School Facilities Improvement Oversight Committee
Monday, October 21, 2024 6:00 PM

Dr. Matthew Prophet Education Center - Board Auditorium
501 N. Dixon St
Portland, OR 97227

Agenda

1. General Obligation Bond-Background
2. Questions to decide: Total Bond Amount
   - Bond Cycle
   - Levy Rate
   - Election Date
3. Next Steps/Next Meeting Date
4. Public Comment - 2 two-minute spots

PORTLAND PUBLIC SCHOOLS
OFFICE OF OPERATIONS
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STAFF MEMO

Date: October 7, 2024

To: Board of Education

From: Dan Jung, Chief Operating Officer

Subject: General Obligation Bond Election Planning

During the first half of 2024 district staff and board members met six times and considered numerous options for PPS's next general obligation (GO) bond. Below is a summary of the last GO potential bond projects reviewed during the June 2024 Facilities & Operations committee meeting.

Physical Facility Improvements	$750,000,000
Educational & Technology Improvements	$562,000,000
Capacity	$0
Modernizations	$1,138,000,000
Admin	$74,000,000
Contingency	$367,000,000
Total	$2,891,000,000

On June 25, 2024, board members conveyed the intention to pursue a GO bond vote in May 2025, in lieu of November 2024. Staff provided a memo outlining considerations and risks.

As we re-engage bond planning efforts, staff recommend the Board consider the following:

1. Targeting a total bond between $1.5B - $1.8 billion
2. Plan for an 8-year bond cycle
3. Retain the existing tax rate
4. Plan for a ballot measure for the May 2025 election

1. Total Bond Principal Amount

PPS has been advised that although there is generally strong support for another PPS GO bond, the size of the bond impacts support. Broadly speaking, community support begins to drop when the amount exceeds $1.5 billion.

Internal and External Capacity

As noted in previous staff memos (referenced below), the majority of GO bond work requires physical construction. Internal and external capacity constraints must be considered when planning large capital programs. The three primary constraints are:

1. *Project-Specific Capacity* refers to the human resources required to effectively manage and execute the various aspects of a project, such as planning, procurement, contract management, and more. This includes key team members such as project managers, construction managers, administrative support, and program oversight personnel, all of whom contribute to the successful completion of project objectives.

2. *District Internal Capacity* refers to the resources required to indirectly support capital projects, including both routine and ad hoc needs that vary by project, phase, and level of complexity. While not directly part of project teams, these resources play a crucial role in ensuring project success. Insufficient internal support can negatively impact projects in areas such as scheduling, cost, and the final outcomes. Examples of district internal support include:

    a. Stakeholder Contributions. Defining user requirements and District standards, decision-making, reviewing design documents, and contributing as Steering Committee members. These contributions are typically made by PPS personnel in leadership positions whose primary responsibilities lie outside capital project work..

    b. Interdepartmental Support Functions. Procurement and Contracting, Finance, Legal, Risk, and Human Resources departments contribute significant efforts to support capital projects.

    c. OTIS Implementation. Modernization projects in particular place a large burden on OTIS to implement the technology, paging, and access control systems included in our capital projects. OTIS has finite capacity, and external contractor tasks are a prerequisite to their work, so capacity-related delays upstream from OTIS's work cause compounding capacity challenges.

3. *External Capacity* refers to the diverse network of outside entities,such as consultants, contractors, and public agencies, that are essential for completing large capital projects. When engaging external partners, PPS is interacting in a marketplace with finite capacity. At a peak of $250 million in annual construction spending, PPS is a significant factor in the market, representing about 2% of Oregon's non-residential construction spending.[1] Oversaturating the market with demand results in less competition, higher costs, and schedule delays due to capacity constraints. Permitting authorities also have capacity challenges, which can lead to schedule delays when permit processes take longer than planned.

When planning for a future bond it is important to anticipate and take into account capacity constraints.

At a high level, annual spending rates serve as a useful indicator of capacity limits. Since 2016, PPS has averaged approximately $200M in capital expenditures annually, with some years exceeding $250M and others falling closer to $100M. Various factors, such as the types of projects, availability of additional funding, and the need for temporary space, can influence these spending rates.

In May 2025, the 2020 GO bond will have approximately $500M in remaining principal, representing about 42% of the original amount. When combined with the $2.9B GO option, the total capital funds

[1] The Economic Impact of Construction in the United States and Oregon. PPS's highest annual rate of spending is ~$250M.

available will be $3.4B. At an annual expenditure rate of $150M to $250M, it will take between 14 and 23 years to fully extend these funds.[2]

			Spend Rate		
			$150M / year	**$250M / year**	
Existing Funds	$500,000,000	2025	$3,400,000,000	$3,400,000,000	1
2025 Bond	$2,900,000,000	2026	$3,250,000,000	$3,150,000,000	2
	$3,400,000,000	2027	$3,100,000,000	$2,900,000,000	3
		2028	$2,950,000,000	$2,650,000,000	4
		2029	$2,800,000,000	$2,400,000,000	5
		2030	$2,650,000,000	$2,150,000,000	6
		2031	$2,500,000,000	$1,900,000,000	7
		2032	$2,350,000,000	$1,650,000,000	8
		2033	$2,200,000,000	$1,400,000,000	9
		2034	$2,050,000,000	$1,150,000,000	10
		2035	$1,900,000,000	$900,000,000	11
		2036	$1,750,000,000	$650,000,000	12
		2037	$1,600,000,000	$400,000,000	13
		2038	$1,450,000,000	$150,000,000	14
		2039	$1,300,000,000		15
		2040	$1,150,000,000		16
		2041	$1,000,000,000		17
		2042	$850,000,000		18
		2043	$700,000,000		19
		2044	$550,000,000		20
		2045	$400,000,000		21
		2046	$250,000,000		22
		2047	$100,000,000		23
		2048			24

Using the same assumptions, a GO bond of $1.8B would take 10 - 16 years to complete. A $1.5B GO bond, 8 - 14 years.

Based on polling data and capital project constraints, staff recommend the next GO bond principal amount be between $1.5B and $1.8B.

Board Decision Needed: Does the board support reducing the total bond amount to between $1.5 billion and $1.8 billion?

2. Bond Cycle

Assuming Board support for a bond amount between $1.5 and $1.8 billion, Staff recommends planning for the upcoming bond with the assumption of seeking voter approval again in approximately 2032.

PPS began the current bond program in 2012 based on an assumed 4-year overlapping cycle. The primary tenets of this plan were:

1. The financed GO bond debt from each bond would not exceed 8 years; and
2. The scope of each bond could (largely) be completed in 8 years, while also taking into account other capital work.

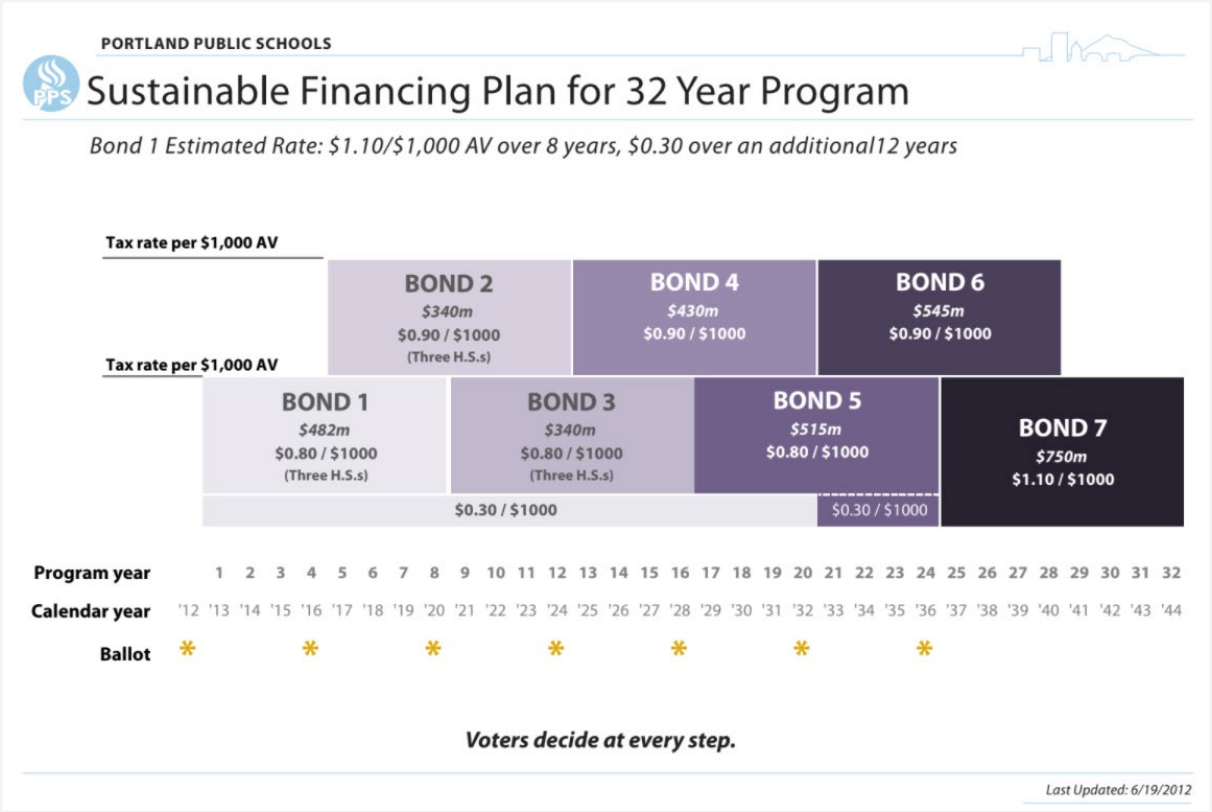
[2] This estimate assumes all GO bond scope requires construction (which it does not) and does not include capacity impacts of non-bond projects such as the potential Tubman relocation, PCEF, PEC relocation, etc.

Completing projects and paying off debt in this manner would have enabled PPS to request voter-approved GO bonds at the same levy rate following each 8-year bond cycle, thereby establishing an ongoing, sustainable funding cycle. This approach was known as the Sustainable Financing Plan.

By necessity, the first GO bonds in the plan (authorized by voters in 2012 and 2017) resulted in a tax increases. Subsequent bonds were structured to maintain (i.e., not increase) the tax rate in following years.

Short-term (8-year) debt allowed the District to plan for a continuous and sustainable bond cycle. The benefits of short-term debt are lower interest costs and maintaining a consistent levy rate. The trade off, or drawback, is smaller individual bond principal amounts.

Below is an illustration of the plan from 2012.[3]



The 2012 bond ($482M) mostly used short-term debt. The 2017 bond ($790M) and the 2020 bond ($1.2B) prioritized larger principal bond amounts requiring longer-term debt.

Staff recommends that PPS plan for *the next bond after the May 2025 GO bond* to be presented to voters in approximately 2032. This will allow more time to complete currently planned capital projects and retire more existing capital debt.

Board Decision Needed: Does the board support planning for the next bond in approximately 2032?[4]

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[3] It's worth pointing out that this illustration notes "three H.S.s" in each of the first 3 bonds. At the time of the 2012 bond, the high school education specifications identified a student enrollment of 1500 students per modernized high school.

[4] PPS is not required to, nor bound by, this decision, but it does help project and financial planning to understand the longer-term plan. For example, if the plan is to request voter approval again in 2032, the debt financing can be structured to anticipate a levy rate drop in 2032. Also, proposed spending plans, such as for curriculum adoptions, can be scaled anticipating future bonds in 2032.

3. Levy Rate

GO bonds are loans that are repaid over time by voter-approved taxes. The 3 primary variables to consider when issuing GO bond debt (other than principal amount) are:

1. Levy Rate
2. Duration of Bond Issuances (Loans)
3. Interest

These variables are interdependent such that an increase/decrease to one impacts the others. Maintaining the current approximate levy rate of $2.50 per $1,000 of assessed value impacts the duration of the bond issuances and the total interest cost. Below is a table noting some, not all, financing options provided by PPS's financial advisor. The two options, highlighted in blue (D.1 and E.1), meet the working assumptions of (i) retaining the existing levy rate; (ii) planning for another bond in 2032; and (iii) totaling between $1.5B and $1.8B.

	Approx Bond Amount (Principal)	Estimated Total Interest	Total Rev Needed	Approx Interest as % of Principal	Approx Length of Debt	Estimated Levy Rate	Potential Next Bond
A.1	$450M	$90M	$540M	20%	8 years	$2.50 / 1000 (renewal)	2032
A.2	$850M	$250M	$1.1B	30%	12 years	$2.50 / 1000 (renewal)	2036
A.3	$850M	$325M	$1.175B	38%	16 years (8 year drop)	$2.50 / 1000 (renewal)	2032
B.1	$1.5B	$575M	$2.075B	38%	20 years (16 year drop)	$2.50 / 1000 (renewal)	2040
B.2	$1.5B	$250M	$1.175B	17%	16 years (12 year drop)	$3.00 / 1000 ($0.50 increase)	2036
C.1	$1.5B	$300M	$1.8B	20%	8 years	$4.50 ($2 increase)	2032
C.2	$1.5B	$400M	$1.9B	26%	12 years	$3.25 ($0.75 increase)	2036
D.1	$1.5B	$950M	$2.45B	64%	24 years (8 year drops)	$2.50 / 1000 (renewal)	2032
E.1	$1.8B	$1.7B	$3.5B	95%	28 years (8 year drops)	$2.50 / 1000 (renewal)	2032
E.2	$1.8B	$800M	$2.4B	44%	16 years	$2.50 / 1000 (renewal)	2043
F.1	$2.2B	$2.1B	$4.3B	95%	28 years (8 year drops)	$2.50 / 1000 (renewal)	2032
G.1	$3.0B	$2.5B	$5.5B	82%	36 years (16 year drop)	$2.50 / 1000 (renewal)	2040

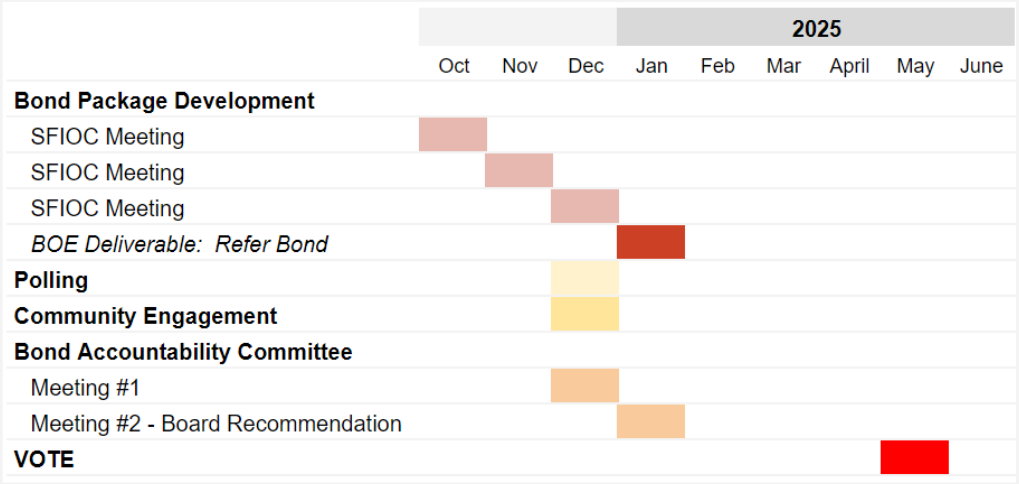
The tradeoff for retaining the levy rate and planning for another bond in 8 years is higher total interest costs. Conversely, increasing the levy rate (like in scenarios B.2, C.1 and C.2) reduces total interest. However, polling data does not support seeking a rate increase in May 2025.

Options A.3, D.1, E.1 and F.1 all assume a levy rate drop in 8 years to allow for a 2032 bond to either not increase the taxpayer levy rate, or at least not require as large of an increase. Option E.2 does not assume a levy rate drop.

Board Decision Needed: Does the board support retaining the existing levy rate and planning for a levy rate drop (and new bond) in 2032?

4. May 2025 Election

The last day to file required paperwork for the May 20, 2025, election is February 28, 2025. Prior to submission, there will need to be further refinement of potential bond projects, community engagement, financial planning, and ultimately a board referral to voters. Completing all of these tasks with thoroughness and fidelity in 4 months will be challenging. Below is a draft schedule for review and discussion:



An alternative option is to focus efforts on the November 2025 ballot.

Additional planning time would allow the district to engage the community, develop a thoughtful and data informed GO bond package, and may include the new Superintendent's capital priorities. The district can also use this time to further consider GO bond variables such as:

1. High School Modernization Costs. PPS's current modernizations are forecasted to be more expensive than other local high school projects and even recently completed PPS modernizations. The District has engaged an external consultant to understand the cost drivers.

2. High School Enrollment Targets. The biggest driver of construction costs is building size. The enrollment target of 1700 students for neighborhood high schools was established over a decade ago based on (at the time) enrollment projections and PPS's high school education program. A review of current education models and projected high school enrollment may produce different student capacity needs.

3. Cleveland High School Location. Cleveland HS is located in a suboptimal location. The school abuts a busy highway, is too small to accommodate all student uses - including athletics and parking - and will be challenged to construct an efficient school for 1700 students. Investigating other potential locations could produce an ultimately better Cleveland HS physical environment.

4. Routine Capital Funding. A material portion of the 2020 bond and the contemplated next bond includes scopes of work that require routine, even annual, funding including curriculum, electronic device replacement. Review of potential alternative funding sources could reduce the total bond amount.

5. Community Engagement. A November 2025 Bond would allow for more robust community engagement through a Community Advisory Committee and other mechanisms .

Delaying a bond vote past May 2025 includes impacts and risks. Notably, PPS is proceeding with a number of projects that require additional capital funding to complete.

- Modernizations. Jefferson High School, Cleveland High School, Ida B Wells High School, Harriet Tubman Middle School, and the Center for Black Student Excellence + K5 Learning Lab (all included in the June F&O Committee option) are currently in either planning or design phases.

  Cleveland HS + Ida B Wells HS

  The 2020 GO bond includes funds to plan and design Cleveland and Wells. The Board has approved comprehensive plans for both schools. Current forecasts predict these projects will run out of available 2020 bond funds in summer 2025. Additionally, both projects expect to finalize the Guaranteed Maximum Price (GMP) amendments by, roughly, next August. Combined, the GMP contracts will vastly exceed available 2020 GO bond encumbrance amounts. In other words, moving the vote to November would delay the projects, pushing opening dates by at least 1 year.

  Jefferson HS

  The Jefferson modernization is well underway and the project team is currently preparing land use and building permit applications. The current budget to complete the project, per the board-approved comprehensive plan, is $491 million; $125 million more than the budget ($366 million). Jefferson has enough current budget to continue design uninterrupted through November 2025. Similar to Cleveland and Wells, Jefferson plans to execute a GMP amendment in summer 2025; additional funds may be needed to execute the GMP, however this is not likely a significant hurdle considering the project is majority funded, but additional analysis is needed.

  CBSE + K5 Learning Lab

  The June 2025 GO bond option includes budget for the CBSE and K5 Learning Lab. It's anticipated that work on these projects can continue uninterrupted if the GO bond vote is moved to November 2025.

- Curriculum Adoptions. The current curriculum adoption cycle is funded by the 2020 GO bond. Funds to continue curriculum adoptions, to keep up with the next required adoption cycles and commitments with digital apps, will run out prior to November 2025. Similar to the approach described in the June 20 Staff Memo, PPS will need to find a funding source to continue with current and planned programming, bringing PPS into compliance with curriculum adoptions.

- Enterprise Resource Planning (ERP). Efforts to modernize PPS's business practices and unify the ERP underlying systems are well underway. Early portions of the ERP project were funded by the 2020 bond; however, to complete the project additional capital funds will be necessary to complete the purchasing and implementation process uninterrupted. Similar to the approach described in the June 20 Staff Memo, PPS will need to find a funding source to continue with current and planned programming, bringing PPS into compliance with curriculum adoptions.

To be sure, moving the bond target from May to November has considerable tradeoffs, however additional information to inform a GO bond package could produce a more favorable bond.

Board Decision Needed: Does the board support proceeding with requesting voter approval in May 2025?

Challenges & Opportunities

It is important to acknowledge material opportunities and challenges while preparing options for another GO bond measure. Two most top of mind are:

1. Competing Priorities

2. HS Modernization Schedule

1. Competing Priorities

PPS capital documents are well documented and exceed many billions of dollars. Paring down the needs to fit within a manageable GO bond principal amount is a daunting effort. Arguably PPS's most pressing facility needs are:

1. Maintaining existing facilities
2. Completing high-priority improvements, such as warm, safe and dry projects
3. Modernizing the remaining high schools

The below table provide 3 viable options at $1.8B:[5]

- Option #1: This option prioritizes HS modernizations
- Option #2: This prioritizes maintaining existing facilities and completing high priority projects such as security, HVAC, etc.
- Option #3: This option includes a mix of modernizations, existing facility and priority projects

	Option #1	**Option #2**	**Option #3**
	This option is capped at $1.8B, assumes 8-years, and priorities Modernizations	This option is capped at $1.8B, assumes 8-years, and priorities Deferred Maint + W/S/D	This option is a blend of Option #1 and Option #2
Physical Facility Improvements	**$150,000,000**	**$1,050,000,000**	**$600,000,000**
Deferred Maintenance	$150,000,000	$750,000,000	$400,000,000
Priority Scope Upgrades	$0	$300,000,000	$200,000,000
Athletics	$0	$0	$0
Educational & Technology Improvements	**$332,575,000**	**$332,575,000**	**$332,575,000**
Technology	$214,575,000	$214,575,000	$214,575,000
Physical Education	$0	$0	$0
Curriculum	$118,000,000	$118,000,000	$118,000,000
Capacity	**$0**	**$0**	**$0**
Modernizations	**$1,025,000,000**	**$125,000,000**	**$560,000,000**
Jefferson High School	$125,000,000	$125,000,000	$125,000,000
Cleveland High School	$450,000,000	$0	
Cleveland High School - Powell Park Option	$15,000,000	$0	*$450,000,000* 1
Ida B Wells High School	$435,000,000	$0	
Harriet Tubman MS	$0	$0	$0
CBSE + K-5 Learning Lab	$0	$0	$0
Prophet Center	$0	$0	$0
Native American Student Center	$0	$0	$0
Admin	**$45,227,250**	**$45,227,250**	**$44,777,250**
Contingency	**$226,136,250**	**$226,136,250**	**$223,886,250**
Total	*$1,778,938,500*	*$1,778,938,500*	*$1,761,238,500*
Rounded Total	**$1,800,000,000**	**$1,800,000,000**	**$1,800,000,000**

1 Assumes either Cleveland or Ida B Wells

Board Decision Needed: Does the board prefer Option #1, Option #2 or Option #3?

[5] All options include technology improvements and curriculum adoptions

2. HS Modernization Schedules

The 2020 GO Bond encompasses the modernization of Jefferson High School, along with the planning and early design phases for Cleveland High School and Ida B. Wells High School. Initially, it was projected that Jefferson would undergo a three-year, multi-phased project, with demolition starting in 2024 and the final phase concluding in 2027 or 2028. Cleveland and Wells were expected to follow a two-year construction timeline, commencing in the summer of 2025. However, design changes and delays have necessitated revisions to all three schedules; construction is now set to begin in summer 2026, with substantial completion anticipated in 2028.

Simultaneously executing three high school modernization projects places significant pressure not only on the project team's capacity but also on the availability of internal and external resources, as noted above. Additionally, the emergence of other unscheduled projects, such as Tubman, CBSE, and PEC relocations, contributes to a construction schedule fraught with risk. Consequently, delays and cost overruns are probable.

Staff are currently exploring potential options to address these challenges.

Resources

- January 23, 2024 Board Work Session
  https://meetings.boardbook.org/Public/Agenda/915?meeting=618340
- February 28, 2024 Facilities & Operations Committee
  https://meetings.boardbook.org/Public/Agenda/915?meeting=624188
- March 20, 2024 Facilities & Operations Committee
  https://meetings.boardbook.org/Public/Agenda/915?meeting=628478
- April 17, 2024 Facilities & Operations Committee
  https://meetings.boardbook.org/Public/Agenda/915?meeting=632063
- May 17, 2024 Facilities & Operations Committee
  https://meetings.boardbook.org/Public/Agenda/915?meeting=638812
- June 26, 2024 Facilities & Operations Committee
  https://meetings.boardbook.org/Public/Agenda/915?meeting=642683
- Staff Memo: Bond Timing (June 6, 2024)
  https://meetings.boardbook.org/Documents/WebViewer/915?file=60fdf39c-3842-4a0e-89a4-0dfb832cddfb

Bond Planning

School Facility Improvement Oversight Committee

October 21, 2024

Meeting Goal

Finalize the “big” bond variables (size, duration, timing) and identify a Preferred Option, so that staff can refine the Preferred Option and provide more detail at the next meeting.

Bond Planning (to date)

January 23, 2024 **Board Work Session**
Materials https://meetings.boardbook.org/Public/Agenda/915?meeting=618340

February 28, 2024 **Facilities & Operations Committee**
Materials https://meetings.boardbook.org/Public/Agenda/915?meeting=624188

March 20, 2024 **Facilities & Operations Committee**
Materials https://meetings.boardbook.org/Public/Agenda/915?meeting=628478

April 17, 2024 **Facilities & Operations Committee**
Materials https://meetings.boardbook.org/Public/Agenda/915?meeting=632063

May 31, 2024 **Facilities & Operations Committee**
Materials https://meetings.boardbook.org/Public/Agenda/915?meeting=638812

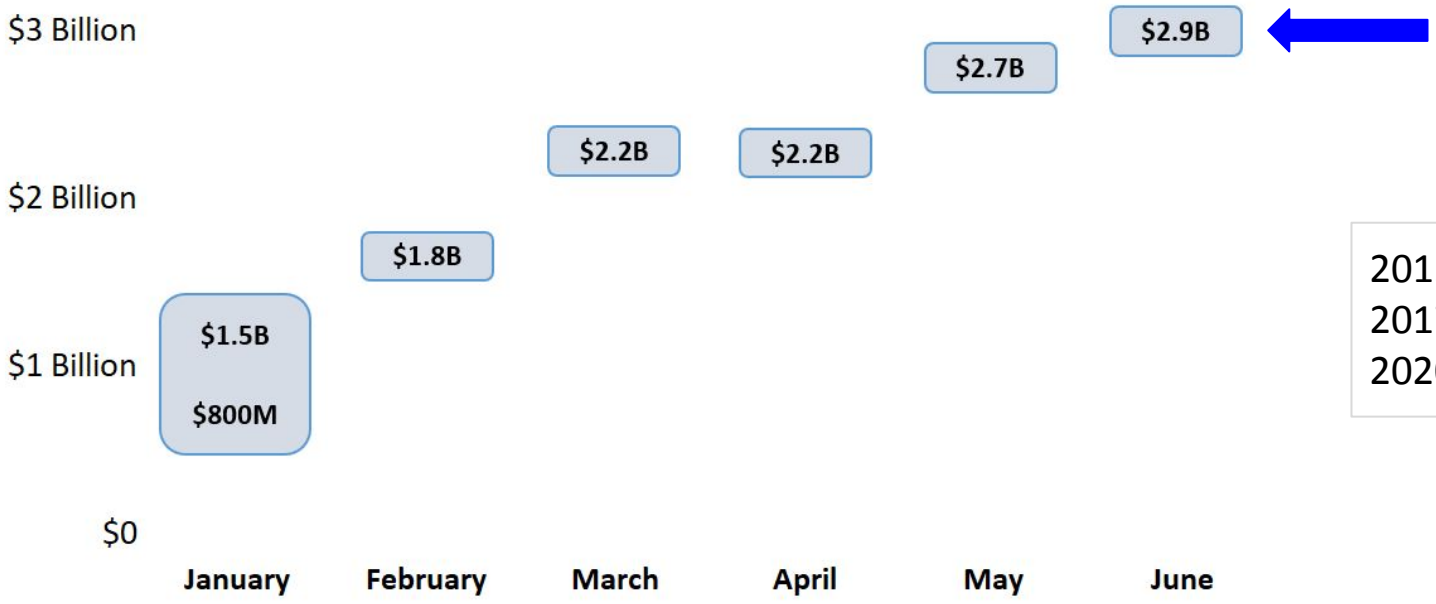
June 26, 2024 **Facilities & Operations Committee**
Materials https://meetings.boardbook.org/Public/Agenda/915?meeting=642683

Bond Planning (to date)

High Level Takeaways:

- Pursue a large(r) bond principal amount
- Continue to prioritize high school modernization projects
- Allocate significant funds to address existing facility conditions
- Proceed with planned technology improvements
- Retain the existing levy rate ($2.50 / 1,000)

2024 Bond Planning (to date)



2012 | $482M
2017 | $790M
2020 | $1.2B

Bond Planning (to date)

June 2024	
Deferred Maintenance	$400,000,000
Priority Scope Upgrades	$50,000,000
Athletics	$300,000,000
Technology	$138,000,000
Physical Education	$90,000,000
Curriculum	$334,000,000
Jefferson High School	$125,000,000
Cleveland High School	$450,000,000
Ida B Wells High School	$435,000,000
Harriet Tubman Middle School	$66,000,000
K5 Learning Lab	$62,000,000
Administration	$74,000,000
Contingency (15%)	$367,000,000
	$2,891,000,000

Staff recommend the Board consider:

1. Target a total bond between $1.5 - $1.8 billion
2. Plan for an 8-year bond cycle
3. Retain the existing tax rate
4. Plan for the May 2025 ballot measure

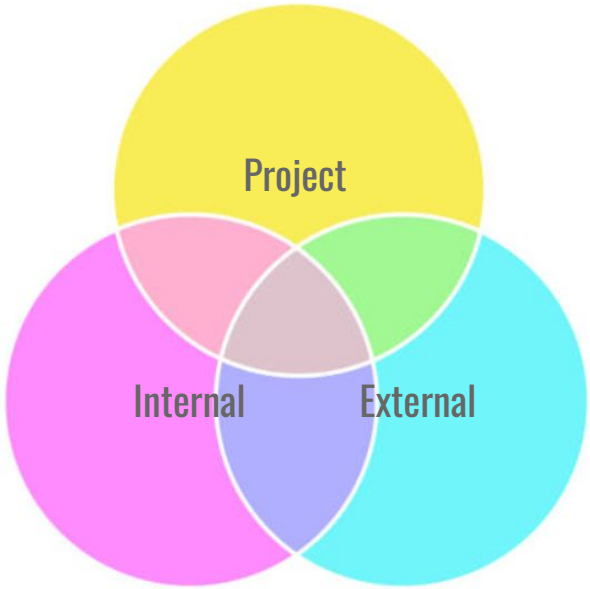
1. Target a total bond between $1.5B - $1.8B

Community Support

- Generally strong
- Begins to drop above $1.5B

Capacity Constraints

- A bond of $1.8B would take 10 - 16 years to complete
- A bond of $1.5B would take 8 - 14 years

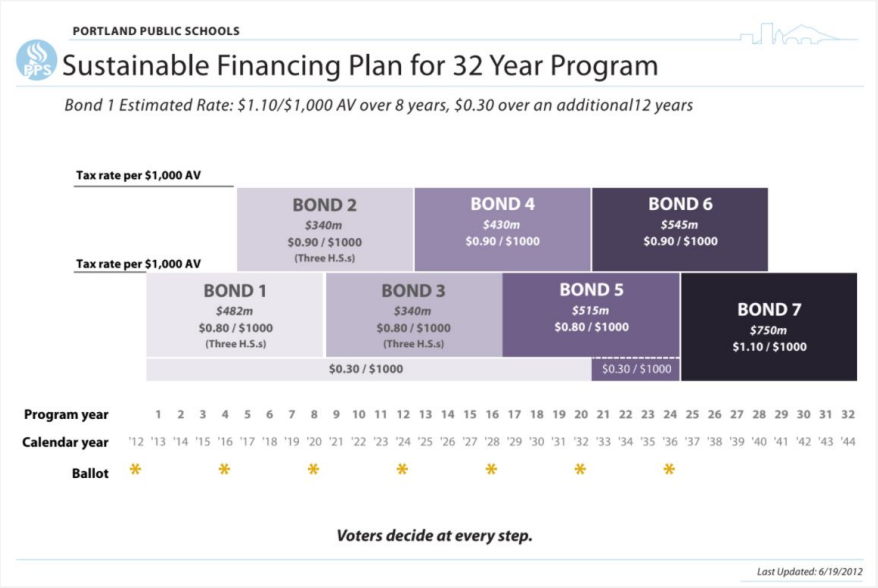


Does the board support a total bond amount between $1.5 billion and $1.8 billion?

2. Plan for an 8-year bond cycle

Assume next bond in Nov 2032

- Rate decrease in 2032
- 8-year refresh cycle for repeated scopes of work



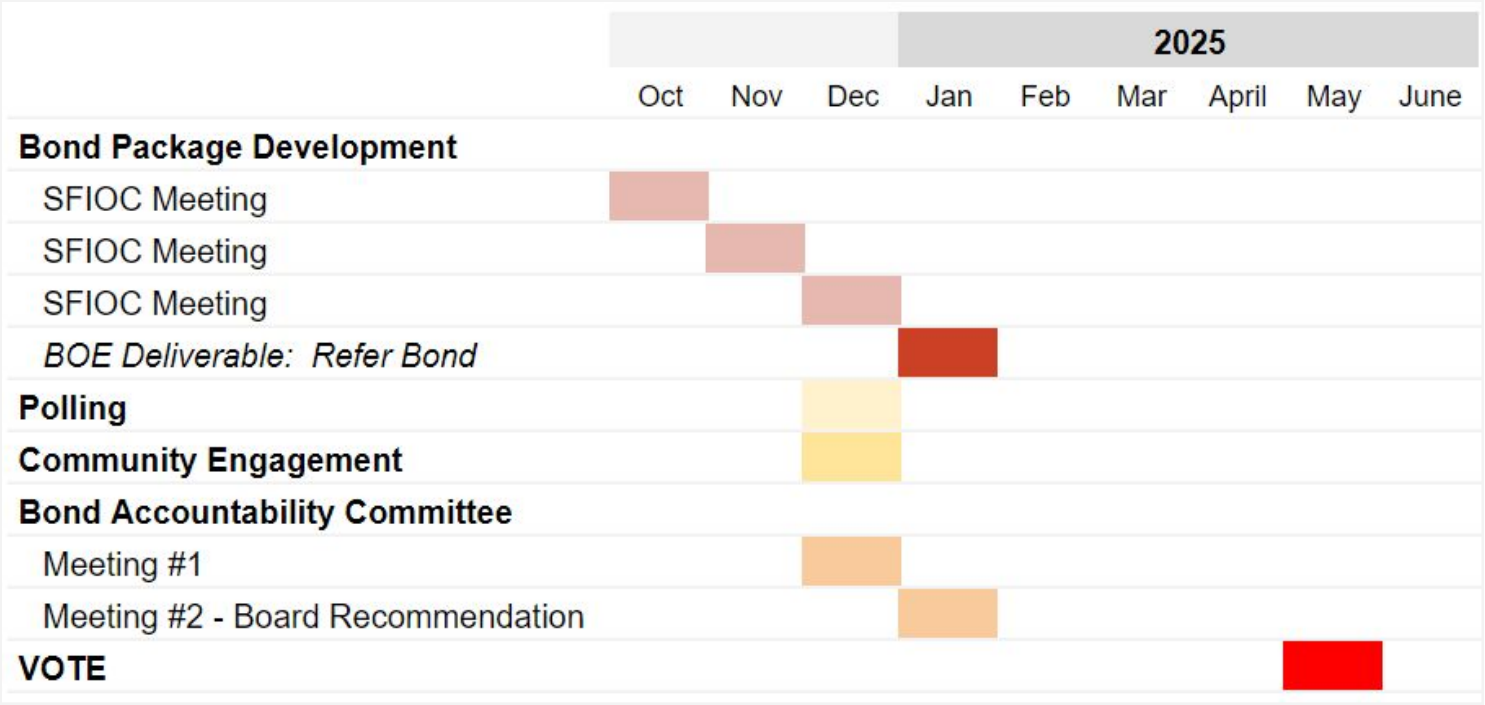
Does the board support planning for the next bond in approximately 2032?

3. Retain the existing tax rate

Sample Bond Financing Options	Approx Bond Amount (Principal)	Estimated Total Interest	Total Rev Needed	Approx Interest as % of Principal	Approx Length of Debt	Estimated Levy Rate	Potential Next Bond
A.1 Use available capacity below (e) levy rate | 8-year debt term	$450M	$90M	$540M	20%	8 years	$2.50 / 1000 (renewal)	2032
A.2 Use available capacity below (e) levy rate | 12-year debt term	$850M	$250M	$1.1B	30%	12 years	$2.50 / 1000 (renewal)	2036
A.3 Use available capacity below (e) levy rate | variable debt term	$850M	$325M	$1.175B	38%	16 years (8 year drop)	$2.50 / 1000 (renewal)	2032
B.1 $1.5B principal amount | retain (e) levy rate	$1.5B	$575M	$2.075B	38%	20 years (16 year drop)	$2.50 / 1000 (renewal)	2040
B.2 $1.5B principal amount | increase levy rate to $3/1000	$1.5B	$250M	$1.175B	17%	16 years (12 year drop)	$3.00 / 1000 ($0.50 increase)	2036
C.1 $1.5B principal amount | 8-year debt term	$1.5B	$300M	$1.8B	20%	8 years	$4.50 ($2 increase)	2032
C.2 $1.5B principal amount | 12-year debt term	$1.5B	$400M	$1.9B	26%	12 years	$3.25 ($0.75 increase)	2036
D.1 $1.5B principal amount | retain (e) levy rate | variable debt term	$1.5B	$950M	$2.45B	64%	24 years (8 year drops)	$2.50 / 1000 (renewal)	2032
E.1 $1.8B principal amount | retain (e) levy rate | variable debt term	$1.8B	$1.7B	$3.5B	95%	28 years (8 year drops)	$2.50 / 1000 (renewal)	2032
E.2 $1.8B principal amount | retain (e) levy rate | retire debt ASAP	$1.8B	$800M	$2.4B	44%	16 years	$2.50 / 1000 (renewal)	2043
F.1 $2.2B principal amount | retain (e) levy rate | variable debt term	$2.2B	$2.1B	$4.3B	95%	28 years (8 year drops)	$2.50 / 1000 (renewal)	2032
G.1 $3.0B principal amount | retain (e) levy rate | variable debt term	$3.0B	$2.5B	$5.5B	82%	36 years (16 year drop)	$2.50 / 1000 (renewal)	2040

)

4. Plan for the May 2025 ballot measure



Capital Priorities

	Option #1	Option #2	Option #3
	HS Modernizations	*Deferred Maintenance & Priority Projects*	*Mix of #1 & #2*
Physical Facility Improvements	$150,000,000	$1,050,000,000	$600,000,000
Educational & Technology Improvements	$332,575,000	$332,575,000	$332,575,000
Capacity	$0	$0	$0
Modernizations	$1,025,000,000	$125,000,000	$560,000,000
Admin	$45,227,250	$45,227,250	$44,777,250
Contingency	$226,136,250	$226,136,250	$223,886,250
Total	*$1,778,938,500*	*$1,778,938,500*	*$1,761,238,500*
Rounded Total	**$1,800,000,000**	**$1,800,000,000**	**$1,800,000,000**

Next Steps

Continued scope and cost refinement based on committee feedback

Updated levy rate analyses

Begin community engagement

Next SFIOC Committee: _____