



# November 2020 Bond Measure Proposal: Sustaining the Los Angeles Unified School Facilities Modernization Program

Special Meeting of the Board of Education  
August 4, 2020





# Program Successes

- **More Than 131 New Schools Built**
  - Ended year-round calendars and mandatory busing of students outside of their neighborhood
- **Nearly 22,600 Rehabilitation, Modernization and Replacement Projects have been Completed:**
  - Approximately 1,000 roofing projects at 560 schools
  - Approximately 650 fire alarm system projects at 500 schools
  - Approximately 1,500 HVAC projects at 620 schools
  - Approximately 2,100 Electrical and Lighting Projects at 740 schools
  - Completed Districtwide drinking quality program bringing all drinking fountains below 15 parts per billion of lead



# Our Program Generates Jobs and Stimulates the Economy

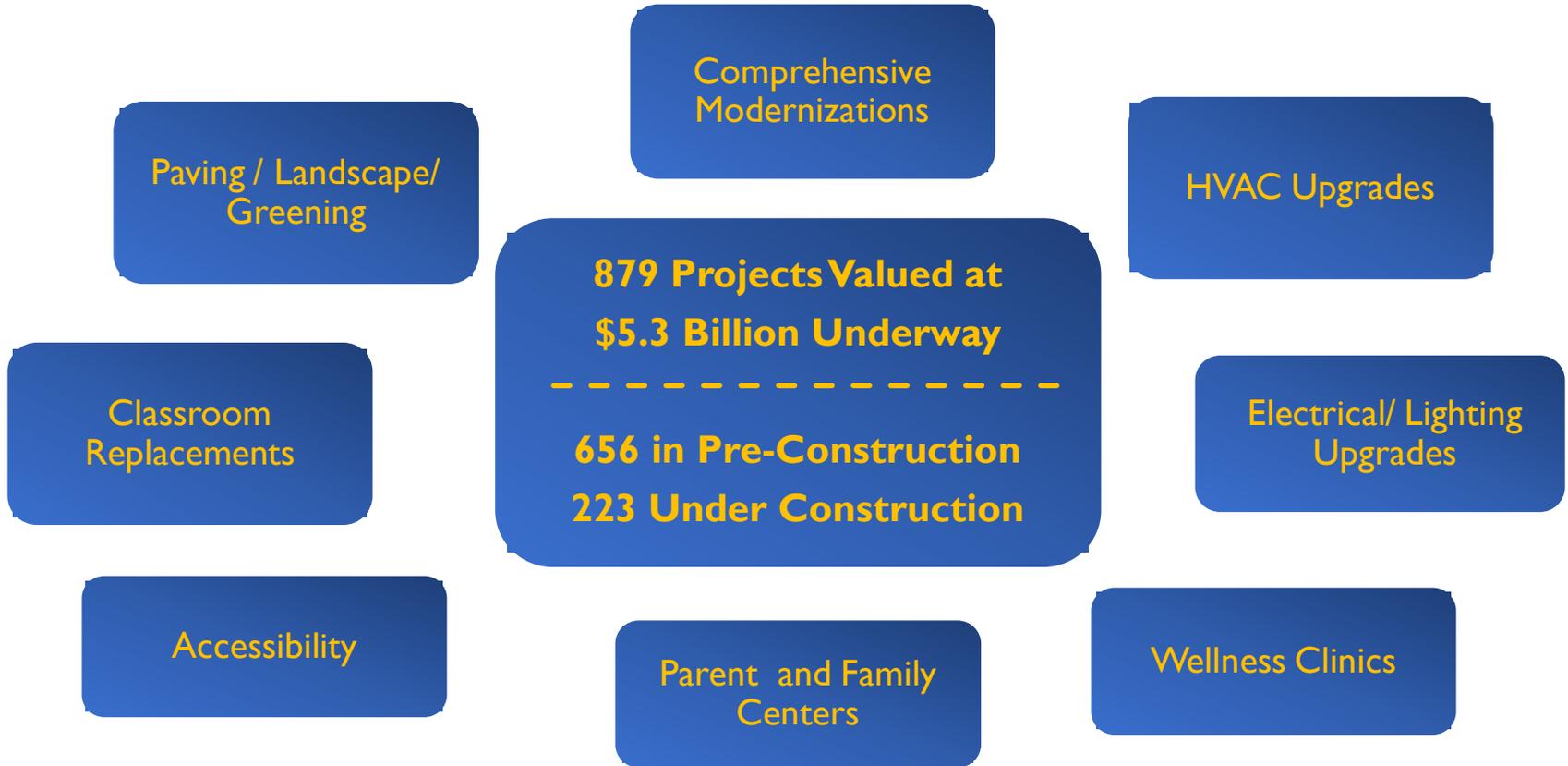


## \$26.35 Billion Investment

- More than 350,000 construction-related jobs already created
- Remaining work estimated to create an additional 120,000 jobs
- More than \$1 billion in state and local tax revenues
- More than \$1 billion of wages



# Important Upgrades are Underway



But Very Little New Work Will be Initiated As Nearly All Funding Has Been Allocated





# Significant Needs Remain

- Current estimates show over \$50 billion of unfunded facilities needs District-wide, and those needs grow every year
- The majority of students are learning in old and outdated classrooms and facilities inequities exist throughout the District
- More than 70% of our school buildings were built more than 50 years ago, and do not meet today's standards for learning and safety



# Oversight and Accountability



- All bond measures are subject to strict oversight and accountability
- All bond expenditures are reviewed by the citizens' bond oversight committee and approved by the Board of Education in a public meeting
- All bond expenditures subject to an annual independent financial audit & performance audit
- Funds are legally restricted from being used for administrator salaries and other operating expenses
- Oversight measures have been in effect for 20 years and have continued to help ensure that all bond funds are only spent on voter-authorized projects
- The proposed bond measure includes oversight commitments beyond what is required by law



# Proposed November 2020 Bond Measure

- Requests authorization to issue school bonds in the amount of \$7 billion
- Proceeds will be used to upgrade, modernize and replace aging and deteriorating school facilities, update technology, and address facilities inequities

**The Proposed Measure  
is Structured Not to  
Increase the Tax Rate  
Above What Will be in  
Place at the Time of the  
Election**





# Proposed Ballot Question

“SCHOOL UPGRADES AND SAFETY MEASURE: To update classrooms/labs/technology for 21<sup>st</sup> century learning; implement COVID-19 facility safety standards; address school facility inequities; reduce asbestos, earthquake and water quality hazards; and replace/renovate aging school classrooms/buildings, shall Los Angeles Unified School District’s measure be adopted authorizing \$7,000,000,000 in bonds at legal rates, levying approximately \$0.02174 per \$100 of assessed valuation, generating an estimated \$329,528,000 annually until approximately 2055, with independent audits, citizens' oversight, no funds for administrative salaries?”





# Projections of Assessed Property Valuations Within Los Angeles Unified

- Proposed 2020 bond measure assumes an average annual assessed property valuation growth of 4% across the forecast horizon

Length of Period (Years)	Starting FY	Ending FY	Average Annual AV Growth
5	2016	2020	6.77%
10	2011	2020	4.57%
15	2006	2020	5.55%
20	2001	2020	5.88%
25	1996	2020	4.71%
30	1991	2020	4.99%

- Growth assumption is lower than each of the past 5, 10, 15, 20, 25 and 30 years





# Proposed Priorities and Allocation of Funds

PRIORITIES	SPENDING TARGET
Upgrade and/or retrofit old and outdated school campuses to create 21st century learning environments while upgrading earthquake safety and environmental sustainability	\$2,980,000,000
Upgrade deteriorating and outdated school building systems, grounds, furniture, and equipment to reduce safety hazards, complete necessary updates in schools, and provide clean, renewable energy improvements	\$1,530,000,000
Ensure buildings are fully compliant with accessibility standards, meeting the needs of all students and staff and making them accessible to the entire community	\$430,000,000
Enhance and expand learning, wellness, and athletic/recreational opportunities, and provide a more energy/water efficient environment	\$300,400,000
Provide safe, upgraded early childhood education facilities by constructing outdoor learning classrooms, replacing deteriorating school building systems, and/or providing additional capacity by rehabilitating closed centers and/or reconstructing existing spaces to meet early education standards	\$130,300,000
Replace/upgrade adult and career centers so they are safe, functional, support 21st century learning, and align with regional industry sectors and career pathways	\$130,300,000



# Proposed Priorities and Allocation of Funds

PRIORITIES	SPENDING TARGET
Upgrade, modernize and/or construct charter school facilities	\$450,000,000
Replace/upgrade aging, undersized, and inadequate school cafeterias	\$195,500,000
Improve school safety, security, network, and emergency communications systems	\$375,000,000
Furnish and equip schools with 21st century learning technologies, and upgrade/install technology infrastructure, information systems, hardware and software	\$405,000,000
Replace outdated and inefficient school buses to meet 21st century environmental and safety standards	\$33,500,000
Ensure oversight and accountability of bond expenditures	\$40,000,000





# Summary

- The needs are significant -- current estimates show over \$50 billion of unfunded school facilities needs
- The proposed bond measure is meant to support the continuation of an already successful program
- Will continue to address facility equity issues across the District
- Structured not to increase the tax rate above what will be in place at the time of the election
- Anticipated to allow for approximately \$1 billion of work to be put in place annually
- Will create thousands of local jobs benefitting the region's economy



**QUESTIONS?**

