Facilities Master Plan: 5-Year Implementation Plan

Board of Education

April 26, 2016
Agenda

- BOE Action related to FMP: 1 Motion; 2 Resolutions
- FMP research and engagement process
- Five-Year FMP Implementation Plan highlights
- Funding Considerations
- Next steps: Communications and Engagement
Board Actions: April 26, 2016

Action 1 - Motion:

- Relocate RiverEast Elementary and Secondary program from Homecroft to another site by 2017-2018 school year
- Relocate Jie Ming Mandarin Immersion Academy from Hamline building to Homecroft for 2017-2018 school year
Board Actions: April 26, 2016

- Action 2 - Resolution:
  - “Construction of a New Middle School in Area A”

- Action 3 - Resolution:
  - “2016 Five-Year Facilities Maintenance and Capital Implementation Plan, Covering Fiscal Years 2017-2021”
Facilities Master Plan: Aligning facilities to school program needs
Saint Paul Public Schools

- 72 facilities
- 7.3 million square feet of space
- 465 acres of land
Facilities Master Plan (FMP)

• 10-year strategic plan addresses facility improvements:
  – Equitably
  – Efficiently
  – Cost-effectively

• Student-centered: Addresses 21st century learning needs
PHASE 1
May – August 2014

Gathering and Studying Important Data that will impact the district’s plans for improving all of its buildings and land

PHASE 2:
May - December 2014

Establishing the Standards the district will use to decide which improvement projects to do first

PHASE 3:
January – June 2015

Schools and other district buildings develop their own plans on how to improve their buildings

PHASE 4:
June - December 2015

Finalizing the District’s Plan for making building and land improvements; sharing the plan with families, students, staff, partners and community
FMP Engagement

"I felt as though I made a difference and had an opportunity to voice my opinions."
- Student participant

818 Community Participants

200 FMP Survey responses

2,753 Attendee Participation Workshop Hours

48 Presentations to school groups

14 School Pathways

75 Steering and FMP Committee members

68 Building Project Plans
FMP Engagement
Five-Year FMP Implementation Plan
FMP 5-Year Implementation Plan

2016 Five-Year Facilities Maintenance and Capital Implementation Plan

● Based on BOE resolutions (Nov. and Dec. 2015):
  ○ Five-Year Facilities Maintenance and Capital Implementation Plan
  ○ Long Term Facilities Maintenance and Improvement Investments
  ○ Criteria for the Prioritization of Facility Improvements for Saint Paul Public Schools, District 625, to Create 21st Century Schools

● Covers FY:2017-2021, is updated every year with the assistance of FMP Committee

● Exhibit A: Project list

● Sets strategic direction, but does not provide funding
April 26 vs. August BOE actions

- **April 26** - BOE Regular meeting
  - Vote on FMP 5-year Implementation Plan
  - List of proposed school facility work scopes

- **August**: BOE determines financial commitment to 5-year plan
  - Levy amount set for FY2018
  - Levy ceiling includes more than just facilities
  - Bonds sold in May; Levy process is Sept. - Dec.

- **April 2017**: Review approval of next 5-year rolling facility plan
Project Synopses Corrections
The following **clerical errors** have been identified and corrected since the April 12, 2016 distribution of the Proposed 5-Year Implementation Plan. **These do not alter financing.**

- **American Indian Magnet**: Budget mistyped in Project Synopses document as $29M; actual is $23M.
- **Bruce Vento**: Deleted reference to pavement maintenance
- **Central**: Theater Lighting upgrades originally noted as starting design in 2018; corrected to be 2019
- **Highland Middle School**: Deleted reference to new playground.
- **Parkway**: Security Camera Improvements originally omitted from synopsis; $42,000 added in 2017 (design) / 2018 (construction)
- Synopses were created for the following projects:
  - **Central High School** - Automotive Garage;
  - **Area ‘A’ New Middle School** - Construction;
  - **River East** - Acquisition or Lease of New Site;
  - **District-wide Deferred Maintenance Projects** - Painting, Tuckpointing, Steam Plant Maintenance.
Project Synopses Corrections

The following projects include scopes of work previously approved and funded as part of Long Term Facilities Maintenance revenue. The Project Synopses correctly described the work, but did not include the previously approved budget in the overall project budget. These clerical errors change the overall project budget, but do not change the overall cost of the 5-Year Plan as the funding is already in place.

- **Linwood Monroe - Upper:**
  - Omitted previously approved HVAC system replacement
  - New budget = $15,430,000

- **Johnson Senior:**
  - Omitted previously approved plumbing, roofing, electrical, and heating system replacements
  - New budget = $16,000,000
Project Synopses Corrections

The following **scope errors** have been identified and corrected since the April 12, 2016 distribution of the Proposed 5-Year Implementation Plan. **These changes will have negligible financial impact on the overall plan.**

- **Highland Senior**: Deleted stage curtain replacement from scope of work.
  - New budget = $1,500,000 (**$31,000 reduction**)
- **Randolph**: Deleted door hardware replacement project.
  - Scope of work completed summer 2015.
  - New budget = $0 (**$35,000 reduction**)
Funding Considerations
2017 - 2021: Total facilities investments

±$484 million

Includes new construction, major repair / replacement, abatement, and renovation.

Value includes estimated cost inflation over the next five years.
Funding Options

1. Pay-As-You-Go using Long Term Facilities Revenue (levy)

2. Issue General Obligation Bonds and Certificates of Participation (levy)
Bonding Authority

- SPPS special legislative authority granted in 1989
- Issue bonds without voter approval which we have conservatively done since
Proposed Funding Strategy

• Use both funding options

• Continue LTBM revenue (facilities levy) with GO bonds and Certificates of Participation (debt levy)

• Timing of funding and taxpayer impact

• Ability to bond as debt levels decrease
## Estimated Taxpayer Impact

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<tr>
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<th>16 Pay 17</th>
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<th>19 Pay 20</th>
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<tbody>
<tr>
<td><strong>Levy Required</strong></td>
<td>$36,826,644</td>
<td>$41,375,243</td>
<td>$45,917,410</td>
<td>$50,472,055</td>
<td>$55,022,767</td>
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<tr>
<td><strong>Existing Debt Service Levy</strong></td>
<td>$37,437,758</td>
<td>$36,826,644</td>
<td>$41,375,243</td>
<td>$45,917,410</td>
<td>$50,472,055</td>
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<tr>
<td><strong>Increase</strong></td>
<td>($511,114)</td>
<td>$4,548,600</td>
<td>$4,542,167</td>
<td>$4,554,645</td>
<td>$4,560,711</td>
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<td><strong>Taxable Market</strong></td>
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<td><strong>Value (a)</strong></td>
<td>$194,005,813</td>
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<td>$194,005,813</td>
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<tr>
<td><strong>Tax Rate Increase (b):</strong></td>
<td>-0.316%</td>
<td>2.345%</td>
<td>2.341%</td>
<td>2.348%</td>
<td>2.346%</td>
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151,500  Median Home Impact  

|       | (4.03) | 29.99  | 29.94  | 30.03  | 30.00  |
Building Construction Funds

• Maintain, improve, remodel buildings and land

• By law, cannot be used for other funding categories:
  – Example: General Fund (pays for teacher salaries, transportation, teaching/learning needs, etc.

• Increases to Building Construction Funds do not decrease General Fund
Building Construction Funds

- Funds from bonds sale, capital loans, or Long Term Facilities Maintenance Revenue (including levies)
- SPPS used bonds every year since 1994 to pay for facilities
- April 26 BOE vote includes 5 years of facility projects:
  - New middle school
  - Many other school projects
Next Steps
Communications and Engagement

- FMP website: Clearinghouse of information
- May-June: Mayor, District Councils; PACs
- Start new middle school design planning and engagement
- Project-specific communications; start 6 months ahead of design process
- Work with regulatory agencies, city, county, watershed districts
- March-April 2017: Reconvene FMP-C to review rolling 5-year plan and update as necessary per criteria
BOE Actions

1. Motion: Relocate RiverEast and Jie Ming
2. Resolution: New middle school in Area A
3. Resolution: FMP 5-Year Implementation Plan
THANK YOU

Facilities Department

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