2022 Draft Bond Proposal
Teacher Housing

Community Conversation
August 2, 2022
Interpretation

- Hover at the bottom of the screen to see the toolbar and click on the Interpretation icon. | Ponga el cursor en la parte de abajo de la pantalla para ver la barra de herramientas y haga clic en el ícono del globo terráqueo que dice “Interpretation.”

- Click on your preferred language. | Haga clic en el idioma de su preferencia.

- If you don’t want to hear the original language in the background, click on Mute Original Audio. This sometimes can help when the sound is choppy. | Si no quiere escuchar el idioma original en el fondo, haga clic en “Mute Original Audio”. Esto a veces puede ayudar cuando el sonido se está cortando.
Introductions

Please type your name, role and any other connections to Austin ISD schools in the chat.
Agenda

• Introductions
• Current Challenges
• Process & Timeline
• Questions / Feedback
• Next Steps
"To be able to pay my mortgage, I have to have a roommate and a second job. So just to be able to survive and make it month to month, it's tough”

- Katrina Pokorney, AISD Teacher

“I had a few offers to teach in Austin for the next year, but the pay is lower than other Texas ISDs and the cost of housing is so much higher. It didn’t seem feasible to me. I had to decline the offers though I truly wanted to return to the area.”

- Jackie Cretin, former AISD Teacher
District Snapshot

113 Schools

75,059 Students
Over 90% Graduation Rate

5,508 Teachers

5,435 Operational & Support Staff
Bus Drivers, Custodians, Food Service Staff, Educational Aides, Support Staff

7th Largest Employer in Austin
Current Challenges

- Education Funding Constraints
- Affordability Crisis in Austin
- Teacher Attraction / Retention
Texas Ranks 40th in Public School Funding

$9,871
Amount spent per pupil in Texas

$13,815
National average amount spent per pupil

Source: Educationdata.org
Impact of Recapture

FY 2023 General Fund Revenue:
$1.68 billion

Available for Austin ISD:
$835.28 million

Instruction
Facilities, security and data processing
Central administration
Student support
Other
100% of Bond Dollars Stay in Austin ISD

Bond funds are not subject to the state’s recapture, or “Robin Hood,” system.
School Bonds *Can’t* Pay For...

- Staff salaries
- Staff raises
- Utility costs (electric, gas, water, etc.)
- Consumables (paper, art supplies, etc)
- Certain vehicle purchases
School Bonds **Can** Pay For...

- Modernized or renovated schools
- Upgraded academic, athletic and fine arts spaces
- Major repairs like HVAC, plumbing, roofing, etc.
- Technology upgrades
- School busses
- Safety and security upgrades
- **Teacher housing**
Housing Costs Continue to Rise

Median Sales Price

$615,000 ↑ 7%

Closed Sales

1,048 ↓ 22%

Average Days on Market

13 DAYS 2021 ↓ 2 DAYS

New Listings

1,922 ↑ 15%

Active Listings

1,935 ↑ 144%

Pending Sales

872 ↓ 35%

Annual household income needed to afford the average home in Austin

$151,278

Source: Austin Board of Realtors, June 2022
Rents Also Increasing

- **$1,499**: Average rent for a **one-bedroom** apartment in the City of Austin
- **$59,960**: Annual household income required to afford a one-bedroom apartment
- **$1,824**: Average rent for a **two-bedroom** apartment in the City of Austin
- **$72,960**: Annual household income required to afford a two-bedroom apartment
District Salary Trends

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<th>Type</th>
<th>Total</th>
<th>&lt; 60% ($46,380)</th>
<th>&lt;80% ($61,800)</th>
<th>&lt;100% ($77,200)</th>
<th>&lt;120% ($92,650)</th>
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<td>0.0%</td>
<td>5,095</td>
<td>5,577</td>
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<td>TOTAL</td>
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<td>31.1%</td>
<td>9,212</td>
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</tbody>
</table>

Source: Department of Housing & Urban Development, 2022 Area Median Family Income for Travis County, Texas and AISD Human Capital

- Affordable housing programs often set income limits at or below 60% in order for development to qualify for low-income housing tax credits.
- Majority of teachers do not qualify for affordable housing programs.
- Annual salary for a first year teacher at Austin ISD is $52,190.
Competing for Talent Locally

Annual Teacher Base Salary Increase (FY 2022-2023)

Source: KVUE.com
Competing for Talent Nationwide

‘Always looking for top talent,’ Dallas ISD says as billboards pop up in Austin

'Become a Teacher in Dallas, Texas'

kvue.com

‘Always looking for top talent,’ Dallas ISD says as billboards pop up in Austin

Billboards in Austin seem to be recruiting Austin-area teachers for the North Texas school district.

8:30 PM • Jul 22, 2022 • SocialNewsDesk

Dallas News Now @dallasnewsnow • Mar 30

Fort Worth ISD using billboards on Texas roadways to Oklahoma, Louisiana to recruit teachers dlvr.it/SMddj2
Great Resignation in the Education Sector

AISD Resignations, 2018-2022

- Teacher Resignations
- Non Teacher Resignations
- All Staff Resignations

Source: AISD Human Capital
Cost of Teacher Turnover

20%  $15 million

Estimated Teacher Turnover Rate from FY2022 to FY2023
Estimated Annual Savings from Retaining 1,000 Teachers
Impact On Our Students

• Lack of ability to attract and retain highly effective teachers threatens student achievement
  • Disrupts learning
  • Increases class sizes
  • Reduces number of total courses offered
• High teacher turnover wastes funds that could be used elsewhere
Teacher Housing Bond Proposition

- Seeking funding of $50 million via separate bond proposition
- Goal is to construct **500 - 1000 housing units**
  - Design and construct projects on **district-owned land**
  - Address property management and ongoing maintenance
- School bonds **must be approved by a majority of voters**
Leveraging Bond Dollars

• Since 2013, the City of Austin provided $122 million in bond funds to support affordable housing
  • Developers use those funds to get access to an additional $788 million of financing to develop 43 projects and 4,372 units
  • Every bond dollar spent generated an additional $6.50 of financing
• $50 million District bond could generate up to $325 million of additional funds to build teacher housing

Source: HousingWorks Austin
What We Learned

- Districts across the country have successfully built teacher housing
  - In May 2022, voters approved bond propositions for Fort Stockton ISD and Buena Vista ISD
- Needs to be a District-driven process
  - Allows us to maintain control
  - Leverages owned land
  - Guarantees the housing goes to teachers
The Process

If approved by the voters...

- Survey / focus groups with our teachers
  - What matters to them?
  - What type of housing do they want?
  - Where should it be located?
- Establish a committee of staff & teachers to oversee design and eligibility requirements
- Identify partners for project design, construction and management through competitive bidding
- Anticipate 2-3 years until completion
Questions?
Feedback?
Next Steps

- August 9, 2022 - Special Board Voting Meeting (TENTATIVE)
- November 8, 2022 - Election Day
- Take our survey: https://publicinput.com/aisd-teacher-housing