

# Massachusetts School Building Authority

**Timothy P. Cahill**  
*Chairman, State Treasurer*

**Katherine P. Craven**  
*Executive Director*

October 23, 2007

The Honorable William Brownsberger  
Massachusetts State House  
Room 22  
Boston, MA 02133

Dear Representative Brownsberger:

I would like to take this opportunity to update you on the Massachusetts School Building Authority's (MSBA) reformed program for school construction and renovation grants, including Statements of Interest (SOI) submitted for schools in your district, and to describe our Five Year Capital Pipeline development process.

The 4-year moratorium on school construction grants ended on July 1, 2007, and from January 2006 to the July 31, 2007 deadline, the MSBA received 422 SOIs from 162 districts for the new program—over 200 of which arrived at the MSBA in July, 2007. The SOI is the first step in the MSBA's dialogue with school districts where we request that a school district identify a problematic school facility according to the priorities established in M.G.L. c. 70B. The MSBA then reviews these SOIs and contacts the district to gather more information, including possibly conducting a site visit to determine which problematic buildings pose the most need and urgency out of the entire statewide pool of SOI's received by the MSBA. By December 2007, our goal is to move the most problematic and urgent facilities to a feasibility study, which is the next step in our process, while continuing to plan with the remaining SOI districts for possible facilities solutions.

The 422 SOIs received by the MSBA describe a variety of facility problems, ranging from leaky roofs, to overcrowded classrooms, to structural concerns. As you know, M.G.L. c. 70B, § 3 (o) requires the MSBA to "... develop a long term capital plan in accordance with needs and projected funding." The MSBA review of SOIs, and the information gathered subsequently, will assist the MSBA in developing the MSBA Capital Pipeline. Also, as you know, new grants for new project approvals by the MSBA are subject to available funds and cannot exceed \$500 Million annually (or \$500 Million plus/minus the rate of growth/decline of the sales tax, capped at 4.5%), depending upon estimated sales tax revenue receipts.

As a result of sound fiscal management of \$11 Billion in current projects dating back to 1990, and using conservative estimates of sales tax growth for the next several years, the MSBA should be able to allocate \$500 Million for each of the next five fiscal years for new projects. This will result in a Five Year Capital Pipeline of \$2.5 Billion for local school construction grants, and will avoid the "feast or famine" problems of the annual application processes of the former program. We will accommodate, however, for future SOIs submitted for facility problems that arise in the future.

The MSBA is fully committed to working with Districts to create a pipeline of eligible capital projects that will be addressed over time, and we hope to work with each District to develop appropriate solutions that are affordable for both the MSBA and the municipality. The following list identifies the schools located in your district for which an SOI was submitted:

District	School
Arlington PS	Arlington HS
Arlington PS	M Norcross Stratton ES
Arlington PS	Thompson ES
Belmont PS	Belmont HS
Belmont PS	Roger E Wellington ES

Many school districts submitted multiple SOIs, and the MSBA requested school superintendents to select one priority facility that they believe has the most urgent needs. This will allow the MSBA to better understand the problems that are most urgent in the District's judgment, while allowing the MSBA to continue working with the Districts on their longer term priorities. The MSBA's request of superintendents to prioritize the needs of a District does not guarantee funding; nor does it negate the other SOIs submitted by that District, which will also receive attention from the MSBA. Our experience has shown that it is difficult for most districts to fund and manage multiple construction projects within any 12-month period, and that requesting a priority project is a pragmatic way of allowing both the District and the MSBA to focus on immediate needs first while continuing to work with Districts to plan other projects. Our experience has also shown that prematurely "locking up" scarce MSBA resources for projects that are not thoroughly planned comes at the expense of other Districts that then lose an opportunity to improve their school facilities in the near term.

In addition to this request for local prioritization, the MSBA is implementing other measures to triage the 422 SOIs received, including convening diagnostic teams composed of MSBA staff, senior architects with experience in school facility planning and engineers to review overcrowding or emergent health or safety conditions in buildings, review of the educational program goals in conjunction with the availability of local resources to support the operations and maintenance of any improved facility, and a review of a District's capital repair and renewal maintenance policies, budgets, and practices to affirm that any investment of state tax dollars will be maintained in the future.

#### ***CAPITAL PIPELINE STRUCTURE***

Our commitment, within reason, is to communicate clearly over the next several months with every District which has filed an SOI about the status of their SOI in the MSBA's pipeline — visits to Districts by MSBA staff and an architectural and engineering firm hired by the MSBA, or other consultants or evaluators as deemed suitable shall occur over the next several months. Our goal is to focus on the prioritized project in each District and submit to the MSBA's Board a standard report on the conditions evaluated for each potential project so that the neediest and most urgent projects will be given first priority for funding, pursuant to the MSBA's statute. The concerns addressed by the 8 statutory priorities established by the Legislature can be summarized as follows:

- Is there an immediate and imminent health and safety need in the facility, where no alternative exists?
- Is there severe existing overcrowding when all District facilities are used to their fullest potential?
- Is there future projected overcrowding that will be unsustainable given current facility capacity?
- How specifically is the provision of education impacted by the facility?

Our website will be updated frequently so that the Board and the public will be able to transparently follow any potential project's status. Many of the SOI's as filed do not clearly address the priorities above, and therefore MSBA staff will need to engage in discussions with Districts to determine if there is any potential to fit into the capital pipeline.

The SOI's will be categorized as follows: (A) Repairs; (B) Diagnostic Phase; (C) Further Review

**A. REPAIRS:** Repairs will be categorized into a separate category where the need for a repair is obvious, the scope is reasonably specific and the school is in otherwise sound condition and performing adequately. (NB: Many SOI's are unclear as to whether a repair is the obvious solution to a potential problem.)

**B. DIAGNOSTIC PHASE:** The goal of this phase is to determine which projects go to feasibility study, or determine which projects require further analysis and review. In order to make a determination of the need and urgency of a potential project, each SOI may receive one or more of the following diagnostic analyses from the MSBA:

**1. Senior Study:** A study on current conditions conducted by a team of MSBA staff and contracted architects to assess current conditions and to observe any conditions highlighted in an SOI. The senior study is conducted by seasoned senior architects who will provide their professional opinion of the level of need and the conditions of the building.

**2. Core Facilities Assessment:** A facility and maintenance assessment conducted by contracted architects and engineers that assesses 18 building and 7 site systems for a school that is the subject of an SOI. The Core Assessment will ascertain whether the District has been maintaining the facility in accordance with generally accepted facility maintenance practices, and, where overcrowding is identified as a priority, verifies square footages and other available space in all local school building facilities in order to ascertain space utilization efficiency.

**3. Full Facilities Assessment:** A facility and maintenance assessment conducted by contracted architects and engineers to analyze a building's condition in great detail, particularly with regard to the structural integrity of a building where such is in question. The District's maintenance of the facility also will be assessed. This assessment can require several days to complete for a large school.

**4. Clarification of the SOI:** A process where the District is requested by the MSBA to further clarify, document, refine and/or demonstrate issues/priorities that are unclear as identified in their SOI. The MSBA will work with districts and provide guidance and/or standard questions which will help guide the Districts. Mainly, a District will be asked to describe in categorized detail where the building doesn't specifically allow certain programming to occur, detailed by (a) core academics, (b) support space, and (c) other desired programming.

**5. MSBA Enrollment Site Visit and Review:** A site visit by trained teams of MSBA staff, working with contracted former educators, to observe overcrowded conditions along with a thorough review to analyze projected enrollment trends.

**6. MSBA Condition Site Visit:** A site visit by trained teams of MSBA staff to observe current deficient conditions as identified in an SOI.

**7. MSBA Education Program Impact Site Visit:** A site visit by trained teams of MSBA staff to observe the impact on the current Education Program of current deficient conditions as identified in an SOI.

**C. FURTHER REVIEW:** A cohort of potential projects may not quite be ready to progress to the Feasibility Study stage after the Diagnostic Phase. since further questions about the educational plan may exist and may require the following treatment by the MSBA:

**1. Educational Facilities Master Plan Review:** A process where the District uses the MSBA standardized web-form to submit their Educational Facilities Master Plan. Once submitted the Plan is reviewed at the MSBA and follow-up questions, meetings or visits may occur.

**2. Educational Program Review:** A process where the Educational Program of the District is reviewed at the MSBA and follow-up questions, meetings or visits may occur.

**3. Space Planning Review:** A process where the District's current space use and allocation is reviewed by an MSBA contracted space planning expert. Once reviewed, follow-up questions, meetings or visits may occur.

**4. District Budget and Resource Review:** To ascertain whether the District has the current budgetary resources to support a proposed education plan, this process is where the District's

and the city/town historic, current and projected budgets are reviewed by the MSBA. Once reviewed, follow-up questions, meetings or visits may occur.

When there is enough information and data gathered from the Diagnostic Phase and any Further Review has been completed, the MSBA's Board will be presented with the data to make decisions about which SOIs look like good candidates to move forward and which may be deferred for further review in future fiscal years:

**PRIORITY FOR ACTION:** Status once an SOI has been recommended for a Feasibility Study. (If after DIAGNOSTIC REVIEW it is determined that a project is not ready for funding in the next 2 fiscal years, such project will be placed in the "LONG RANGE" designation for continuing discussion.)

**LONG RANGE PROJECTS:** Status of projects where the District wishes the MSBA to review a project as part of a comprehensive local master plan, but is not an immediate priority for the District or the MSBA. This could also apply to projects which are determined affirmatively by the Board for review in a future fiscal year when resources are projected to be available at the MSBA.

As you can see, there is a great deal of diagnostic work to be done and in most cases, the MSBA is relying on the cooperation of the District to provide a clearer view of their need so that all Districts can receive the same consideration by the MSBA. We have visited over 170 schools in the past two months and will continue apace until the job is done. As we strive to create the MSBA Capital Pipeline, I look forward to working with you and the other elected officials from your District.

Sincerely,



Katherine P. Craven  
Executive Director