OSPI School Construction Assistance Program

OSPI presentation template created June 2009. Presenting school should add own information, including picture.

Union High School, Camas WA

School Name & Presenter: ____________________________ Date: ____________________________
Introduction

1. School Construction Assistance Program Overview

2. School Construction Planning Process

3. School Construction Funding Sources

4. State Funding Assistance

5. Looking Forward and Next Steps
Purpose of this presentation

- To help explain the state’s funding assistance process and program
  - Communicate the importance of local support
  - Provide details on the district’s proposed project
  - Identify next steps
What is the School Construction Assistance Program (SCAP)?

- SCAP operates as a **partnership** between local school districts and the state
- SCAP provides funding assistance for **new construction, modernization, and replacement** of school instructional space
- **OSPI’s School Facilities & Organization** administers the program, oversees funding, and provides technical assistance
SCAP is designed to:

• Accommodate districts experiencing student population growth
• Renovate or replace aging schools
• Improve the built environment to create safe and comfortable learning spaces
• Help districts respond to changes that affect facilities and/or Washington State public education
Examples of Past Projects

[School district inserts own information as appropriate]
School construction is a multi-year, multi-phase process

• Usually, once a community has approved project funding through passage of a voted bond issue, the school district begins the state’s application process, also known as the D-form process

• The school district provides construction funding and oversees all phases of the project

• OSPI provides construction funding assistance to eligible applicants, and also provides technical assistance
Washington State has a **High-Performance Public Buildings Law**

- State-funded school facilities are now designed and built to **high-performance green** building standards
- The standard for K-12 schools is the **Washington Sustainable Schools Protocol**

For more information go to: [http://www.k12.wa.us/SchFacilities/Programs/HighPerformanceSchoolBuildings.aspx](http://www.k12.wa.us/SchFacilities/Programs/HighPerformanceSchoolBuildings.aspx)
Construction of projects is accomplished through **Public Bid Laws**:

- **Design/Bid/Build** is the most common construction process
- Special Approval is required for **Alternative Public Works**
There are 6 Phases and Responsibilities:

1. **Preliminary Planning:** District conducts a Study & Survey and begins Project Application
2. **Financing School Construction:** District raises local funds for construction funding
3. **Predesign Analysis:** District develops Educational Specifications and selects a site and consultant team
4. **Preparing for Construction:** District with consultants develops the facility design, goes out to bid, and awards the construction contract (Design/Bid/Build)
5. **Construction:** Project team builds the facility
6. **Occupancy:** District is responsible for maintenance and operations
Timing: The school construction process takes, on average, 2 to 4 years to complete.

- Preliminary Planning & Financing: 6-12 months
- Predesign Analysis & Preparing for Construction: 12 - 18 months
- Construction: 12 - 24 months

2 - 4 years

NOTE: the process can take longer than 4 years due to the number of variables involved.
School construction projects are funded through a combination of **local** and **state** sources

- To receive state funding, the school district must be able to provide local funding, usually through voter approval of a **bond measure**
- **Legislative appropriation** is required to release state funds for school construction assistance
- Funding available to districts varies according to relative district wealth, facility need, and other **statewide criteria**
State revenues come from multiple sources, including management of trust lands and state-issued general obligation bonds.
Local support is critical to project feasibility

- To be eligible for state assistance, a school district must raise revenues to demonstrate local validation of the proposed project.

- School Bond measures require a supermajority (60% approval) to pass.

- Impact fees are another funding option for communities that have adopted impact fee ordinances.
  - Local governments can assess impact fees on development projects to recover the costs of service provision, including building new schools.
**Bond Committees** play an important role in successful bond measures

- The **school district** can provide **factual** information about the proposed bond, but cannot advocate
- Local citizens can form a **Bond Committee** and may develop promotional materials in support of the bond request
- Individual **school board members** can serve on the Committee, provided the Board does not reach a quorum on the Committee
State funds are available to help districts pay for:

- Study and survey activities – preliminary needs assessment
- Developing educational specifications
- Architectural and engineering fees
- Value engineering
- Energy conservation reports
- Inspections and testing
- Furniture and equipment
- Constructability reviews
- Building commissioning
- Construction management
- Public art
State funding assistance is only available for instructional space

**Ineligible costs** must be paid for by the school district, including:

- District administrative space
- Maintenance and operations
- Stadia and grandstands
- Other ineligible costs
The amount of funding the state will approve for a proposed project is determined by a funding formula that considers three factors:
A. **Eligible area** is determined by comparing the district-wide square foot capacity to the district’s projected enrollment growth and future space needs. Current capacity and future space needs are estimated using a per student space allocation.

<table>
<thead>
<tr>
<th>Grade Level or Facility Type</th>
<th>Allocation per Square Foot</th>
</tr>
</thead>
<tbody>
<tr>
<td>K-6</td>
<td>90</td>
</tr>
<tr>
<td>7-8</td>
<td>117</td>
</tr>
<tr>
<td>9-12</td>
<td>130</td>
</tr>
<tr>
<td>Facilities for the disabled</td>
<td>144</td>
</tr>
</tbody>
</table>

**NOTE:** Typically, elementary and middle school grade spans are required to be combined.
B. Construction Cost Allocation (CCA)
(formerly known as “Area Cost Allowance”) is a cost per square foot of construction set by the state and used to determine the level of state funding assistance
July 2008 (FY 09) Release = $168.79 per sq foot
July 2009 (FY 10) Release = $174.26
July 2010 (FY 11) Release = $180.17
C. The **funding assistance percentage** (formerly known as “match ratio”) accounts for differences in wealth across the state, and a district’s ability to raise funds

- The percentage is based on the district’s **assessed property value** per student
- The percentage can vary from **20%** to **100%** depending on the district
- Districts experiencing rapid growth in student enrollments may receive extra **“growth points”**
• The **funding assistance percentage** typically **does not** equal the total share of state assistance; it is one of several formula components

• For example, *if a district has 50% funding assistance percentage*:
  
  — Eligible Area (10,000 sf) x CCA ($180.17) x funding assistance percentage (50%) = **$900,850 in state assistance funds**
  
  — Actual project cost = **$2 million**
  
  — **Local requirement = $1.1 million** ($2 million less $900,850)
  
  — **State funding assistance = 45%** ($900,850/$2 million)
Since 1989, the state has contributed approximately $3.9 billion to 1,315 school construction and modernization projects.
Funding Assistance for our Project:

School Name and Type:

Project Type: [New construction, modernization, new-in-lieu]

(A) Eligible Area for state assistance: XXXXX square feet

<table>
<thead>
<tr>
<th></th>
<th>School District Actual Figures</th>
<th>State Formula Components</th>
</tr>
</thead>
<tbody>
<tr>
<td>Square feet per Student</td>
<td>Per educational specifications: XXX sf</td>
<td>(B) Per Student Space Allocation: XXX sf</td>
</tr>
<tr>
<td>Cost per square foot</td>
<td>Per recent construction estimates: $XXX.XX</td>
<td>Construction Cost Allocation: $180.17</td>
</tr>
</tbody>
</table>

(C) Funding Assistance Percentage: XX%

Total Project Cost: $XXXXXXXX

State funding assistance: $XXXXXXXX (A x B x C)

Local requirement: $XXXXXXXX*

*NOTE: May be less if actual bid cost is less.
Looking Forward and Next Steps

[School district inserts own information as appropriate]
For more information please contact:

Local District Contact:

OSPI Regional Coordinator: