

**TO: Chamber Board of Directors**  
**FROM: Chamber Executive Committee**  
**SUBJECT: 2020 SAISD Bond Election**  
**STATUS: Approved**



**DATE: September 24, 2020**

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**RECOMMENDATION:** The Executive Committee of the San Antonio Chamber of Commerce adopt the following policy statement:

**STATEMENT:** The San Antonio Chamber of Commerce supports the \$1.3 billion bond program for the San Antonio Independent School District (SAISD). The District projects taxpayers will not see an increase in taxes from the bonds. The bonds, divided into two propositions (prop A \$1.21 billion; prop B \$90 million), will address significant renovation and technology needs in District schools. Prop A will impact 36 campuses including 21 schools with main buildings that have not been fully renovated in more than 50 years and nearly half of the 43 schools with decades old infrastructure will be renovated. Funds will also be used to complete final phase renovations at 15 schools that have been partially renovated through the 2016 and/or 2010 Bonds. Additionally, the bonds will support safety and security upgrades in all District schools. Prop B will fund technology upgrades in every classroom including improvements to high-speed connectivity, individual devices, support tools, interactive smart boards and audio systems. These renovations and technology upgrades will enable the District to serve its more than 48,000 students with 21<sup>st</sup>-century learning, safety, and security systems. It will also ensure every school is equipped to provide learning environments to meet the needs of a diverse student population.

**BACKGROUND:**

*SAISD Mission*

To transform SAISD into a national model urban school district where every child graduates and is educated so that he or she is prepared to be a contributing member of the community.

*2020 Bond Program:*

The 2020 Bond is aligned with the District's long-range master plan to bring all schools up to standard. It also addresses evolving security, technology, and learning/teaching environment needs of students and teachers. The 2020 Bond follows two previous bond programs that voters approved in 2016 and 2010.

The District's Board of Trustees appointed a 22-member Blue Ribbon Task Force (BRTF) charged with evaluating district facility assessments and developing recommendations for priority projects to be included in the Bond 2020 program. The BRTF met five (5) times virtually and nine (9) other times with respect to touring the various school campuses

between May 14, 2020 and July 28, 2020 to evaluate facilities assessments and educational adequacy needs, provide input and feedback on community attitudes and perceptions, and develop long-range and priority project recommendations.

On August 17, 2020, The SAISD Board of Trustees voted to call a \$1.3 billion bond election with two separate propositions to be placed on the November 2020 ballot. The recommendations of each proposition are summarized as follows:

<b>PROP A</b> <b>SCHOOL RENOVATIONS &amp; UPGRADES</b>		<b>\$1.21 billion</b>
• Renovations and upgrades to 36 campuses		<b>\$1,146,279,099</b>
• Security upgrades to all schools		<b>\$13,196,469</b>
• Replacement of all air-conditioning chillers that are more than 15 years old.		<b>\$36,003,056</b>
• New school models		<b>\$14,521,376</b>

<b>PROP B</b> <b>TECHNOLOGY UPGRADES</b>		<b>\$90 million</b>
• Technology upgrades for all schools		

For more details on the proposed renovations for each of the 36 campuses visit <https://www2.saisd.net/bond2020/renovations.html>

*Tax Implications:*

Taxpayers will not see an increase the tax rates from the 2020 Bond program (*figure 1*).

As a result of downtown construction and renovations (*figure 2*), low interest rates, and decline in existing debt service (*figure 3*), the District projects no increase in the total tax rate will be needed to pay off bonds associated with these propositions.

Figure 1

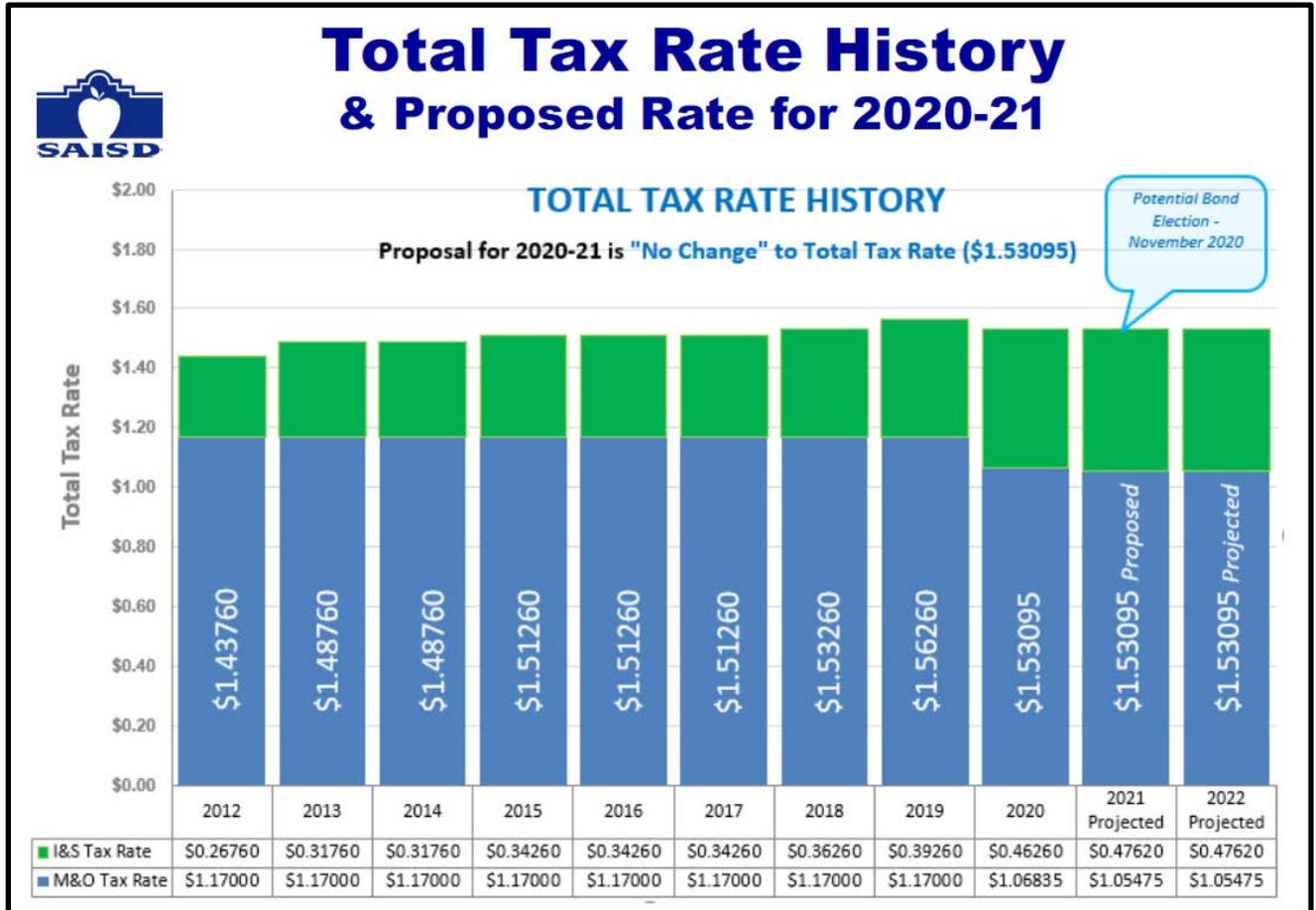


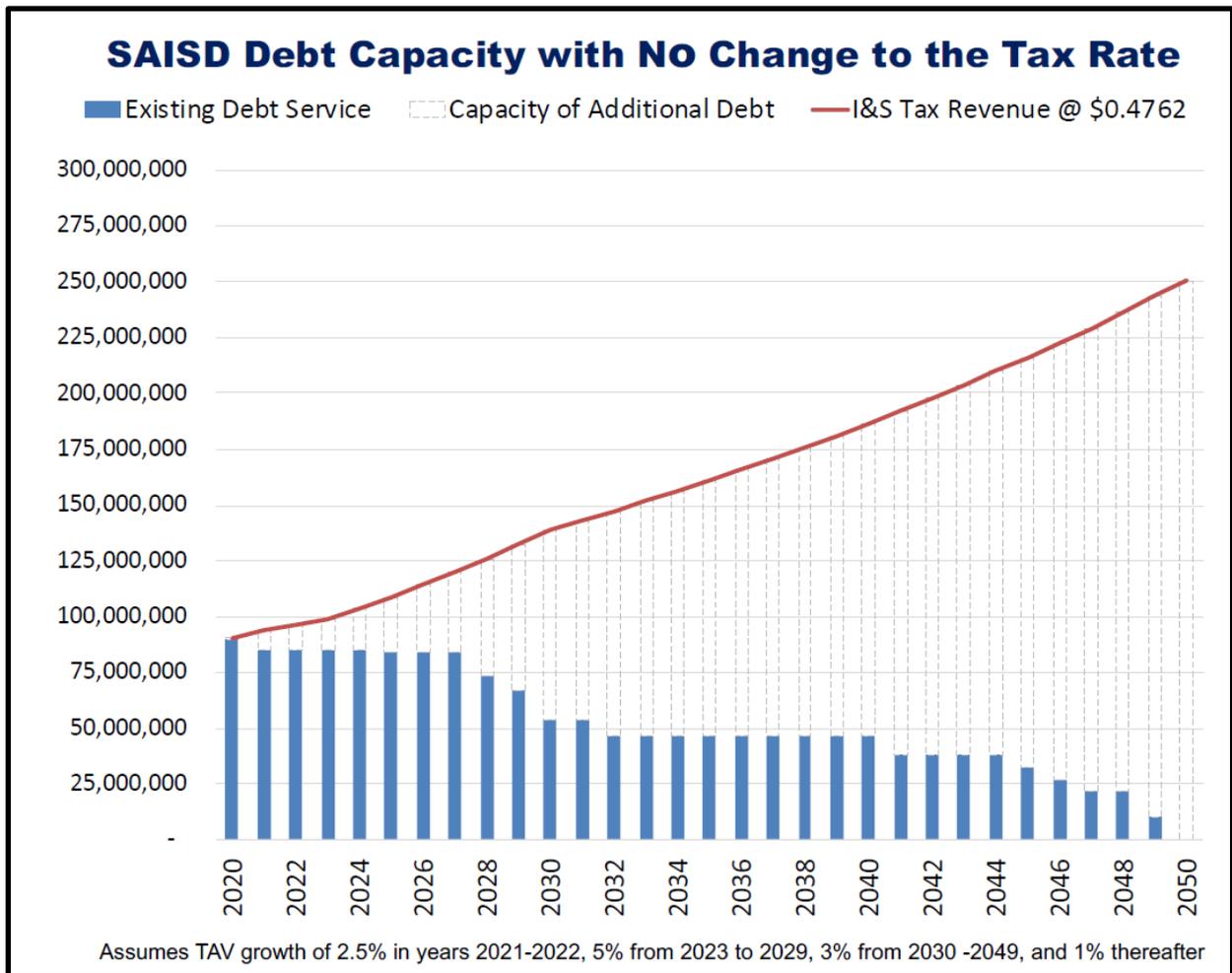
Figure 2

## Taxable Property Value Growth Results in Added Debt Service (I&S) Revenue

	Current Year	Projected Growth	Next Year	Increase
<b>Property Value</b>	\$20 Bil.	5%	\$21 Bil.	\$1 Bil.
<b>I&amp;S Revenue</b>	\$92.5 Mil.	-	\$97.0M	\$4.5M

**Note:** In fiscal year 2019, District assessed taxable property values increased by 8.3%.

Figure 3



**Reasons to Support:**

1. The passing of the proposed bond would help SAISD improve and enhance campuses within the largest urban district in the city. These improvements will include improving technology for both students and educators, improving safety to meet state standards, and improve and maintain current neighborhood schools that are aging.
2. SAISD has a reputable debt management history with previous bonds including securing an Aa2 rating for Bonds and an AAA rating for Management of District Finances. Additionally, projects from 2010 and 2016 bond packages have been on track and within projected budget outlined.
3. SAISD is following a master plan developed in 2010 and has included numerous community members including those from the business community along the way in its implementation and continuous review and development.
4. SAISD's 2020 Blue Ribbon Task Force included 22 community members that included community and business representation adding significant buy-in power to the recommendations made and approved by the SAISD Board of Trustees.

**Issues of Concern:**

1. Due to current public school finance structure SAISD has no alternative plan if the 2020 bond fails to pass voter approval.
2. Equitable access to high-quality public education is the foundation of a prosperous city. A solid educational experience allows students to be Career, College, and Military ready. If SAISD does not have the resources to comprehensively support this foundation, there could be an unfavorable ripple effect on the workforce pool.

**IMPLEMENTATION:** The Chamber will help support the 2020 SAISD Bond Program in the upcoming election (Early Voting October 13<sup>th</sup> – October 30<sup>th</sup>, Election Day November 3<sup>rd</sup>) at membership meetings and other public opportunities. The Chamber will communicate this position to the media, the business community and other Chamber members through publication in The Chamber Today and media releases.