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## **LONG RANGE FUTURES STUDY**

### **POLICY ISSUE / SITUATION:**

The Beaverton School District (District) is the third largest school district in the State of Oregon and has historically been one of the fastest growing districts. The District has seen an opportunity to look long term within its boundary to obtain and understanding of what future school facilities will be need as residential growth continues to expand. This opportunity has resulted in the undertaking of a Long Range Futures Study.

### **BACKGROUND INFORMATION:**

The District has a current School Facility Plan that complies with ORS 195.110. This plan was adopted in 2010 and provides a ten-year outlook for facility needs as well as describing school facility and campus requirements. As well, District voters approved a \$680 million school construction bond program in 2014 that is providing funding for a number of new, reconstructed, and updated facilities throughout the District.

The Long Range Futures Study is looking beyond the ten-year requirements of ORS 195.110 and examining how the District could develop in the longer term as population growth continues within its service boundary. The Study is also looking at education trends and how education may be delivered in the future. The purpose of the Study is to not replicate or replace the School Facilities Plan but to help inform the District on future strategic decision making.

District staff and the consultant team have been working closely on developing background materials for the Study over the past eight months. The Futures Study work plan is currently at a point where Board participation is needed to agree upon and validate the definitions of the range of scenarios under which the District should operate for strategic planning purposes.

### **RECOMMENDATION:**

It is recommended that the School Board take the following steps at the work session on the Long Range Futures Study project:

1. Listen to the presentation on the Study's objectives, progress to date, and development of the scenario definitions;
2. Participate in a discussion with the staff and consultant team on the scenario definitions; and
3. Provide direction and agreement on scenario definitions.

**District Goal:** WE empower all students to achieve post-high school success.

The Beaverton School District recognizes the diversity and worth of all individuals and groups. It is the policy of the Beaverton School District that there will be no discrimination or harassment of individuals or groups based on race, color, religion, gender, sexual orientation, gender identity, gender expression, national origin, marital status, age, veterans' status, genetic information or disability in any educational programs, activities or employment.

**DATE:** November 28, 2016  
**TO:** Beaverton School District Board  
**FROM:** ECONorthwest and Angelo Planning Group  
**SUBJECT:** BOARD PACKET FOR DEC 6<sup>TH</sup> WORK SESSION: FUTURES STUDY

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This memorandum provides an update to the Beaverton School District (BSD) Board on the Futures Study. This update will be the basis for a staff presentation and discussion at the Board Work Session on December 6th. That presentation will cover study objectives, progress to date, and scenario definitions. Following the presentation, staff would like to engage the Board in a discussion on scenario definitions. Although the discussion may cover a range of items, the main objective for December 6<sup>th</sup> is to get Board direction and agreement on scenario definitions.

## Background

### Study Objectives

The mission of the Beaverton School District (BSD) is to “engage [its] students in rigorous and joyful learning experiences that meet their individual needs so they may thrive, contribute, compete, and excel.” The District’s ability to achieve its mission in the future will depend on its ability to understand, adapt to, and change future conditions. To that end, the District has undertaken this Futures Study to explore how it can continue to deliver services *effectively* (doing the right things), *efficiently* (doing those things right), and *equitably* (distributing the costs and benefits of doing those things in a way judged to be fair). The Facility Department is the specific client, so the Futures Study focuses on informing decision-making about BSD facilities over the next 50 years.

### Study Approach

To address the broad goal of efficient and fair development of new facilities, the Futures Study will describe:

- Likely changes in the number and location of students in the District, and their demographic characteristics
- Education-service-delivery and facility options that the District currently has or will need to add to meet the educational needs of those students.

The first point addresses the demand for K-12 education. That demand is a function of changes in development, population, and household demographics likely to occur in Washington County and the District. The District has little control over these forces, but it can prepare for them by assessing their magnitude, timing, and likelihood.

The second point addresses things the District *can* do to respond to the forces. The Futures Study groups those responses into two broad categories: (1) Educational Models (how instruction might be delivered in the future, including how technology might allow changes in

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current educational practices), and (2) Facilities (the amount of land and the amount and type of buildings that the district will likely need to provide to meet the identified demand).

The Futures Study uses *scenarios* as a means to explore potential futures and their implications for District planning and policy. Each scenario is a unique snapshot in time of what the District might look like in 50 years. Those snapshots are based on conditions in three areas:

- **Demographics and Development.** How many students, with what characteristics, are likely to live where within the District in the future? Students by type and location are the primary determinant of demand for the District's educational services.
- **Education Model.** How will educational services be delivered? Technology, classroom techniques, and staff and facility management techniques are changing rapidly and likely to change even faster in the future. A longer-run view will consider how these factors might change and, in doing so, change the needs for the amount, type, and location of facility space, and the way the space is operated.
- **Facility Needs.** How will the type, number, and location of facilities change? How can BSD respond to changes in the first two areas with facilities? How do facilities interact with different education models?

Those snapshots in time will allow an exploration of challenges and opportunities the District might face over the next 50 years. These challenges and opportunities will have important implications for the District's shorter-term facility planning process.

The final chapter of the Futures Study will explore those implications. It will identify measurements in each conditions area (demographics, education models, facilities) that the District should track, key benchmarks that indicate progress toward a particular scenario, and potential policy responses to this progress. The Futures Study will endeavor to align those policy choices with the ten-year facility planning process. In that sense, the Futures Study is a tool to inform future decision-making; it is not designed to be a decision document itself.

## Study Team

The consultant team preparing the Futures Study includes experts in scenario planning, educational models and trends, and facility development. The consultant team includes:

- **ECONorthwest**, specialists in economics, education, finance, and planning
- **Getting Smart**, a leading educational learning design firm with expertise in strategic and knowledge design and learner experience
- **Mahlum Architects**, specialists in school facility planning and design (project architect for the Timberland Middle School).

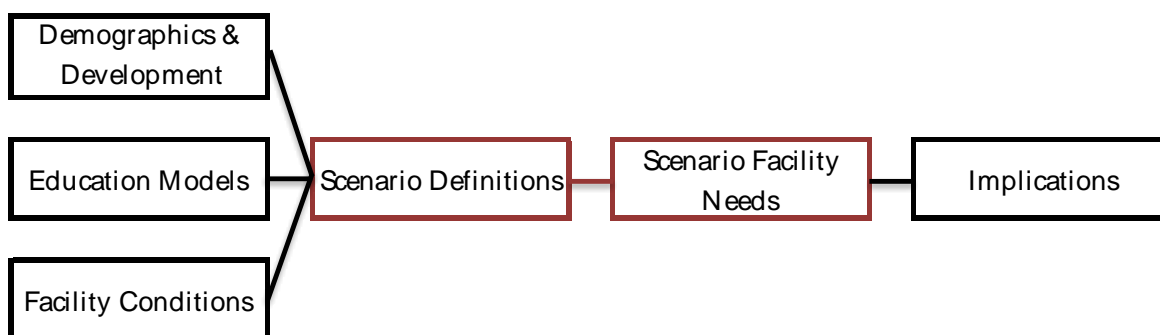
The Futures Workgroup is a steering committee that has been providing guidance on the project. It includes representatives from Washington County, the City of Beaverton, Tualatin Hills Park & Recreation District, and BSD (facilities; long range planning; communication; and

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curriculum, instruction, and assessment). The Workgroup has vetted all preliminary results from the work to date.

## Project Status

The following chart shows the progression of work for the Futures Study. The red boxes indicate the current stages of the project.



### Key Demographics, Education Model, and Facility Findings

The project has completed the analyses and draft deliverables for the first three elements of the project: demographics and development, education models, and current facility conditions. This section presents some key findings from these analyses.

#### Demographics

Approximately 43,400 school-aged children lived within the Beaverton School District's boundary in 2015.<sup>1</sup> The forecasting models predict (as a baseline) that this population will grow at an average annual growth rate of 0.63% (37% total) over the next 50 years. By 2065, the forecast is for 59,545 school-aged children living in the District. Much of this growth will occur on the outer edges of the District in areas designated as urban reserves.

For more detail, refer to the August 26, 2016 ECONorthwest Technical Memorandum: Demographics and Development Forecast Results.

#### Educational Models

The future of learning will be highly personalized. Technological advances will facilitate that shift. Much like mobile push-learning, learning data will inform learning content delivery. Each student will chart a unique path that will allow students to progress by mastery of content, rather than solely in age cohorts.

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<sup>1</sup> The number of "school-aged children in the District" is similar, but not identical, to the number of "students in District schools." Actual enrollment is lower than population, since not all children in the District attend District schools.

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As technology advances, so too will the need and ability for quality experiential learning for students of all ages. There will be a greater emphasis on early education and the effects it has on equity and preparation. Students will be given more opportunity to engage in experiences and meaningful projects that prepare for an increasingly project-based world. Students will prepare to chart their own paths toward college and careers, even if those paths do not yet exist.

For more detail, refer to the August 30, 2016 Getting Smart Technical Memorandum: Preliminary Education Model Overview.

## Facility Needs

Existing facility conditions were assessed by evaluating facility age, student capacity (with and without portables) and square feet per student, as well as site capacity and location, in order to identify opportunities to add capacity to the District in the future. Preliminary findings include the following:

- The majority of the District's elementary schools are currently under the target capacity of 750 students, resulting in an opportunity to increase capacity by over 3,800 seats if all schools were brought up to target capacity. However, the geographic distribution of enrollment increases suggests that it will not be possible to take full advantage of this potential capacity.
- Of the District's existing facilities, 12 elementary schools, four middle schools and two high schools were built before 1966, making them 100 years old or more in 2065. These facilities will likely need to be replaced due to age, and provide potential opportunities to increase student capacity in the District. 13 additional schools were built between 1966 and 1986. These facilities may also need to be replaced during the timeframe of the Futures Study, and are also considered candidates for replacement if their capacity is significantly under the District's target capacity.
- By 2065, roughly one-third of all of the Districts' facilities (38% of elementary schools and 33% of middle and high schools) are projected to be more than 100 students over current capacities.

## Scenario Definitions

The consultant team has completed high-level scenario definitions. It is in the process of fleshing those definitions out with facility characteristics, and estimating the facility needs of each scenario.

All scenarios must satisfy a set of *core District principles*. The Futures Workgroup has identified an initial set of principles:

- Provide neighborhood schools
- Provide choice for students
- Efficiently use facilities

- Provide services and facilities equitably
- Foster a safe environment

The four scenarios developed by the consultant team and accepted by the Futures Workgroup differentiate the scenarios based on:

- A set of external conditions
  - Projected enrollment growth
  - Projected District funding
  - Competition for students among schools in the area
- The flexibility of the District’s education model and facility policy

Figure 1 shows the definitions for the four scenarios in terms of these conditions. Each scenario is described in more detail following Figure 1:

**Figure 1: Scenario Design**

	Scenario 1 Business as Usual	Scenario 2 High Growth	Scenario 3 Increased Competition	Scenario 4 Constrained Funding
Enrollment Growth	Expected	High	Expected	Expected
Funding per Student	High	Expected	Expected	Low
External Competition	Expected	Expected	High	Expected
Flexibility of Education Model and Facility Policy	Expected	High	High	High

### Scenario 1: Business as Usual

The business-as-usual scenario is defined by expected enrollment growth, expected competition from other education institutions, and the continuation of current education model and facility policy. Funding per student will likely be higher than current (expected) funding per student adjusted for inflation, as the provision of facilities with large sites is likely to be expensive in the future.

The purpose of this scenario is to evaluate the cost to the District of continuing to deliver education services in the kind of facilities that dominate its portfolio. As a broad generalization, the consultant team characterizes those as relatively large suburban, one to two-story schools with ample playing fields and parking. Those characteristics all lead to another characteristic: relatively large school sites. This scenario will likely require land acquisitions in high-growth

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areas, at a high cost and may illustrate an issue at the root of this study: a continuation of current District policy may not be financially feasible.

### **Scenario 2: High Growth**

This scenario considers how the District would respond to an increase in enrollment (demand) that is beyond the base case (Scenario 1). This increase will come from two sources: (1) higher than expected population growth (based on the Washington County Futures Study high-growth scenario),<sup>2</sup> and (2) the addition of early-childhood education. Under this scenario, funding per student and the amount of external competition will remain as expected. It does assume that the District might choose facility models that diverge from those of today.

### **Scenario 3: Increased Competition**

This scenario explores how the District would respond to increased competition for students. It assumes expected enrollment and funding, and flexible education model and facility policies.

Getting Smart's analysis of existing and probable future education models will drive this scenario. The preliminary list of education models is:

- Off-campus programming
  - Real world experience (may include CTE programming, or internships)
  - Online education
- Competency-based education
- More charter and options schools
- Early childhood education

### **Scenario 4: Constrained Funding**

Although the District has historically been successful in securing funding for capital school bond programs, the continuation of that funding is not guaranteed. Scenario 4 explores how the District would operate in a constrained funding environment. The scenario will assume that the District only receives sufficient funds for deferred maintenance, a reality for some districts in the U.S. It will allow education models and facility policies to flex accordingly.

The many characteristics and their many levels and variations could be combined in thousands of ways. The challenge for the Futures Study (and for any scenario-based planning) is to find a few (in this study, four) scenarios that (1) are different enough to suggest different policy responses, and (2) provide information that is useful to the task at hand (in this case, to making decisions about land and facility investments). The study team defined scenarios in ways that it hopes will address questions like:

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<sup>2</sup> As opposed to re-running the population forecast model, ECONorthwest will assume a proportionate population increase in each attendance area.

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- What might the District do regarding facilities to respond to opportunities and obstacles identified in the Business As Usual scenario?
  - How might changes in educational models, technology, and interagency cooperation (e.g. sharing facility space, or agency data, etc.) change the amount of space needed by the District and/or reduce the expenses of facilities?
  - Do different facility responses have different effects on the District's ability to move toward its vision: "Every Beaverton student EXCELS. All students earn a high school diploma and are prepared for post-high-school learning"?
  - What are the implications of these scenarios for the District's ten-year facility planning process: What steps should the District take to properly respond to changing conditions?
  - What indicators should the District track to ensure it responds effectively to changes in demographics and development, education models, or resource availability?

## School Board Discussion Topics

Following its presentation at the December 6<sup>th</sup> Work Session, staff would like to engage the Board in a discussion on the principles that informed the development of the scenario definitions and the definitions themselves. Specific questions to prompt discussion:

- Is the list of principles comprehensive?
- Do the scenario definitions generally reflect the range of possible futures facing the District? Are the scenarios as defined likely to provide useful information for making facility decisions over the next 10 years? If not, how might they be improved.
- Do you have questions you hope this Study will address in the implications section?

## Next Steps

Over the next two months, the consultant team will complete the scenarios and supporting appendices on demographics and development, education models, and facility conditions. The consultant team will present the fully fleshed out scenarios to BSD staff and the Futures Workgroup for review and comment toward the end of January.

Once the scenarios and facility demand assessments are complete, the consultant team will facilitate a discussion about implications on facility planning and policy. This discussion will begin with BSD senior staff and the Futures Workgroup. Staff and the consultant team will then return to the School Board to discuss the implications of each scenario, and provide thoughts on how the study results can be used to inform future decision-making.