td>500</td>
</tr>
<tr>
<td>New high school at Colorado Heights University campus</td>
<td>6-12</td>
<td>500</td>
</tr>
<tr>
<td>Addition at Montbello HS campus</td>
<td>6-8</td>
<td>350</td>
</tr>
<tr>
<td>Cole/Mitchell renovation to accommodate E-12 campus</td>
<td>6-12</td>
<td>350</td>
</tr>
<tr>
<td>Pascual LeDoux Early Education Campus</td>
<td>ECE</td>
<td>250</td>
</tr>
<tr>
<td>Addition to Slavens campus</td>
<td>E-8</td>
<td>175</td>
</tr>
<tr>
<td>Far Northeast Early Education campus opening in Fall 2016</td>
<td>ECE</td>
<td>175</td>
</tr>
<tr>
<td>Addition to Brown Elementary</td>
<td>E-5</td>
<td>150</td>
</tr>
<tr>
<td>Addition to Lowry campus to support residential development</td>
<td>E-5</td>
<td>150</td>
</tr>
<tr>
<td>Addition to Crofton campus to support University Prep growth</td>
<td>E-5</td>
<td>150</td>
</tr>
<tr>
<td>Florence Crittenton remodel and capacity addition</td>
<td>6-12</td>
<td>100</td>
</tr>
<tr>
<td>Addition to Whiteman campus to support Denver Language School</td>
<td>E-5</td>
<td>100</td>
</tr>
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Now back to March 2016

Process of Evaluating 2020 Capacity Utilization
Summary Approach to 2020 Capacity Utilization

1. 2020 Enrollment Demand Forecast by Neighborhood
2. Adjust Enrollment for Choice
3. Compare Future Demand vs. Capacity
4. Prioritize Capacity Needs
Summary of the Approach to Forecasting

Inputs: Major Data Points

- Historical October Count Enrollment
- Birth Rates
- Capture Rates
- Residential Development
- Yield Rates

Assumptions

- Cohort Comparison
- Future Growth
- Housing Impact

Resulting Forecast by Level

- Block Group
- Boundary / Regional
DPS Enrollment: 2000 to 2015

Enrollment has increased over 7,000 students since 2012
What has been the primary driver of DPS enrollment increases?
Source: 2000 and 2010 US Census; October Count Enrollment

Capture rates calculate the percentage of student-age population residing in Denver that attends Denver Public Schools vs. other options like private school, neighboring districts, or home schooling.

District-Wide Capture Rates

- All: 2000 - 76%, 2010 - 81%
- Elementary: 2000 - 82%, 2010 - 86%
- Middle: 2000 - 77%, 2010 - 83%
- High: 2000 - 63%, 2010 - 72%

Key Observations
- Capture rates are most accurately measured in census years. However, based on the 2015 American Community Survey data from the Census Bureau, the overall DPS capture rate has likely increased another 2%-points.
How many students are forecasted to yield from new residential development?
High enrollment growth at all levels but recent decline in kindergarten point towards flat enrollment levels in many neighborhoods through 2020.

Declining birth rates across the city point to elementary enrollment declines starting in 2014 with possible MS declines by 2020.

Different types of gentrification of older neighborhoods has historically led to declining rates of students. City permitting shows more conversions are planned.

Increased performance of DPS, including secondary schools has led to increasing rates of student-age population attending DPS.

Increasing home prices are leading to lower yield rates. This is being partially off-set by empty nester families moving out of the area being replaced by younger families.

Overall

School performance is attracting more families to attend DPS, particularly due to secondary school strengthening. However, residential cost increases, shrinking birth rates, and conversion of housing to units with lower student yields is likely to result in minimal growth over the forecast horizon.
Forecast 2020: DPS reside enrollment will increase an additional ~4,000 students by 2020

Key Observations

- After increasing 12,000 students, or 15%, from 2010 to 2015, total DPS enrollment is forecasted to increase an additional 4,102 students, or 4% by 2020.
Forecasted Enrollment Growth by Sub-Region
DPS Elementary & K-8 Schools with Utilization Rates Above 90%
Quality Learning Environments
Overview of DPS Facilities

Denver Public Schools by the Numbers

- 256 schools located in 175 DPS owned facilities
- 15.4 million square feet across DPS
- Just over 2,000 acres
- 17% are Registered Historic Landmarks
- 2nd largest facility manager in the city (after City and County of Denver)
- DPS students also served in 22 non-DPS owned facilities including district-leased space at 7 facilities
- Average age of DPS owned facilities is over 43 years
Existing DPS Campuses

**New Campus Count**

**Cumulative Sq Ft**

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<td><strong>Denver booms Post-WWI</strong></td>
<td><strong>WWII</strong></td>
<td><strong>Post WWII Boom</strong></td>
<td><strong>Slowing Growth – Era of DPS Busing</strong></td>
<td><strong>Cont. Slow Growth of DPS</strong></td>
<td><strong>DPS has 20%+ growth with population and choice-in</strong></td>
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Legend:
- Denver booms Post-WWI
- WWII
- Post WWII Boom
- Slowing Growth – Era of DPS Busing
- Cont. Slow Growth of DPS
- DPS has 20%+ growth with population and choice-in
Overview of DPS Facilities – Funding

- Annual operating budgets are used to fund the general and preventative maintenance of facilities, and are a source for funding emergency and unplanned needs.

- For Facility Capital needs:
  - DPS has generally relied upon General Obligation Bonds to fund significant capital improvements and maintenance efforts to facilities, while
  - Capital Reserve Funds (CRF) typically fund smaller capital improvements outside of the bond scope along with critical, non-emergency projects
Funding for our Schools and Maintenance of Facilities

- DPS funding for central shared services (e.g., payroll, IT, finance, HR) at 5% is among the lowest of major school districts surveyed.

- Funds for facility work have been focused on the most critical maintenance needs – failing systems and life safety items with a much smaller amount going to visible learning environment upgrades.
In 2009, the legislature reinterpreted Amendment 23 to mean that only the base amount was covered by the mandatory increases, not the factors associated with District Funding.

In order to make across-the-board cuts from all school districts, the legislature added a new “Budget Stabilization” or “Negative Factor” to the School Finance Act formula.

Since 2010-11 the annual State Total of the “Negative Factor” has grown to nearly $1 billion.

The “Negative Factor” impacts Denver Public Schools by nearly $92 million per year and has reduced funding to DPS by more than $430 million since its inception.
District growth measured by student population and SQFT has grown at about 2X the rate as our maintenance budget and the number of Maintenance workers over 5 years.
Quality Learning Environments Overview:
Investments in our older schools to improve the learning environments.

As a result of these difficult budgeting decisions, many of our schools have not received significant improvements to the learning environment in the past 20 years.

The difference between the learning environments is striking.
Three Pronged Approach

Three categories of projects targeting the greatest needs.

**Focused Investments**
Targeting the large collection of baby boomer era “efficiency” secondary schools that have received minimal visible updates or remodels in recent bonds.

**Education Suitability Investments**
Alleviating space deficiencies at non-traditional facilities which impact school program and environment.

**Broad School Impact**
Lower dollar value, high-impact investments that would provide upgrades to a broader set of schools and increase bond engagement.
Prong #1: Focused Investments

Targeting the large collection of baby boomer era “efficiency” secondary schools that have received minimal “visible & functional” updates or learning environment remodels in the past several decades

Common learning environment needs:

• Replace chalk boards with white boards
• Upgrades to lighting
• Paint – upgrade old and add color
• Add STEM labs or Engineering labs
• 21st century digital art labs
• Athletic area upgrades
• Flooring upgrades – replace worn carpet
• Replace Auditorium sound and lighting systems
• New furniture to create flexible classrooms
Prong #2: Educational Suitability

Targeting specific needs at non-traditional facilities that are deficient in resources typical for the grade levels being served.

Project Examples:

- Science lab
- Art room
- Athletic areas
- Bathroom upgrades due to change in age level at school
- Parking
- Shared campus accommodations

Range of Needs:

High Impact to Academic Program
- High school without a science lab

Impact to School Culture or Logistics
- Medium size high school with only one science lab
- High school in elementary facility with small bathroom fixtures.
Prong #3: Broad School Impact

More than 100 facilities greater than 15 years old are not recommended for Focused Investments QLE funds.

With the majority of these facilities over 50 years old, there are many learning environment upgrades needed at each of these sites.

Begin to incrementally improve learning environments at our older schools.

Formula allocating funds will be based on:
- Age of construction – include only those facilities 15 years or older
- School factors – size of facility, # of students, grade level
- Intended use – limitations to type of projects eligible for funds (i.e. paint, visual branding, furniture, creation of STEM lab)
Preview of Sub-Committee Meeting #2

Focus on Areas of Capacity Need

<table>
<thead>
<tr>
<th>Region / Grade Level Supply &amp; Demand</th>
<th>Preliminary Thoughts on Capacity Solution</th>
</tr>
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<tbody>
<tr>
<td><strong>Forecast &amp; Capacity Comparison</strong></td>
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</tr>
<tr>
<td>2015 Students: 3,967</td>
<td>Parking</td>
</tr>
<tr>
<td>2020 Forecast: 4,389</td>
<td>Building</td>
</tr>
<tr>
<td>2015 Capacity: 3,927</td>
<td>Play Area</td>
</tr>
<tr>
<td>Remaining Need: 462</td>
<td>Basketball</td>
</tr>
<tr>
<td></td>
<td><strong>Play Fields</strong></td>
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<td></td>
<td>Ball Field</td>
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**2015 Capacity Comparison:**

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<thead>
<tr>
<th></th>
<th>2015</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Students</td>
<td>3,967</td>
<td>4,389</td>
</tr>
<tr>
<td>Capacity</td>
<td>3,927</td>
<td></td>
</tr>
<tr>
<td>Remaining Need</td>
<td>462</td>
<td></td>
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</tbody>
</table>
Preparation for Sub-Committee Meeting #2

What to look for:

- Understand forecast methodology
- Review areas of recommended capacity
- Think up any questions about areas with no identified capacity need that you would like further explained
Sub-Committee Meeting #2

Monday, March 21, 2016
5:30pm – 7:30pm
North High School Library: 2960 Speer Blvd, Denver, CO 80211