

BACKGROUND

Davis Demographics & Planning, Inc. (DDP) was contracted to assist the Hayward Unified School District (HUSD) with planning for future student population changes. By factoring current and historical student enrollment data with demographic data and planned residential development, DDP calculated a seven-year student population projection for HUSD. This projection is based upon residence of the students and is designed to inform the District as to when and where student population shifts are expected. This has led to a high level of accuracy in identifying trends and planning for the future.

The methodology followed by DDP in developing its projections is detailed in the full Demographic Study report, dated February 1, 2021, available in the Appendix.

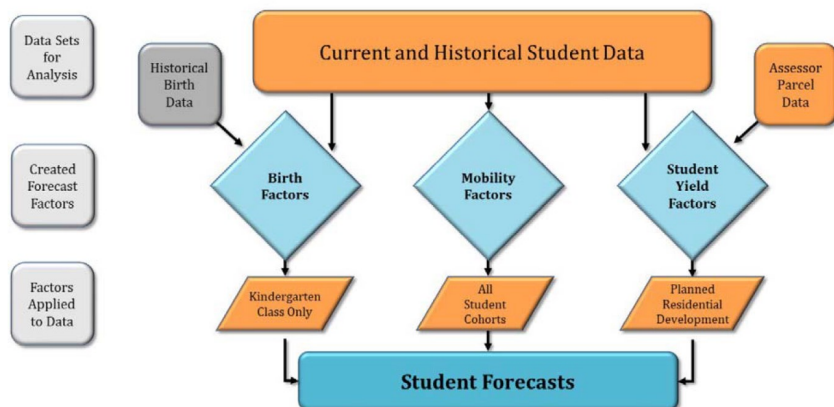
HOUSING DEVELOPMENT IN HAYWARD

The majority of the City of Hayward is approaching build-out, but there is still potential for more housing units. It is estimated that 1,553 more units could be built within HUSD's boundaries over the next seven years. There are about 15 active and future new housing projects scattered around the District. Some of the larger active projects include William Lyon Homes' SoHay, Pulte Homes' Parkside Heights, plus the continuation of the higher-end homes in the Stonebrae area. In addition, the Lincoln Landing (at the old Mervyn's headquarters site) mixed use new apartments should see new units come online over the next year. As these and other residential development projects are approved and begin construction, the District must closely monitor and update the information to accurately project future students that these and other projects may generate.

ENROLLMENT DECLINE

HUSD has experienced a substantial decline in its student population for the past ten years. At the K-6 level alone, from 2000 to 2007, the Hayward USD had a net loss of 1,568 students, which forced the District to take appropriate measures. As a result of this sharp decline, the District decided to close four elementary schools between 2006 and 2008 (Shepherd ES, Muir ES, Markham ES, Highland). The middle school level (grades 7-8) was not hit as hard as the elementary, dropping a bit over the past ten years, but recovering in recent years. However, the high school grades (9-12) have felt the largest impact. In fall 2003, HUSD reached a peak at their high schools with a total 9-12 enrollment of 6,633 students. For fall 2015, high school enrollment had dropped to 4,968 students, a net loss of 1,665 students or 25% of its high school population in twelve years. For the past four years, the 9-12 student population did rebound a bit to 5,348 (a net increase of 7.6% since 2016), a gain of 380 more high school students..

Projections by Residence Flowchart

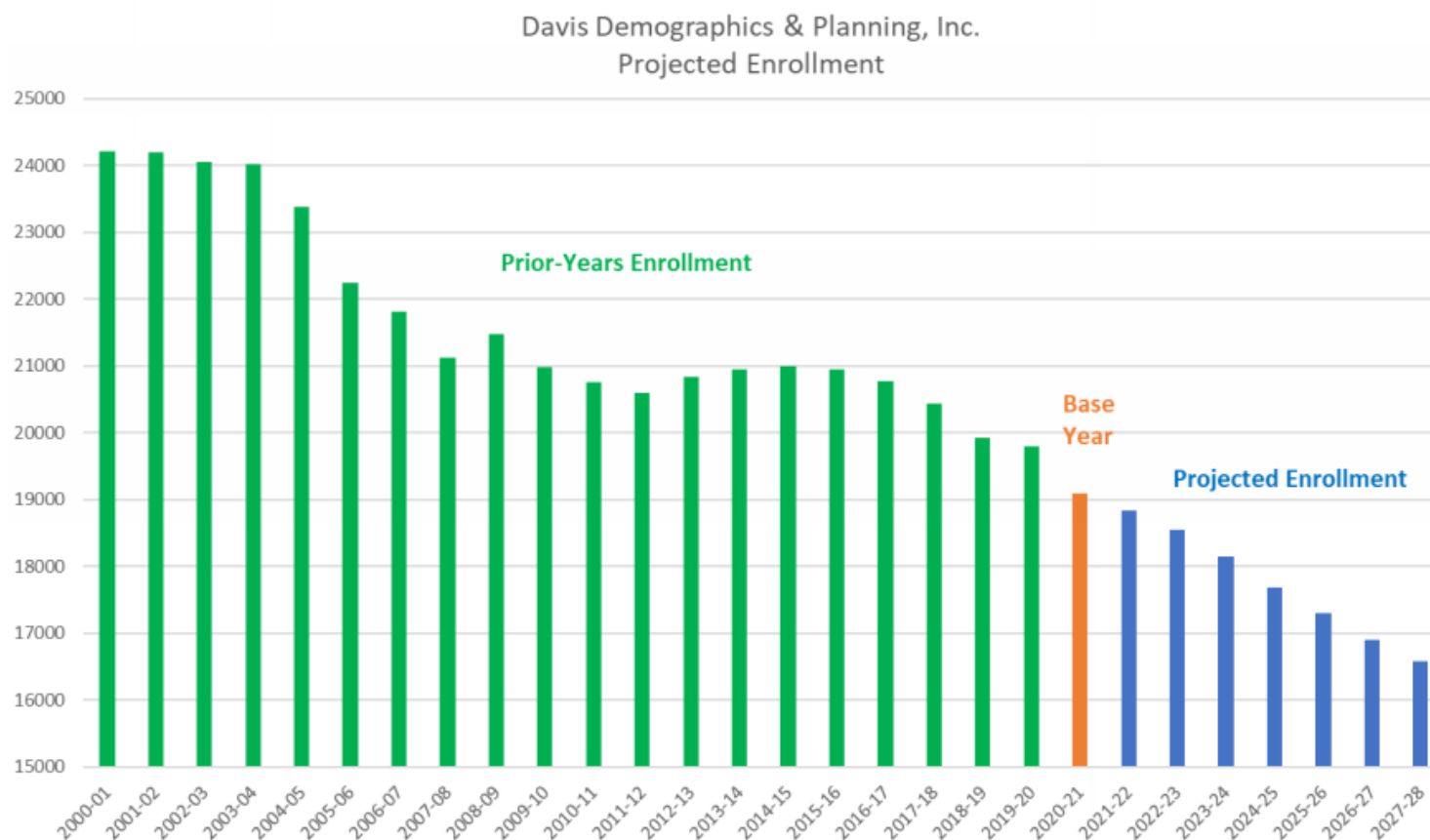


SEVEN-YEAR ENROLLMENT PROJECTIONS

Overall, the TK-12 enrollment for Hayward Unified School District is expected to decline over the next seven years. The District population is projected to lose 2,599 tk-12 students over the next seven years, a net decrease of 13.63%. Most of the decline is at the k-8 school grade levels. Over the next seven years, the overall elementary (grades tk-6) student population is expected to decrease by 1,343 students (an 12.47% loss), with only 2 of the District's 20 elementary attendance areas showing any kind of growth through 2027.

The middle school (grades 7-8) student population is anticipated to lose about 566 students (a net loss of 19.52%). The high school (grades 9-12) student population could see a net decline of 593 students (a net loss of 13.6%) due to the historical decline in elementary matriculating to middle school.

The graph below shows historical CBEDS and DDP's Projected TK-12 enrollment for HUSD through school year 2027-28.



ALAMEDA COUNTY ENROLLMENT & PROJECTIONS

2008 to 2018 - Historical

- Alameda County grew by 6%
- Hayward Unified declined by 8%

2018 to 2028 - Projections

- Alameda County projected to decline by 3%
- Hayward Unified projected to decline by 17%

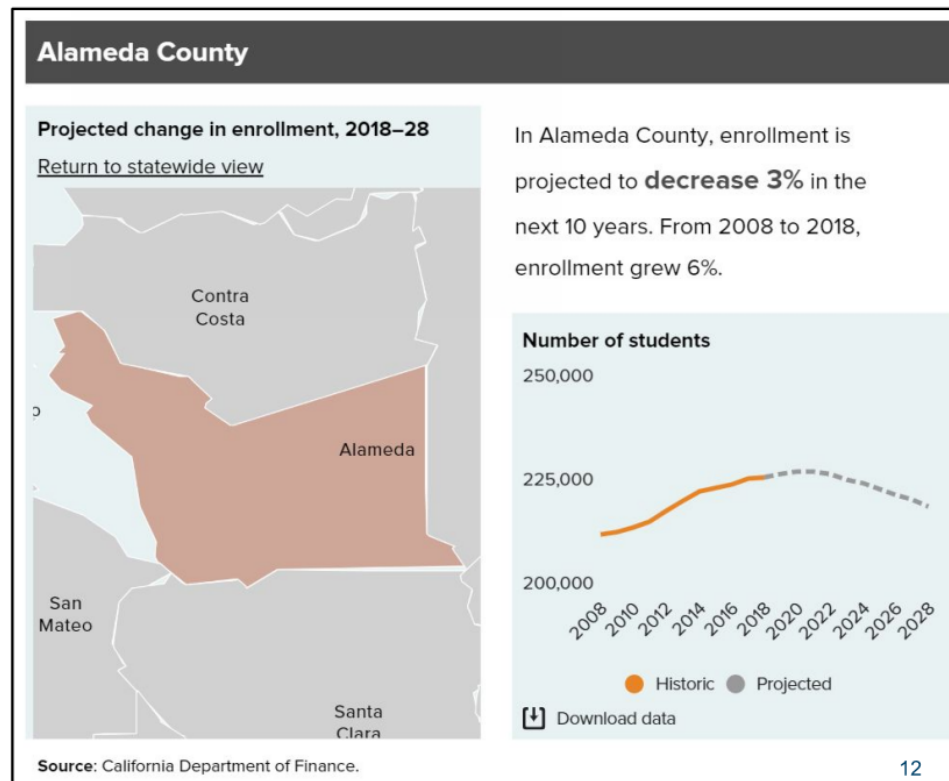
Hayward Unified is not the only School District that has experienced meaningful declines in enrollment.

School Districts near the 880 corridor have experienced major declines in enrollment.

Sources: State of California, Davis Demographics

COVID IMPACTS ON ENROLLMENT

School districts statewide suffered a significant drop in incoming kindergarten class students for fall of 2020 as a direct result of the COVID-19 pandemic. Hayward USD was not the exception to this trend. In years prior, the school district has experienced district-wide annual declines in kindergarten classes of no more than about 120 students. This year, (fall 2019-fall 2020) the district experienced an annual decline of 141 students. It is possible parents decided not to enroll their students in the district for this year or students may have moved out of the school district all together. Incoming kindergarten classes in the coming years will need to be monitored district-wide to identify if these annual declines are a new trend or an anomaly.



Enrollment (without Charters)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Six Year Change	% Change
Dublin	9,151	9,965	10,680	11,294	12,063	12,575	12,625	3,474	28%
Livermore	12,540	12,519	12,924	13,765	13,740	13,725	13,305	765	6%
San Leandro	8,617	8,560	8,638	8,880	8,926	9,066	8,828	211	2%
Fremont	34,208	34,852	35,171	35,777	35,544	35,431	34,782	574	2%
Pleasanton	14,768	14,754	14,778	14,864	15,036	14,878	14,469	(299)	-2%
Castro Valley	9,361	9,366	9,358	9,312	9,258	9,324	9,203	(158)	-2%
Alameda	9,499	9,455	9,483	9,503	9,380	9,358	9,071	(428)	-5%
Oakland	37,096	37,124	36,814	37,096	36,708	36,045	35,489	(1,607)	-5%
Hayward	20,996	20,947	20,771	20,429	19,909	19,801	19,069	(1,927)	-10%
Newark	6,196	6,013	5,845	5,913	5,779	5,735	5,507	(689)	-13%
New Haven	12,459	12,171	11,893	11,613	11,316	11,008	10,812	(1,647)	-15%
San Lorenzo	11,135	10,990	10,730	10,496	10,201	9,812	9,431	(1,704)	-18%

ELEMENTARY SCHOOL CONCLUSIONS FOR HUSD

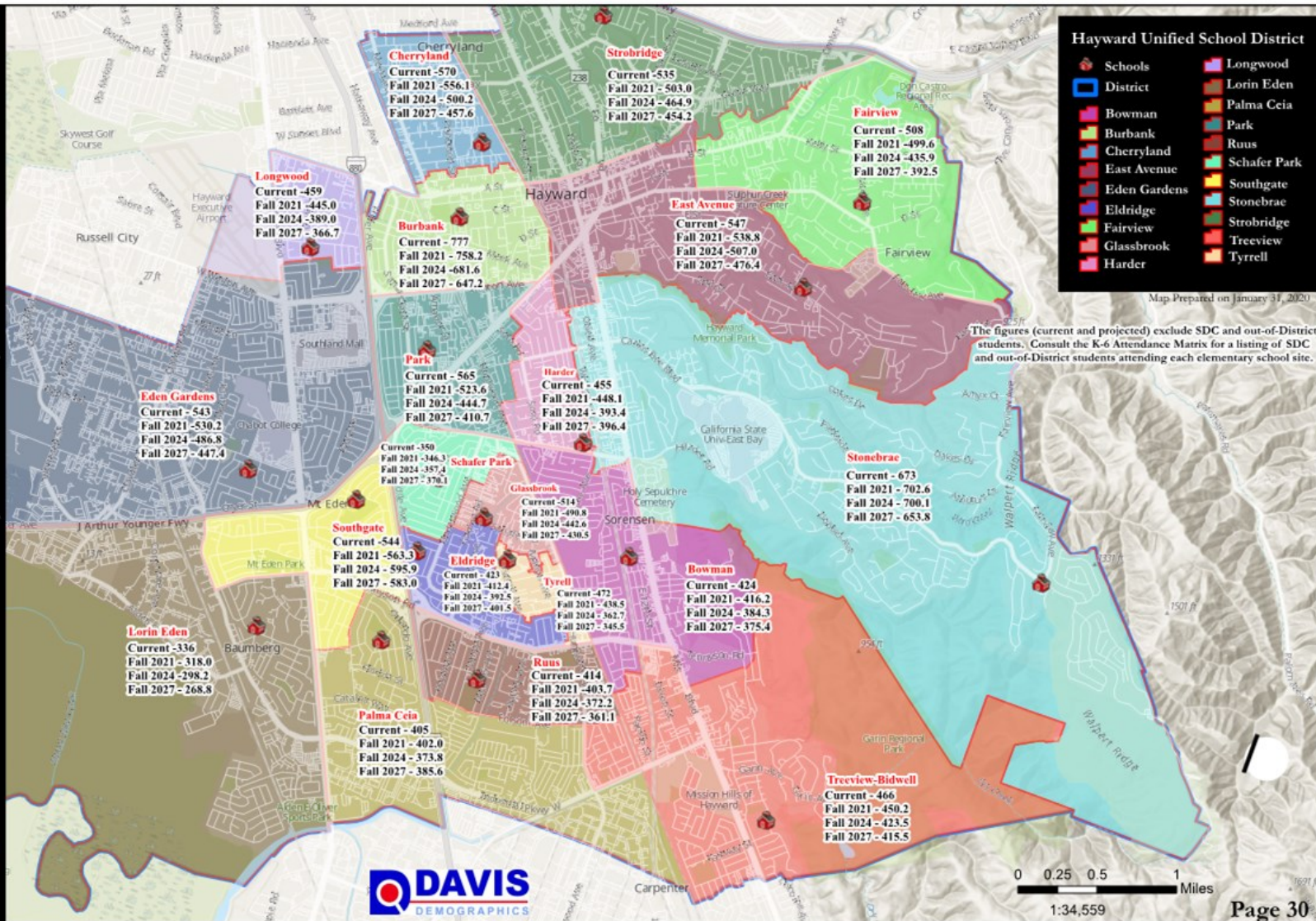
Based on current trends, over the next seven years, there is expected to be a net decline of 1,251 K-6 students, or an 11% decrease within the Hayward USD boundary. In addition, there continues to be a large discrepancy in enrollment for several of the District's elementary schools. As of fall 2020, the elementary schools with the highest enrollment figures are Burbank (839 TK-6 students), Cherryland (791 TK-6), Schafer Park (786 TK-6), Stonebrae (741 K-6) and Southgate (678 TK-6), while the smallest schools are Bowman (316 K-6), Eldridge (362 K-6), Lorin Eden (370 K-6) and Treeview (443 K-6).

The District should begin to investigate making more efficient use of their existing elementary schools. On September 29, 2005, the Hayward Unified Schools Design Team (HUSDT) reached a consensus and recommended that the elementary schools should have student populations ranging from 650-750. Only five of the District's 20 elementary schools have enrollment greater than 650. In 2020, the average-sized elementary school for Hayward USD is around 574 students (about the size of East Avenue ES or Palma Ceia ES's current enrollment).

The District may want to at least consider readjusting their current elementary attendance areas, especially in the downtown area. Many of the District's elementary schools are being underutilized while their student population is expected to continue to decline further. The main reasons for this suggested realignment are to better balance the student population and to help cut down on the large number of students attending these schools from outside of their current boundary (29.2% of the District's K-6 student population attend a school outside of their assigned area). Another possible change the District could consider is altering the grade configurations. This could include moving from a K-6/7-8 to a K-5/6-8 arrangement or converting completely over to K-8 schools. Finally, HUSD should also consider closing some schools to better reflect the changing demographics.

The map presented on the following page shows historical and projected elementary school enrollment summarized by high school attendance area.

Current (Fall 2020) and Projected K-6 Hayward USD Student Counts by Elementary Attendance Area



Please refer to the full Demographic Study report available in the Appendix for additional details supporting the Elementary School Conclusions.

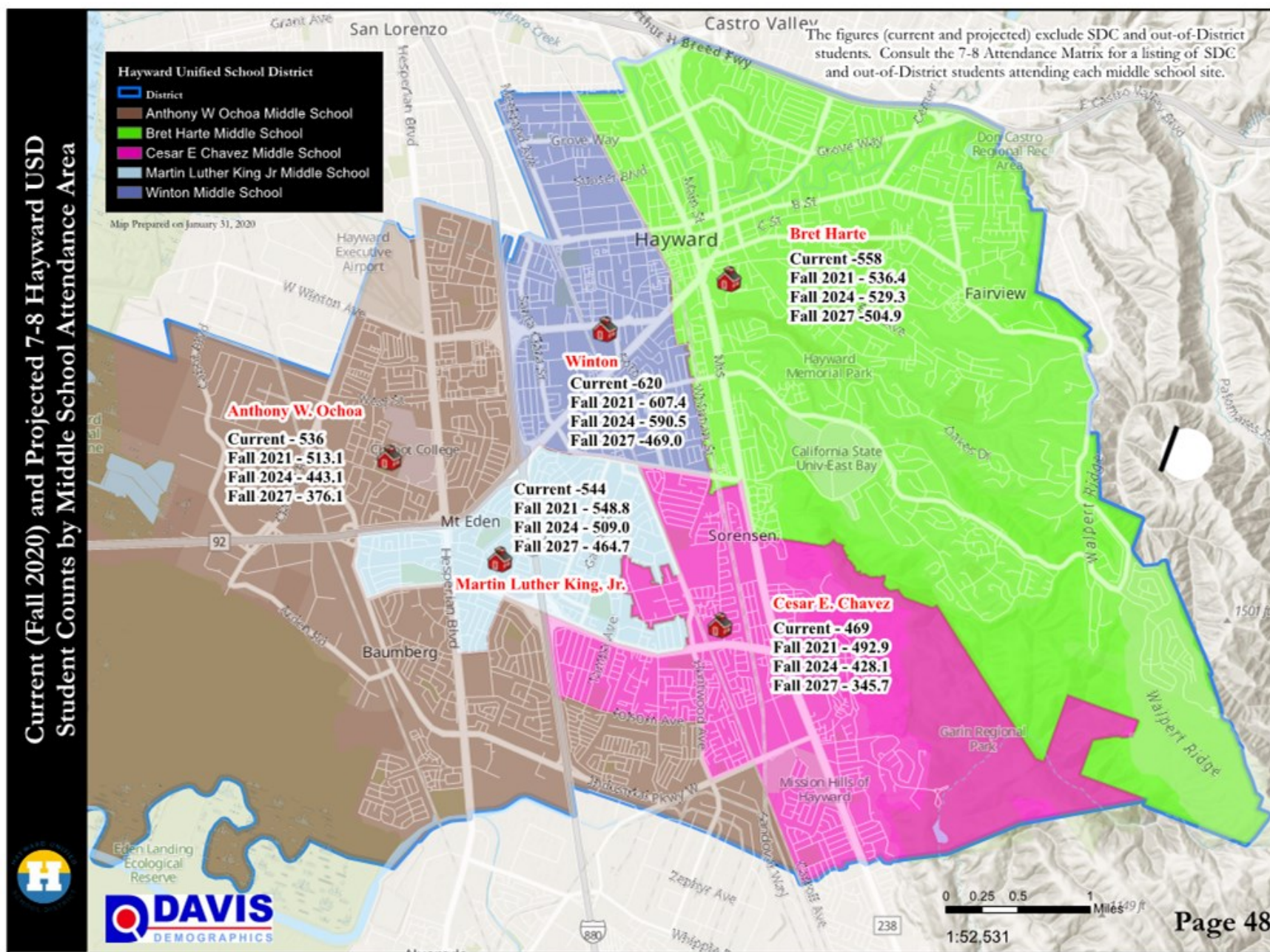
MIDDLE SCHOOL CONCLUSIONS FOR HUSD

Based on current trends, the District-wide 7-8 student population over the next seven years could lose 566 students (a net decline of 19.5%). All five District middle school areas are expected to see declines over the next seven years, Bret Harte MS area losing the least (53 7-8 students) and the Winton MS/Ochoa MS area losing the most (151 and 159 7-8 students respectively). Martin Luther King Jr. and Chavez MS areas could each lose anywhere from 79-123 more 7-8 students through 2027. Obviously, there appears to be no need for any more middle schools over the next seven years.

The District should begin to look into making more efficient use of their existing middle schools. On September 29, 2005, the Hayward Unified Schools Design Team (HUSDT) reached a consensus and recommended that the middle schools should have student populations ranging from 750-900.

Currently the District's middle schools have enrollment ranging from 521-734. In fact, the District has three elementary schools that have more enrollment than its largest middle school (Burbank, Cherryland and Schaefer Park ES's enroll over 734 students). If current trends continue over the next seven years, then the resident 7-8 population counts for the District's middle schools could be closer to 345-500 by 2027. If some of these middle school areas continue to decline and start to drop below 500 resident students, then the District may need to make some boundary adjustments to better balance the counts per school, may need to consider making some grade reconfigurations (adding the 6th graders to the District's middle schools, for example), and/or even consider school closure as well.

The map presented on the following page shows historical and projected middle school enrollment.



Please refer to the full Demographic Study report available in the Appendix for additional details supporting the Middle School Conclusions.

HIGH SCHOOL CONCLUSIONS FOR HUSD

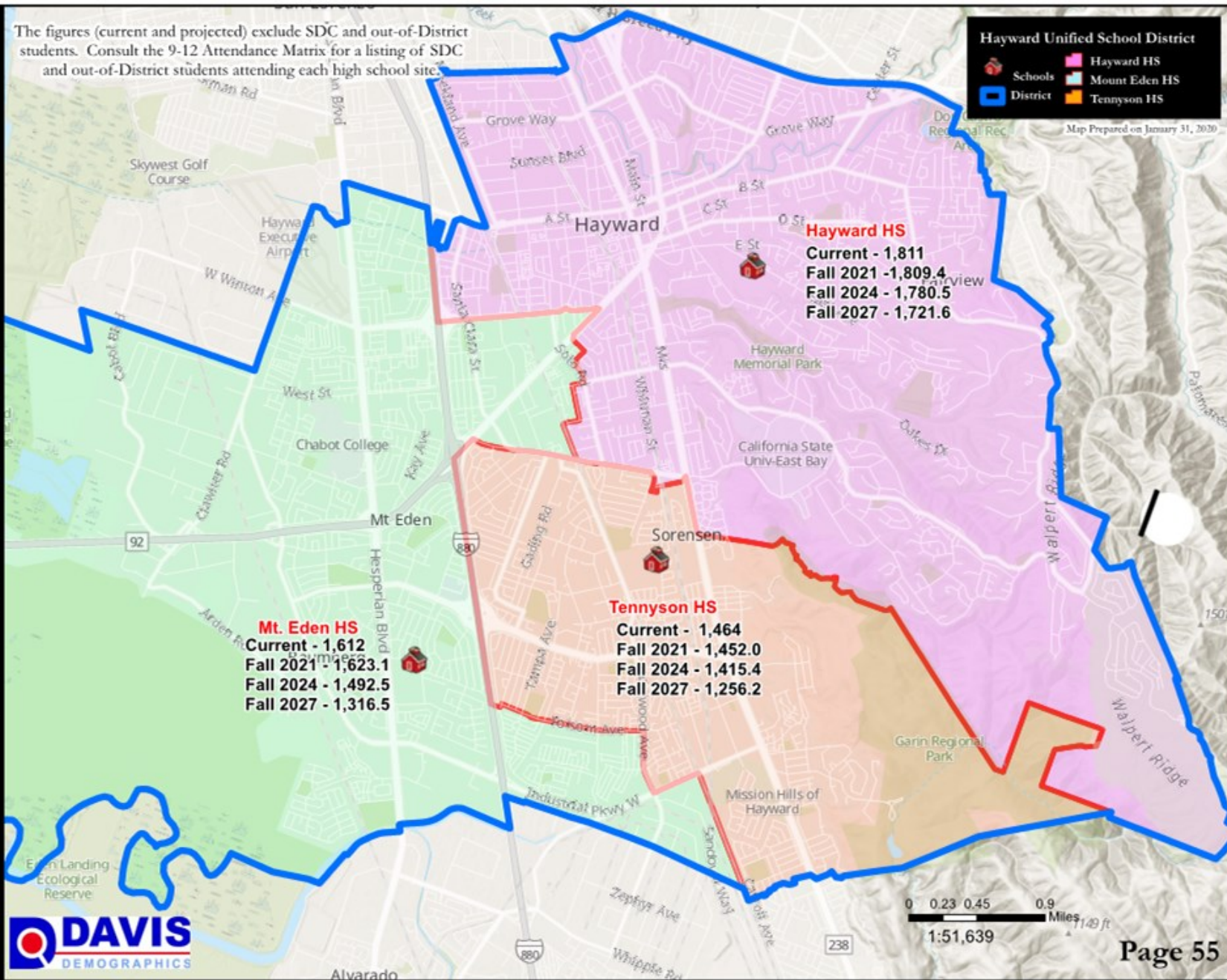
The District-wide 9-12 student population over the next seven years is expected to decline by 592 9-12 resident students (a net loss of 13.6%). District wide enrollment is expected to remain steady through 2022 peaking at about 5,332. Then the district could start experiencing further declines through 2027 where there is a forecasted estimate enrollment of 4,682. Overall, there appears to be no need for any more additional schools. The District may want to consider making some slight boundary adjustments to better balance the population counts in the three high school areas.

In addition, the District might need to begin looking into making more efficient use of their existing high schools. On September 29, 2005, the Hayward Unified Schools Design Team (HUSDT) reached a consensus and recommended that the high schools should have student populations ranging from 2,000-2,200.

Currently the District's high schools have enrollment ranging from 1,519-1,999. At one point, the Hayward USD housed 6,582 9-12 students (as recently as 2004), but dramatic shifts in the District's demographics over the past fifteen years have resulted in a net loss of 1,204 9-12 students since 2004 (a net loss of just over 18%). Based upon the District's historical grade 9-12 counts it appears that the three existing comprehensive high schools should be able to easily accommodate the projected enrollment, considering that all three were at one point near or over the 2,000-student level. Upon review of the seven-year projections, the District will need to decide exactly what the ideal sized high school should be and then take the appropriate actions.

The map presented on the following page shows historical and projected middle school enrollment.

Current (Fall 2020) and Projected 9-12 Hayward USD Student Counts by High School Attendance Area



Please refer to the full Demographic Study report available in the Appendix for additional details supporting the High School Conclusions.

IMPACTS OF DECLINING ENROLLMENT

Declining enrollment has numerous adverse impacts on a school district's budget and programs. HUSD has already experienced some of these impacts and expects these to continue and worsen in the near future.

HUSD Budget Impacts

- Declining Average Daily Attendance Revenue
 - \$4 million reduction in 2017-18
 - \$8.8 million reduction in 2019-20
 - \$15 million reduction in 2022-23 (projected)
- Increased oversight by the County Office of Education
- Staffing reductions based on student formula

HUSD Programmatic Impacts

- Combination classes
- Class closures at some sites
- Inability to guarantee a consistent program at some sites
 - Special Education
 - Bilingual