



Rhode Island Department of Education/
School Building Authority
(RIDE/SBA)

Office of the General Treasurer/RIHEBC Municipal Training Session

October 21, 2019



Presentation Overview

- **School Construction Program History**
- **Necessity Application Process**
- **Foundational School Housing Aid (Funding)**
- **Statewide Construction Bond & Update**
- **Q&A**

RI School Construction Program

1960 – 2006: Local Education Agencies (LEAs/Districts/Charters) finance 100% of a project and once the project is complete, receive the state's share of the project costs in the form of school "Housing Aid" through annual reimbursement payments.



2007: General Assembly mandated that RIDE revise its review process and develop school construction regulations and the introduction of a new "Necessity of School Construction Application Process" by which LEAs could receive approval and state funding.

2011-2015: The General Assembly imposed a school construction moratorium and only emergency health & safety projects were approved.

- RIDE Schoolhouse Report Released

2015 - 2017: School construction moratorium lifted! Creation of the School Building Authority (SBA), the SBA Advisory Board and the SBA Capital Fund.

- Statewide Assessment Released

2018: \$250M statewide school construction bond passed by voters and significant legislative changes to the program.

STATE OF RHODE ISLAND SCHOOLHOUSES

306 Public School Campuses
(multiple buildings & types may be in on one campus)

177 Elementary Schools

6 Pre-K Campuses

5 K-8 Campuses

4 k-12 Campuses

50 Middle Schools

4 Middle/High Schools

60 High Schools

24.1 Million square feet

AVERAGE CAMPUS
AGE

56 yrs

ENROLLMENT DOWN
OVER 20 YEARS

10 %

CONDITION ASSESSMENT FINDINGS

PRIORITY 1 & 2 FACILITY DEFICIENCIES (WARM, SAFE & DRY) + **\$ 627.6** Million

PRIORITY 3, 4 & 5 FACILITY DEFICIENCIES + **\$ 1,595.1** Million

FACILITY DEFICIENCY COST **\$ 2,222.7** Million

Laying the Foundation

Educational Master
Planning Process

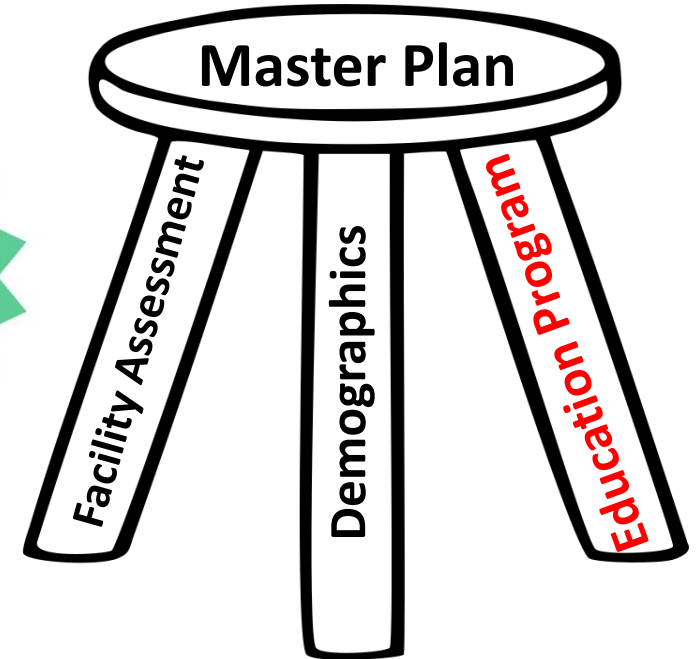
Engage Stakeholders
Build a broad team to be a part
of planning discussions.

Find Your Leader
Procure an Educational
Facilities Master Planner

Make a Plan
Develop a plan and
present it to your
community for feedback

Get Approval
Have the School
Committee
approve your plan

5-10 Year
Facilities
MASTER PLAN
Complete



What should a Master Plan Include?

- Educational programs and framework
- Student demographics and enrollment
- Physical plant conditions and current facility needs

Necessity of School Construction Approval Process and Timeline

LOCAL approvals

Identify your team

Pull together a School Building Committee, composed of city and school representatives

Letter of Intent

Send a statement of interest signed by Superintendent, School Committee, and municipal representative
Spring Approval: August / Fall Approval: January

Local Support

Stage II must include School Committee and City Council approvals
Spring Approval: February / Fall Approval: September

Memorandum of Agreement

Signed by School Committee and Superintendent

Voter Approval

For bonds, unless the municipality has a public building authority

6 months maximum

Stage I: Identify Need

Stage II: Develop Solution

Approvals and Beyond...

State Agency Reviews

DOA Planning, RIHPHC, Commission on Disabilities

SBA Stage I

Preliminary Approval

Authorization to move forward with Stage II
Spring Approval: September / Fall Approval: February

SBA Stage II Preliminary Approval

Memorandum of Agreement

Signed by Commissioner

Enabling Legislation

For projects that are using bonds or other forms of indebtedness

Council Approval

With recommendation from SBA Advisory Board, Commissioner makes recommendation to CESE
Spring Approval: May / Fall Approval: November

STATE approvals

Under Construction

Seeing School Projects From Design Through Completion

✓ LOCAL to-dos

Schematic Design Review

Stage III must include the project's major components, including engineering

Design Development Review

Provide greater detail, including an updated project budget

Construction Documents Review

Finalize the development of the project

LEA Bids

LEA goes out to bid and shares responses with SBA

Progress Reports

On the 12th of every month, OPMs provide a project progress report

Project Complete

For that year's cycle, projects must complete by June 30

Housing Aid

LEAs submit Housing Aid forms by July 15

Stage III: Design Reviews

Stage IV: Construction

Project Completion

SBA Approvals

The SBA must review and approve each of these components: schematic design, design development, and construction documents.

September 15 & March 15

RIDE makes Housing Aid payments twice annually for projects completed by June 30

✓ STATE to-dos



Getting Shovel Ready

Funding for School Construction



Have you received necessity project approval? This is required for **all projects** to access state funding



Housing Aid

Foundational housing aid represents the state's contribution to public school construction projects

Only projects approved through the "Necessity of School Construction Application Process" are eligible to receive state funding. The state's share ratio or housing aid reimbursement rate (the percentage that the state will contribute towards a project) is calculated annually for each Local Education Agency (LEA). A majority of the state's funding is based on a reimbursement model and payment occurs when the project is complete.



SBA Capital Fund

The SBA Capital Fund provides "pay-as-you-go" state funding for approved projects to address high-priority needs. This competitive funding is distributed as work is being done, with LEAs submitting invoices to RIDE.



Construction Bond

The bond was approved by voters in November 2018. **COMING SOON:** Information about how the bond works will be released in early 2019.



Building with Us

How to Take Advantage of Rhode Island's Historic School Facilities Bond



Rhode Island voters approved a statewide school construction bond on November 6, 2018.

The statewide bond triggered two components:

1. Established six temporary bonus incentives
2. Provides \$250 million in "pay-as-you-go" funding to support approved projects



How much pay-as-you-go funding can I receive?

LEAs will receive 15 percent of their total state share in pay-as-you-go funds from the bond. So, for example, if you have a \$100 million project and have a 50 percent state share ratio, the state will pay \$50 million. Fifteen percent of \$50 million - or \$7.5 million - will be offered as pay-as-you-go funding.

In the "Bonus"

Permanent

School Safety & Security

If 75% of a project is for the purposes of School Safety & Security, then the project shall receive a 5% bonus.

In order to qualify for the increased share ratio for the temporary bonuses, 25% of the project costs, or a minimum of \$500,000, must be specifically directed to these purposes.

Commence by 2022 - Complete by 2027



Health & Safety

Projects that address Health and Safety Deficiencies shall receive a 5% bonus.



Educational Enhancements

Projects that address Educational Enhancements such as Early Childhood Education and Career and Technical Education shall receive a 5% bonus.

Commence by 2023 - Complete by 2028



Replacement

Replacement of a facility that has a Facility Condition Index of 65% or higher shall receive a 5% bonus.



Decrease Overcrowding

New construction or renovation that decreases overcrowding from more than 120% functional utilization to between 85% and 105% shall receive a 5% bonus.



Newer & Fewer

Consolidation of two or more school buildings (Newer and Fewer) into one school building shall receive a 5% bonus.



Increase Utilization

New construction or renovation that increases functional utilization from less than 60% to more than 80% shall receive a 5% bonus.



School Construction Bond Update

Upfront Funding (PAY-GO)

October 2019

- \$95,388,560 of the \$250M has been offered to 36 LEAs
- LEAs have two years to spend funding
- \$10.5M has been spent to date and we have another \$5M anticipated in invoices this month.



School Construction Bond Update

Incentives (Bonuses)

October 2019

FY20 incentive highlights

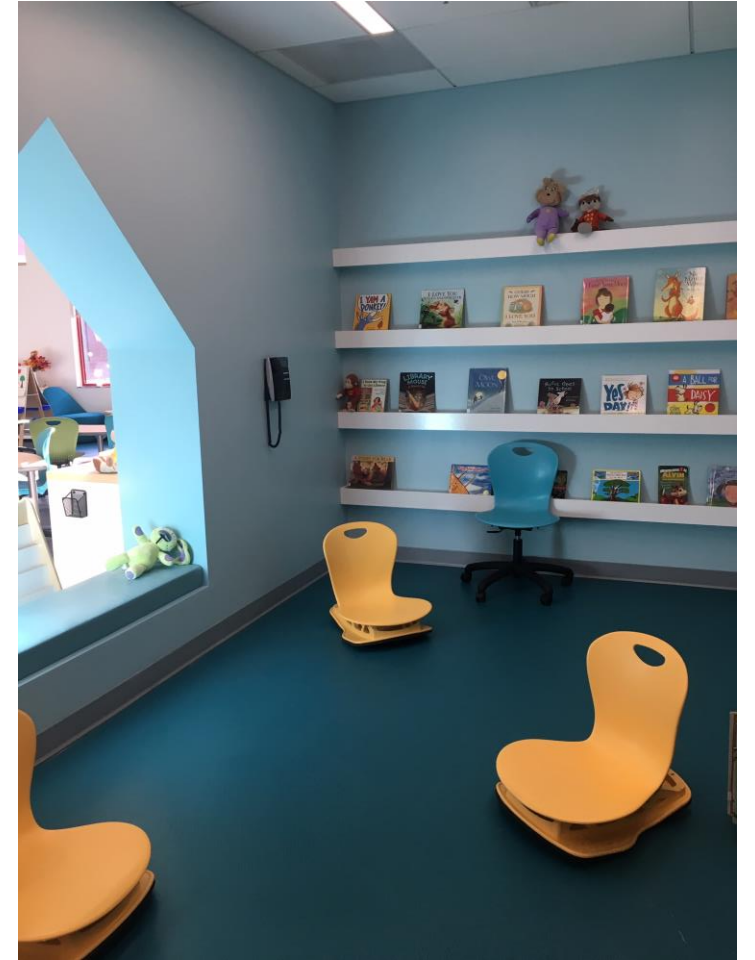
- **North Providence:**
 - (4) Bonuses awarded resulting in a 76.37% reimbursement and equating to an additional \$21.4M in state aid
- **Barrington:**
 - (2) Bonuses awarded resulting in a 45% reimbursement and equating to an additional \$7.7M in state aid
- **RISE Prep:**
 - (2) Bonuses awarded resulting in a 40% reimbursement and equating to an additional \$410K in state aid

Barrington Middle School



North Providence Elementary School

Literacy Innovation Center



North Providence Elementary School



RISE Prep Mayoral Academy



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