

OSC Capital Subcommittee

Progress Review— March 12, 2014

Subcommittee Purpose

1. Test “Expand in Place” Capital Costs
2. Daylight Capital and Cost Implications of Policy Choices
3. Identify/Evaluate Value of Unexplored Options

Classroom Additions by School – FY08 – FY14

 K-8 Classrooms	FY08	FY09	FY10	FY11	FY12	FY13	FY14
Baker	33	32	32	32	33	37	36
Devotion	34	35	35	35	36	39	40
Driscoll	19	21	22	23	24	25	26
Heath	20	21	22	23	24	25	25
Lawrence	26	26	28	29	29	30	31
Lincoln	21	23	24	25	26	27	27
Pierce	28	29	31	32	33	34	36
Runkle	24	24	25	25	25	25	26
Total	205	211	219	224	230	242	247

Baseline Classroom Demand

	FY 15	FY16	FY17	FY18	FY19
Additional Students	139	95	110	68	-23
Additional Classrooms	7	4	5	3	1
Cumulative Demand (before suboptimal)	7	11	16	19	20
Suboptimal Space Demand (11-13)	12	12	12	12	12

Source for Students and Classrooms: PSB, 11/2013 presentation
Source for Suboptimal: School Committee Vote on Expand in Place

Working Plan Evaluation

- **BEEPs:** Transition from K-8 into leased space currently underway
- **Lawrence:** Imminent Need; Bid process underway; transition from modular to traditional construction
- **Devotion:** In queue for needed renovation; community support; High costs but building committee in place to oversee
- **Old Lincoln School:** Architects hired to plan \$3.5 million renovation for Fall 2015 “swing” and “overflow” occupancy

New Permanent Classrooms (*working plan*)

New Classrooms (Perm.)	FY 15	FY16	FY17	FY18	FY19
	Sept. 2014	Sept. 2015	Sept. 2016	Sept. 2017	Sept. 2018
BEEPS*	2	1			
Lawrence Addition		4			
Devotion Rebuilding					5
Total Additional Classrooms*	2	7	7	7	12

* According to available information provided by PSB and School Committee members, currently 6 BEEP sections are located in the elementary schools. It is anticipated that 3 will be relocated to leased space September 2014. The remaining 3 sections may or may not be relocated in the future.

New Permanent Classrooms Compared with Demand

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New Classrooms (Perm.)	FY 15	FY16	FY17	FY18	FY19
	Sept. 2014	Sept. 2015	Sept. 2016	Sept. 2017	Sept. 2018
BEEPS*	2	1			
Lawrence Modulares		4			
Devotion Rebuilding					5
Total Additional Classrooms*	2	7	7	7	12
Cumulative Baseline Demand (before suboptimal spaces)	7	11	16	19	20
Remaining Need	5	4	9	12	8
Plus Suboptimal Space Demand (11-13)	12	12	12	12	8

Baseline Demand Considerations

- **Homeroom/Classroom Sections**
 - Definable for known cohorts
 - Dependent on student per class assumptions
 - Less certainty in long-term

- **Suboptimal Spaces**
 - Anecdotally, varying degrees of suboptimal spaces across system
 - Using 12 as a working number for planning purposes and to reflect School Committee vote
 - Devotion will address 4-5 suboptimal spaces in addition to the 5 new classroom spaces

- **BEEPs**
 - There are currently 6 BEEP Sections at the K-8 schools: 3 Driscoll, 2 Heath and 1 Runkle
 - For September 2014, 2 BEEP sections will be relocated to leased space, another 1 will relocate in the following years -- resulting in 3 classrooms available to address K-8 demand.
 - The remaining 3 rooms (1 at each Driscoll, Heath and Runkle) may or may not be available for classrooms in the future.

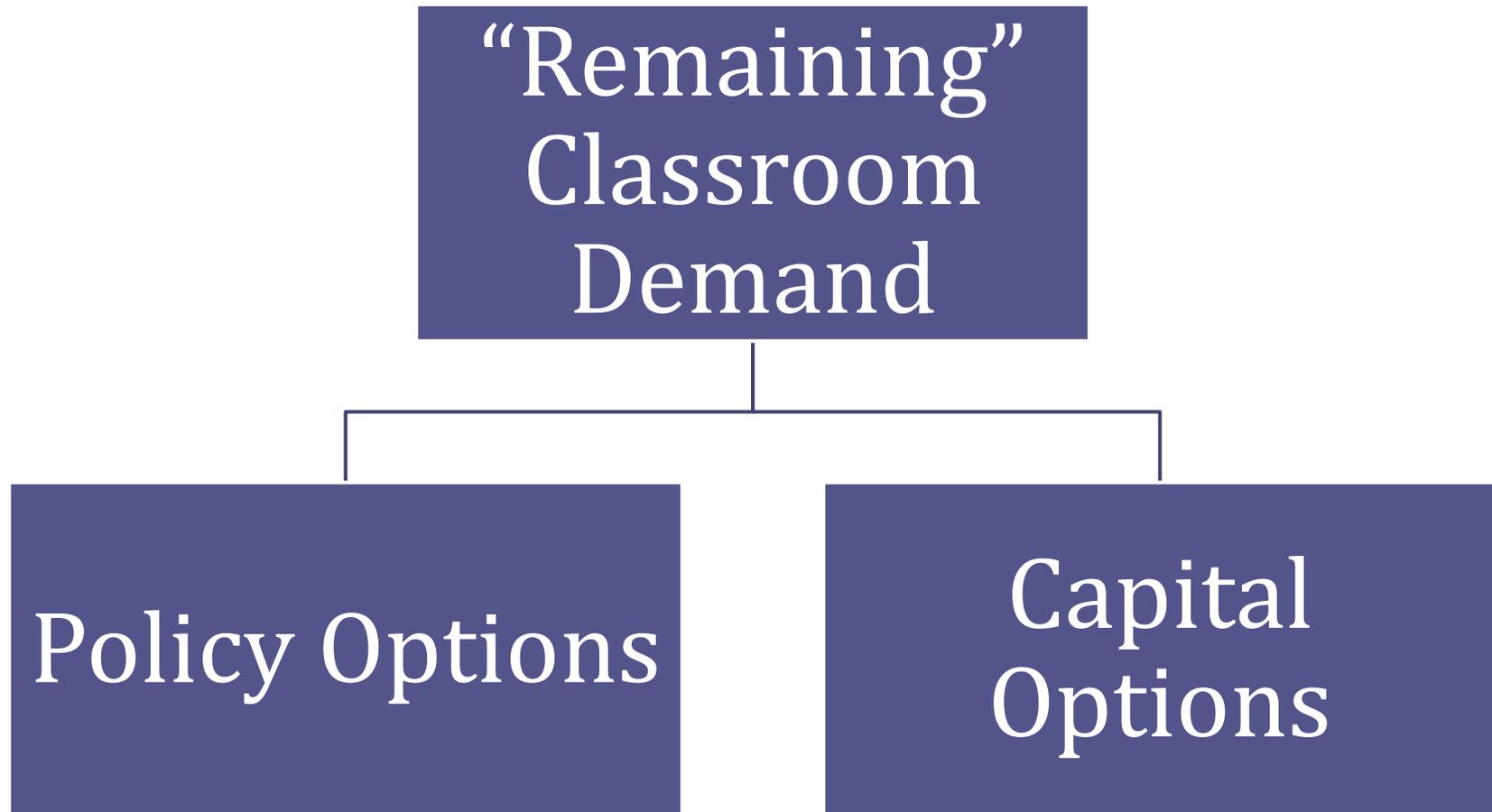
Cost-New Permanent Classrooms (*working plan*)

	Total Cost	MSBA Participation	Approx. Town Share
Lawrence Addition	\$4,000,000	No	\$4,000,000
<u>Devotion Rebuilding</u>	<u>\$110,000,000</u>	Yes	<u>\$81,000,000</u>
TOTAL	+/- \$114,000,000		+/- \$85,000,000

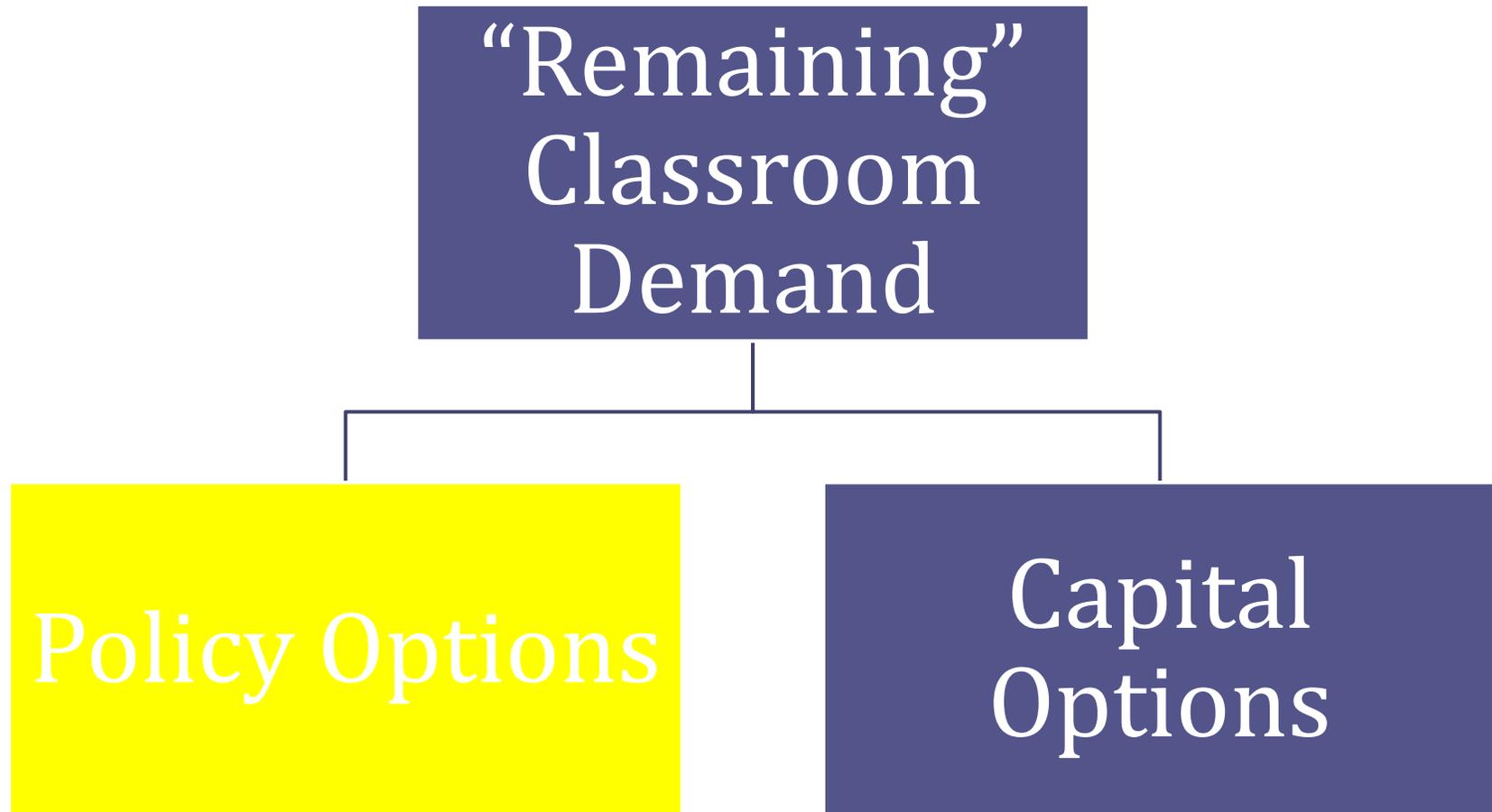
BEEP

- Rental costs are currently reasonable
- If capacity, makes sense to co-locate in K-8
- From cost perspective, the leases are cost effective way of obtaining BEEP space and have been flexibly negotiated (to enable extensions, etc.)

Capital Subcommittee Approach



Capital Subcommittee Approach



Policy Options: Example Classroom Demand with Policy Changes

	FY 15	FY16	FY17	FY18	FY19
Additional Students	139	95	110	68	-23
Additional Classrooms	7	4	5	3	1
Cumulative Demand (before suboptimal)	7	11	16	19	20
Policy Changes (ex. METCO and Mat Fee)	-2	-4	-6	-8	-10
Cum. Need with Policy Changes	5	7	10	11	10
Suboptimal Space Need (11-13)	12	12	12	12	12

Policy Options: New Permanent Classrooms Compared with Adjusted Demand

New Classrooms (Perm.)	FY 15	FY16	FY17	FY18	FY19
	Sept. 2014	Sept. 2015	Sept. 2016	Sept. 2017	Sept. 2018
BEEPS*	2	1			
Lawrence Modulars		4			
Devotion Rebuilding					5
Total Additional Classrooms*	2	7	7	7	12
Cumulative Demand with Policy Changes	5	7	10	11	10
Remaining Need (Surplus)	3	0	3	4	(2)
Suboptimal Space Need (11-13)	12	12	12	12	8

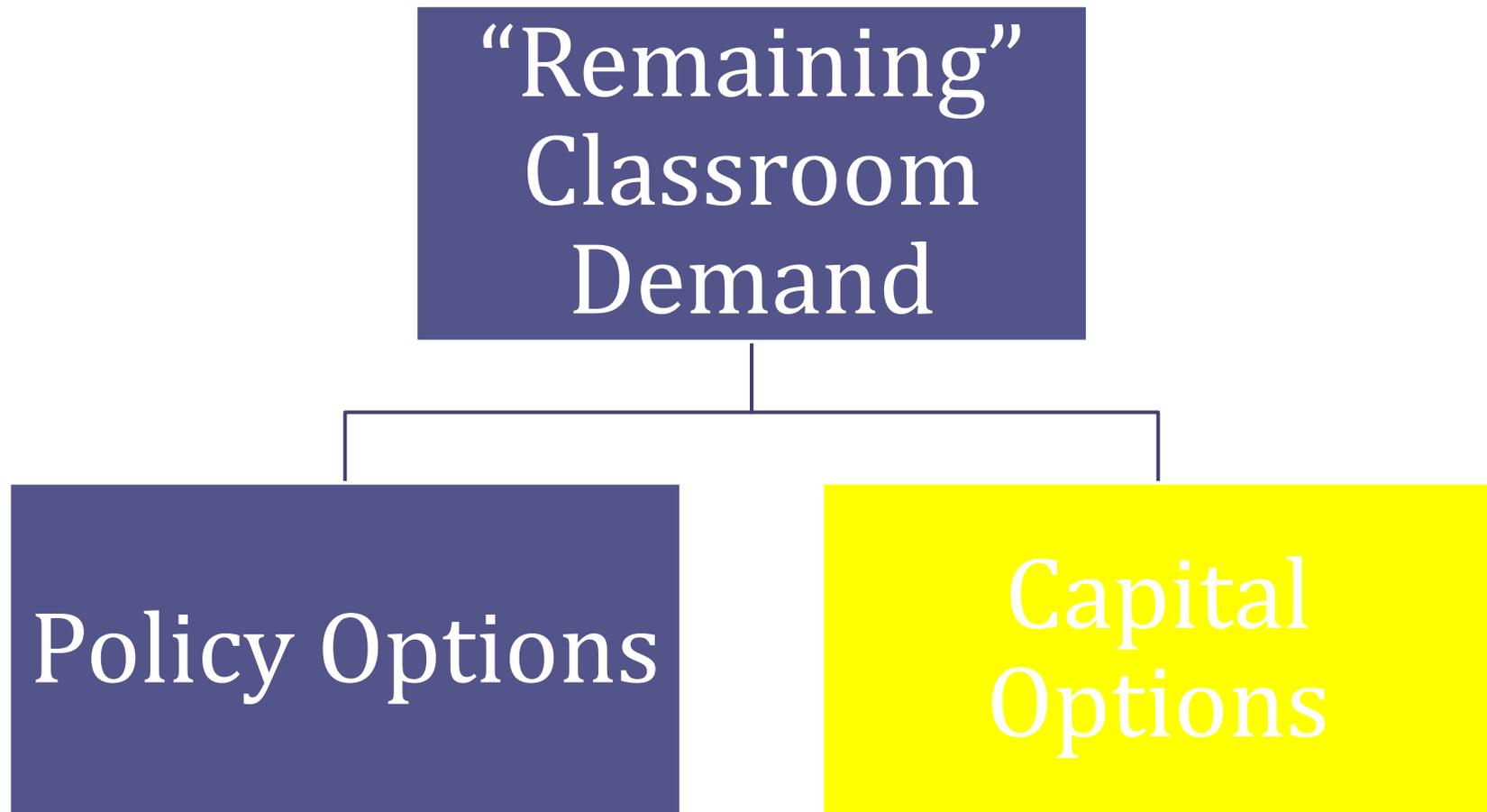
Policy Options: Capital Costs per Classroom

	Runkle	Devotion	Driscoll	Lawrence
Project Cost	\$30M	\$110M	\$54M	\$4M
Cost w/MSBA	\$18M	\$77M	\$38M	--
Debt Term	20 year	25 year	25 year	--
Debt Rate	2.75%	4.75%	4.75%	--
Cost (sum of debt payment)	\$22M	\$131.7M	\$65M	\$4M
Baseline Classrooms (22)	27	46	38	4
Total Cost per Classroom	\$814,814	\$2.863M	\$1.710M	\$1M
Annual Debt Service	\$53,000	\$196,000	\$117,000	\$68,000

Policy Options: Observations

- There is a difference between policies that reduce population completely and those that don't.
 - **METCO and Materials Fee** changes could potentially reduce the number of students in the system resulting in decline in need across spaces.
 - **Increases in class size** do not reduce number of students. Therefore, although the need for “homeroom” space declines, the need for common spaces including cafeteria, gym, labs, library, auditorium, music rooms, learning center spaces and outdoor spaces does not decline.
- Policy change recommendations will require attendant capital analysis.

Capital Subcommittee Approach



Capital Track:

- **K-8 Expand in Place**
 - BEEPs
 - Lawrence
 - Devotion
 - Driscoll
- Other K-8 Options
 - 7-12 Option
 - Old Lincoln School
- Near and Long Term Planning
 - Pierce
 - Non Town Owned Sites
- Brookline High School

Expand in Place: Classrooms Forecast with Driscoll 4 section school (36 homerooms)

New Classrooms (Perm.)	FY 15	FY16	FY17	FY18	FY19
	Sept. 2014	Sept. 2015	Sept. 2016	Sept. 2017	Sept. 2018
BEEPS	2	1			
Lawrence Modulars		4			
Devotion Rebuilding					5
Driscoll 4 section					7
Total Additional Classrooms	2	7	7	7	19
Cumulative Baseline Demand (before suboptimal spaces)	7	11	16	19	20
Remaining Need	5	4	9	12	1
Plus Suboptimal Space Demand (11-13)	12	12	12	12	8

Expand in Place: Costs

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	Total Cost	MSBA Participation	Approx. Town Share
Lawrence Addition	\$4,000,000	No	\$4,000,000
Devotion Rebuilding	\$110,000,000	Yes	\$81,000,000
Driscoll (4 section)	\$53,000,000	Yes	\$34,000,000
TOTAL ROUNDED	+/- \$170,000,000		+/- \$120,000,000

Expand in Place Observations

- Approximately two-thirds of the cost Expand in Place capital cost is related to Devotion rebuilding
- Driscoll was not in the capital plan to receive a renovation until after Pierce. However, it is in need of a renovation so adding classrooms in conjunction with renovation is a cost effective option for adding to classroom supply in the district.
- The \$53 million figure used reflects the OSC Capital Subcommittee estimates (based on HMFH assumptions) for a complete renovation and addition to transform Driscoll into a 4 section school (“Runkle-like” project)
- Driscoll MSBA SOI April 11; next step is feasibility
- In the absence of the next project in the sequence, the Driscoll site and the context - not the remaining classroom need - should drive the number of new classrooms.

Capital Track:

- K-8 Expand in Place
 - BEEPs
 - Lawrence
 - Devotion
 - Driscoll
- Other K-8 Options
 - 7-12 Option
 - Old Lincoln School
- Near and Long Term Planning
 - Pierce
 - Non Town Owned Sites
- Brookline High School

Exploration of other K-8 Solutions

- OSC Capital Subcommittee reviewed the options dismissed through B-SPACE for viability
- Not interested in reopening options deemed politically unviable through BSPACE unless a critical reason (ex: significant cost savings)

Option: New Grade 7-12 to complement BHS

- Didn't explore this in depth because changing the K-8 + 9-12 model in favor of a K-6 + 7-12 model should come as a result of pedagogical and other drivers – as opposed to being driven by space needs.
- However, building a 7-12 school and making attendant modifications at the high school and elementary schools is likely a cost effective option for addressing space demands across the grade spectrum while leaving neighborhood schools intact.

Option: New K-8 in Existing Old Lincoln School

- Subcommittee looked at a renovation of the existing OLS new K-8 early in process
- Least expensive option for most amount of classrooms
- Ruled out due to:
 - Value of OLS as swing space important in near and long term
 - Immediate need (September 2015) for classrooms due to growth and Devotion project
 - Low probability of MSBA funding due to renovation and inability to meet standards

Capital Track:

- K-8 Expand in Place
 - BEEPs
 - Lawrence
 - Devotion
 - Driscoll
- Other K-8 Options
 - 7-12 Option
 - Old Lincoln School
- **Near and Long Term Planning**
 - **Pierce**
 - **Non Town Owned Sites**
- High School

Near and Long Term Planning

- Assuming the Driscoll site can accept the projected number of classrooms, the Driscoll addition barely addresses classroom need.
- In addition, there are other district pressures including sub-optimals and the unknowns around the future potential growth of Hancock Village. If enrollment trends continue upward there will need to be a next project in the sequence.

Option: Rebuilt K-8 at Pierce

- Pierce was next up on the CIP and is widely understood to be in need of renovation
- Pierce is well located vis-à-vis population growth
- The building site is large and it may be suitable to adding classroom space within its current footprint and without taking open space
- Pierce will need to be done at some point, and the ability to use OLS as a swing space is important since Pierce has so many children to relocate.
- A totally new Devo building (without the need for any student relocation) might allow the use of OLS for Pierce in the nearer term but that is not known until September

Exploration of other K-8 Solutions

- Understood that a new K-8 was “everyone’s first choice”
- A new K-8 is consistent with the model of neighborhood schools and is a cost effective way to obtain additional capacity to accommodate additional growth and/or return BEEPs back into the schools.
- A new construction project has schedule, cost, logistical and safety/disruption advantages when compared to an addition/renovation project.

Option: New K-8 on Non-town owned land

- Due to timing assumptions B-SPACE reviewed options on town owned land but did not aggressively explore private land acquisition
- While the goal is a friendly acquisition, the most supportable use of eminent domain power is school construction

Project Cost Comparison

	Existing OLS 3 section	Driscoll Reno/Add 4 section	New Site 3 Section	Driscoll Renovation
Renovation SF (\$275/ft)	62,900	81,000	0	90,000
New Construction SF (\$400/ft)	10,000	59,000	90,000	0
Construction Cost	\$20,000,000	\$39,000,000	\$36,000,000	\$16,000,000
Soft Costs and Contingency	\$6,000,000	\$13,000,000	\$11,000,000	\$5,000,000
Land Cost	\$0	0		\$0
Total Project Cost	\$26,000,000	\$53,000,000	\$47,000,000 plus land	\$21,000,000
MSBA Assumption	No	Yes	Yes (no land)	No
Town Share	\$26,000,000	\$34,000,000	\$30,000,000 plus land	\$21,000,000
New Classrooms	20 +	7	27	0

Issues for Consideration

- MSBA
 - MSBA is an important partner in school building as it can potentially reimburse approximately 35% of projects
 - Uncertainty as to reimbursement – exact amount, number of projects and renovations
 - Long schedule of reviews and milestones limits town's flexibility
 - Certainty of plan increases strength of participation
 - Expand in Place is current plan

Potential Recommendations

- Pierce Study: Hire architect to determine conceptual capacity, cost and phasing
- Non-town-owned Land Assessment: Hire a real estate consultant to inventory private property
 - Narrow scope, real estate focus, identification of parcels (size, value, constraints)
 - Establish parcel values based on highest and best use analysis
 - Could be concluded in 2-4 months from approval
 - Value to finding opportunity or confirming that there are no available, feasible sites

Capital Track:

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- Other K-8 Options
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 - Old Lincoln School
- Near and Long Term Planning
 - Pierce
 - Non Town Owned Sites
- **Brookline High School**

Brookline High School

- Reviewed the High School proposal by HMFH and MGT studies. Committee has questions about the utilization of spaces and capacity.
- An SOI for the high school will not be submitted to the MSBA this year.
- A consultant is currently being selected for a high school study to be completed this summer.
- We recommend carrying a high school capital cost of \$70M for planning purposes. This assumes there is a high school capital improvement that is bracketed by the figures of \$40M - \$90M presented in the HMFH studies.

Next Steps

- Feedback from OSC colleagues
- Continued work with colleagues on impact of policy options on space needs
- Further assessment and recommendations as to funding strategy

Policy Choices/Cost Drivers

- Focus on Excellence
- PreK – 8 School Model
- Comprehensive High School
- Value Small Class size
- Early Childhood Programs
- Neighborhood Schools
- Broad Array of Athletic Choices
- Brookline Students Educated in Brookline
- K-1 Paraprofessionals
- Focus on Equity
- Commitment to METCO
- Commitment to Materials Fee
- Staff Day Care/Extended Day
- Inclusion Classrooms
- Regular Education Interventions
 - 4+1
 - Math Specialists
 - Literacy Specialists
 - Child Study Teams