Shaker Heights Schools

EXCELLENCE • EQUITY • EXPLORATION

# Long-Term Facilities Planning Update

**Dr. David Glasner, Superintendent**

January 31, 2023

# Agenda

- Decision Points
- Reasons for a Master Facilities Plan
- Expanded PreK Facilities and Cost
- Segmenting
- Timeline and Next Steps

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# Decision Points

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# Meeting Decision Points:

- Expanded PreK Facilities Location
  - Administration Building
- Segmenting
  - Should the facilities plan be segmented into two parts?
  - Segmenting options

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# Reasons for a Master Facilities Plan

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# Reasons for a Master Facilities Plan (SP 3.4)

- Provide modern, safe and comfortable learning and teaching environments
- Improve educational experiences by creating collaborative and flexible spaces
- Reduce transitions for students
- Provide increased safety with new and/or renovated facilities

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# PreK Expansion

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# PreK Decisions

- Where should PreK be located?
  - Ludlow only
  - Ludlow, Onaway
  - Ludlow, Onaway, Mercer, Lomond
- Should Administration be located at Ludlow?

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# Updated PreK Information

- Interest Survey
- Comparables
  - Transportation
    - Typically only for students with special needs
  - Tuition - Ours and Others
    - Shaker (scholarships provided):
      - Full-Time PreK - $9,000 per year
      - Half-Time PreK - $2,000 per year

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# Expanded PreK Cost & Capacity Estimates

| | Est. Number of New Classrooms | Est. Number of Additional Students | Capital Cost Estimate | Annual Operating Cost Est. |
|---|---|---|---|---|
| **Ludlow PreK** | 20 | 300 | $10-20 million | $6.0 million |
| **Ludlow PreK w/Admin** | 12 | 180 | $10-20 million | $3.9 million |
| **Decentralized PreK adding LO and ME** | 4-8 | 60-120 | $2-4 million* | $1.4-$2.7 million |

**Estimated at 1,000 sf/classroom @ $500/sf.*

| | | | | |
|---|---|---|---|---|
| **Current ON PreK** | 5 | 84 | N/A | $1 million** |

***Includes only PreK staffing, no Bldg or Admin Overhead. Note the current ON PreK Annual Operating Cost originally posted here as $2 million was a typo and has been corrected to $1 million.*

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# PreK Decisions

- Where should PreK be located?
  - Ludlow only
  - Ludlow, Onaway
  - Ludlow, Onaway, Mercer, Lomond
- Should Administration be located at Ludlow?

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# Segmenting

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# Segmenting Decisions

- Should the facilities plan be segmented into two parts?
- If the facilities plan is segmented into two parts, in what order?
  - Segment X: PreK-8 followed by 9-12
  - Segment Y: PreK and 6-12 followed by K-5

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## Segmenting Plan 2B (Renovate: K-5 Buildings, 6-8 Building; New: High School)

| | Full Plan (K-12) | Segment X1 (K-8) | Segment X2 (9-12) *(esc. 3% 10 yrs out)* | Segment Y1 (6-12) | Segment Y2 (K-5) *(esc. 3% 10 yrs out)* |
|---|---|---|---|---|---|
| Est. Total Cost (Avg. of Gilbane & OFCC) | $270,527,019 | $168,060,228 | $182,164,101 | $186,051,938 | $153,158,196 |
| Less Est. OFCC Contribution | $77,876,755 | $45,553,469 | $43,439,793 | $50,933,455 | $36,209,544 |
| **Est. Net Cost to District** | **$192,650,264** | **$122,506,759** | **$138,724,307** | **$135,118,483** | **$116,948,652** |
| PreK Renovation Costs | $15M included above | $15M included above | | $15M included abv | |
| Cap Maint on Segment 2 Buildings | | | $44M included above | | $40M included abv |
| Bond Issue Amount | $192,650,264 | $116,346,000 | $110,948,000 | $130,087,000 | $92,481,000 |
| Other Funding Sources: COP's &/or Perm. Impr. Fund | $-0- | $6,160,759 | $27,776,307 | $5,031,483 | $24,467,652 |
| **Total Funding Sources** | **$192,650,264** | **$122,506,759** | **$138,724,307** | **$135,118,483** | **$116,948,652** |
| Est. Interest Rate | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| Maturity (in years) | 37 | 37 | 37 | 37 | 37 |
| Est. Total Assessed Value at Issuance Date | $1,000,000,000 | $1,000,000,000 | $1,343,916,379 | $1,000,000,000 | $1,343,916,379 |
| Avg. Annual Total Debt Service | $10,153,190 | $6,131,748 | $5,847,260 | $6,855,937 | $4,873,998 |
| Millage | 10.15 | 6.13 | 4.35 | 6.86 | 3.63 |
| Plus Required Maint. Millage | 0.50 | 0.50 | 0.00 | 0.50 | 0.00 |
| Less Est. Millage Drop Off (Cal.2026) | 1.50 | 1.50 | 0.00 | 1.50 | 0.00 |
| Est. Net Millage for Bond Issue Amt | 9.15 | 5.13 | 4.35 | 5.86 | 3.63 |
| County Appraised Market Value (residence) | $100,000 | $100,000 | $134,392 | $100,000 | $134,392 |
| **Annual Cost-$100,000/$134,392 Cty Appraised Mkt Value** | **$320** | **$180** | **$205** | **$205** | **$171** |
| **Monthly Cost** | **$27** | **$15** | **$17** | **$17** | **$14** |

## Segmenting Plan 2B (Renovate: K-5 Buildings, 6-8 Building; New: High School)

| | Full Plan (K-12) | Segment X (Combined Total) | Segment Y (Combined Total) |
|---|---|---|---|
| Est. Total Cost (Avg. of Gilbane & OFCC) | $270,527,019 | $350,224,328 | $339,210,134 |
| Less Est. OFCC Contribution | $77,876,755 | $88,993,262 | $87,142,999 |
| **Est. Net Cost to District** | **$192,650,264** | **$261,231,066** | **$252,067,135** |
| PreK Renovation Costs | $15M included above | $15M included above | $15M included above |
| Cap Maint on Segment 2 Buildings | | $44M included above | $40M included above |
| Bond Issue Amount | $192,650,264 | $227,294,000 | $222,568,000 |
| Other Funding Sources: COP's &/or Perm. Impr. Fund | $0 | $33,937,066 | $29,499,135 |
| **Total Funding Sources** | **$192,650,264** | **$261,231,066** | **$252,067,135** |
| Est. Interest Rate | 5.00% | 5.00% | 5.00% |
| Maturity (in years) | 37 | 37 (approx. 27 overlapping yrs) | 37 (approx. 27 overlapping yrs) |
| Est. Total Assessed Value at Issuance Date | $1,000,000,000 | $1 B to $1.3 B | $1 B to $1.3 B |
| Avg. Annual Total Debt Service | $10,153,190 | $11,979,008 | $11,729,935 |
| Millage | 10.15 | 10.48 | 10.49 |
| Plus Required Maint. Millage | 0.50 | 0.50 | 0.50 |
| Less Est. Millage Drop Off (Cal.2026) | 1.50 | 1.50 | 1.50 |
| Est. Net Millage for Bond Issue Amt | 9.15 | 9.48 | 9.49 |
| County Appraised Market Value (residence) | $100,000 | | |
| **Annual Cost-$100,000/$134,392 Cty Appraised Mkt Value** | **$320** | **$385** | **$376** |
| **Monthly Cost** | **$27** | **$32** | **$31** |

# Segmenting Decisions

- Should the facilities plan be segmented into two parts?
- If the facilities plan is segmented into two parts, in what order?
  - Segment X: PreK-8 followed by 9-12
  - Segment Y: PreK and 6-12 followed by K-5

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# Timeline and Next Steps

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# Timeline for November 2023 Ballot

- **February 14:** Board of Education Regular Business Meeting
- **March 14:** Board of Education Regular Business Meeting
- **April 6:** OFCC Deadline to Informally Decide on Master Plan and Segment
- **May 9:** Board of Education Regular Business Meeting
- **May 31:** Deadline to Vote on OFCC Resolution

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# Next Steps

- Plan for future Board meetings
- Continue to send regular informational emails
- Maintain updates on the Master Facilities Planning webpage on shaker.org
- Plan for community information sessions

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