

Building Better School Facilities: The Infrastructure Deficit



The challenges facing Hawaii's Schools



Farrington Roof Collapses



Keolu Elementary Roof Blows Away



Sweltering Classrooms



Heat rash from going to school

35 Celsius is equal to 95 Fahrenheit

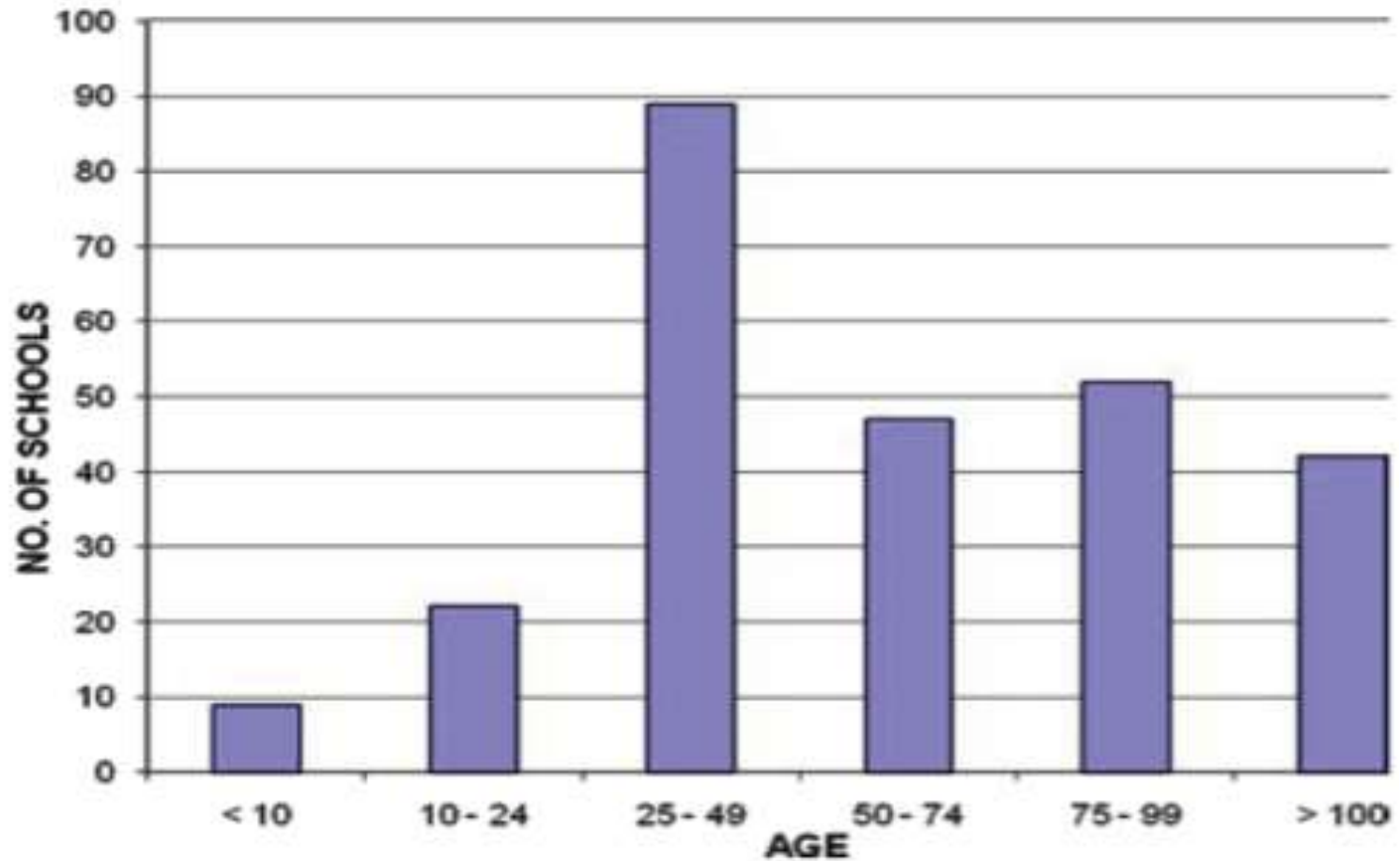
Everyday experience



Current state of DOE facilities

- ▶ Single, statewide district of 255 schools
 - 9th largest school district in nation
- ▶ 2,880 facilities, including 3,872 buildings
- ▶ 44.6 million square feet of building space
 - **3,978 acres of land**
- ▶ \$5 billion estimated replacement value
- ▶ **Required Acreage:**
 - Elementary 12.5 acres
 - Middle 16.5 acres
 - High 49 acres

Average School Age: 65 Years



Hawaii Needs Better Facilities

Most Hawaii public schools are built on horizontal designs that are outmoded and not aligned with modern learning environments.

- ▶ Safety Issues
- ▶ Inadequate electrical systems
- ▶ Insufficient cabling, broadband, technology
- ▶ “Cells and bells” structures with immovable walls
- ▶ Crumbling schools



Hawaii Needs to Update its Public School Facilities

- ▶ High cost of maintenance from large campus structure
- ▶ Unsustainable landscaping
- ▶ Difficult to secure campus and buildings during a lock down
- ▶ Portables



Challenges with R&M Cycle

- ▶ School complexes on all islands suffer from aging schools, maintenance backlogs, and budget shortfalls
- ▶ Current R&M backlog (as of 2014) = approx. **\$280 million** (down from \$720M in 2001)
- ▶ At current pace, would take 150 years to repair all schools



Facilities and student achievement

- ▶ Research shows that school facilities have a measurable impact on student achievement.
 - Direct effects of school facility condition, design and utilization include student and staff attendance, teacher retention and curriculum offerings.
 - 19 of 20 studies analyzed by 21st Century School Fund showed a positive correlation between the achievement of students and the condition of the school facility.



How are other states funding schools?

▶ Colorado BEST program:

- BEST funds can be used for construction or renovation of existing school facility systems and structures
- BEST receives revenues from the School Trust Lands, Marijuana Excise taxes, Colorado Lottery spillover proceeds and interest



Focus of CO BEST on Excellent Schools

The BEST program supports:

- Sustainable sites
- Water efficiency
- Energy & Atmosphere
- Materials & Resources
- Indoor Environmental Quality
- Innovation in Design

- ▶ 64 of the 235 BEST projects are either a New School or Major Renovation project




Building Better Learning Environments

- ▶ Hawaii's Keiki Deserve Better
- ▶ Community-focused renewal of schools
- ▶ Cascading effect of a better learning environment



What is a Modern Learning Environment?


- ▶ Accommodates a wide range of personal learning styles
 - ▶ Updated facilities allow for new forms of team teaching, cooperative learning, project-based learning
 - ▶ Students learn from and interact with the community
 - ▶ New strategies for school design
 - ▶ Flexible and adaptable floor plans and facilities
 - ▶ Advanced technology and energy efficient
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Learning Environment Goals


- ▶ Provide access to public school facilities equipped for most current teaching and learning pedagogy.
- ▶ Create educational equity amongst all Hawaii's Keiki.
- ▶ Promote urban renewal and economic development through co-location of schools, land-use efficiencies and urban planning.
- ▶ Develop a sustainable, system-wide plan for school modernization.




7-Step Plan

1. Implement statutory and systemic changes to public land management and school facilities planning and development;
 2. Leverage vacant, underused public school lands & assets;
 3. Provide excellent facilities so that the DOE can implement aspirational teaching and learning techniques, curriculum and innovation
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7-Step Plan

4. Build public will through community engagement;
 5. Provide for a sustainable financing mechanism;
 6. Employ public-private partnerships to maximize resources, opportunities;
 7. Promote urban renewal, economic development, and job growth;
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Systemic Plan Overview

- ▶ **Baseline Research and Assessment**
 - Facilities, Real Estate, Public Opinion, etc.
 - ▶ **Urban Renewal**
 - Land Use, Economic Development, Transit Oriented Development Opportunities
 - ▶ **Sustainable Financing**
 - Finance and Developer Alternatives, Public–private partnerships
 - ▶ **Community Engagement**
 - Public Will Campaign, Communications, Change Management
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The Work Done So Far...




Heat abatement program faces many challenges and doesn't solve the problem...




- ▶ \$1.7 billion price tag for installing AC units in schools statewide
 - The DOE is pursuing alternative methods of cooling classrooms
- ▶ One major impediment is that the majority of schools are more than 50 years old
 - The electrical grids must be upgraded before AC can be installed

About HIPA

- ▶ Hawaii's first non-governmental public policy institute
 - ▶ Conducts policy research on key issues facing Hawaii
 - ▶ Completed over 20 policy initiatives and reports
 - ▶ Raised over \$10 million to support public policy initiatives
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HIPA Role: System-wide Plan

- ▶ HIPA brings policy expertise, knowledge of alternative funding mechanisms, and systemic approach.
 - ▶ Only through laulima can our keiki get the learning environments that they deserve.
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Financial Supporters and Partners



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Progress on Renewing Schools



- ▶ Research and analysis of modern learning environments and impact on students
- ▶ Worked extensively with key stakeholders
 - Educate policymakers on the importance of modern learning environments, resulting in the passage of Act 155
 - Working to have DOE solidify the pilot projects from concept to concrete

2012 Symposium

- ▶ Coordinated with several groups to organize support
 - Randy Moore, former assistant school superintendent for facilities and support services
 - Mary Filardo of the 21st Century School Fund
- ▶ Attended by many members of the public and private sectors
 - School officials
 - Lawmakers
 - Building and construction industry representatives
- ▶ Sought to highlight the pressing issues
 - Schools that did not have adequate electricity or ventilation
 - Hawaii was then the lowest for capital outlay (51st in the nation including DC), spending on average \$300 per student over four years when the national average was over \$1,000

21st Century School Funds Solution

- ▶ Based on successful models on the mainland and abroad, including Canada and England
 - Mary Filardo began a campaign in 1989 to improve the condition of her children's school in Washington, D.C., by finding a developer to build an apartment building on the school's property.
 - In 2001, a developer completed a 208-unit apartment building on the school property and a new three-story school building.
 - "We said that we had some underutilized land," said Filardo about her experience in Washington, D.C. "And we had some revenue we could generate from the development of land that would, through propriety taxes and through lease payments or sale, that could generate revenue, and we used this to rebuild this -- my children's elementary school."

Act 155 of 2013

- ▶ Has the DOE examine five school sites for redevelopment
- ▶ Of the five sites, three will be selected to build pilot projects
- ▶ A compromise that gives the DOE five years to identify the sites and execute the leases, but doesn't place a restriction on the timing of the construction itself.



Pilot Projects


- ▶ Act 155 (Session Laws of Hawaii, 2013)
 - Purpose: “To optimize the use of public school lands, generating opportunities to improve public schools facilities and infrastructure that meet the challenges of 21st century standards.”
 - Revenue generated from the pilot program will be used to “build, repair, retrofit and maintain schools as the DOE brings education into the 21st century.”

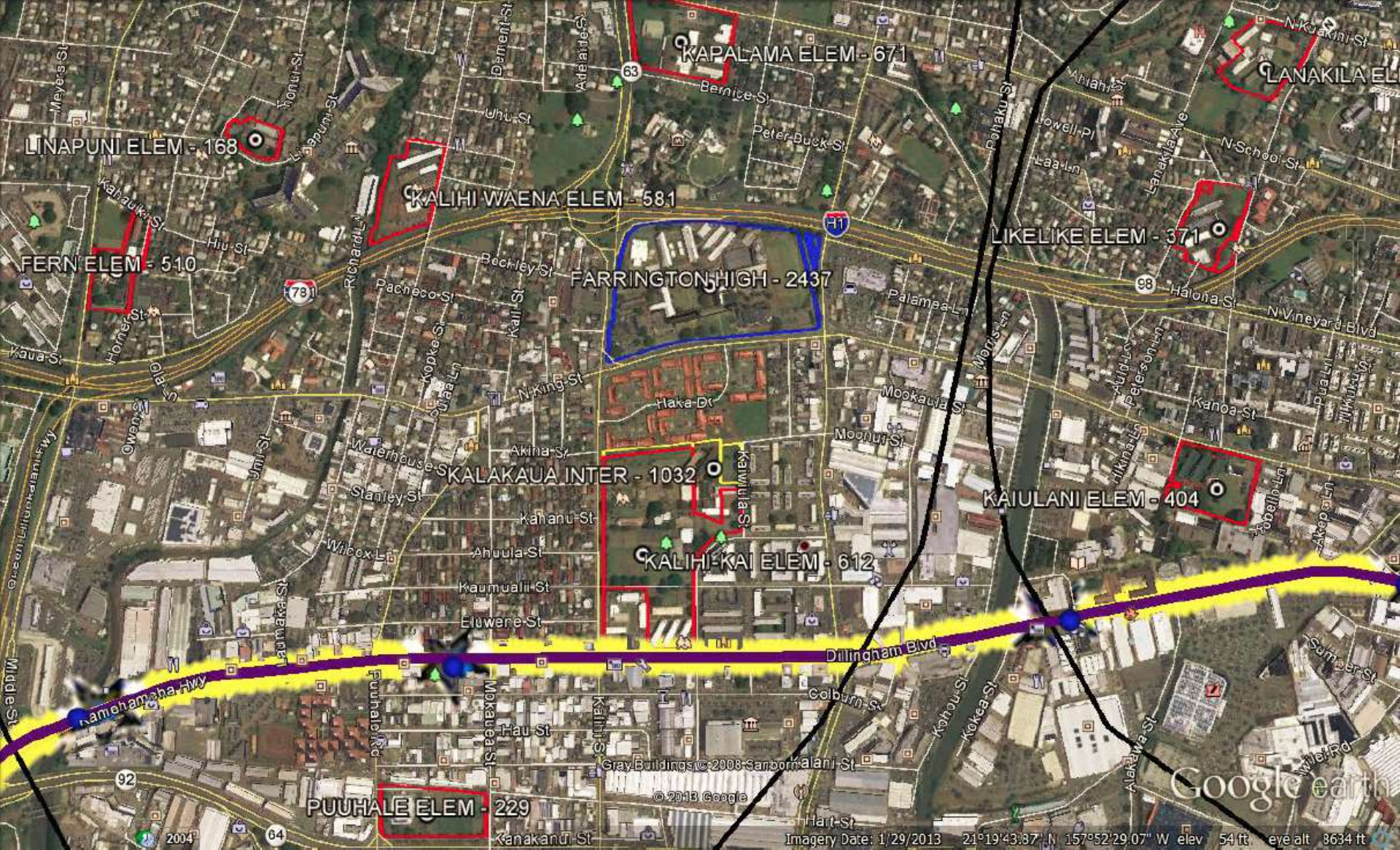


Act 155 (2013) requirements

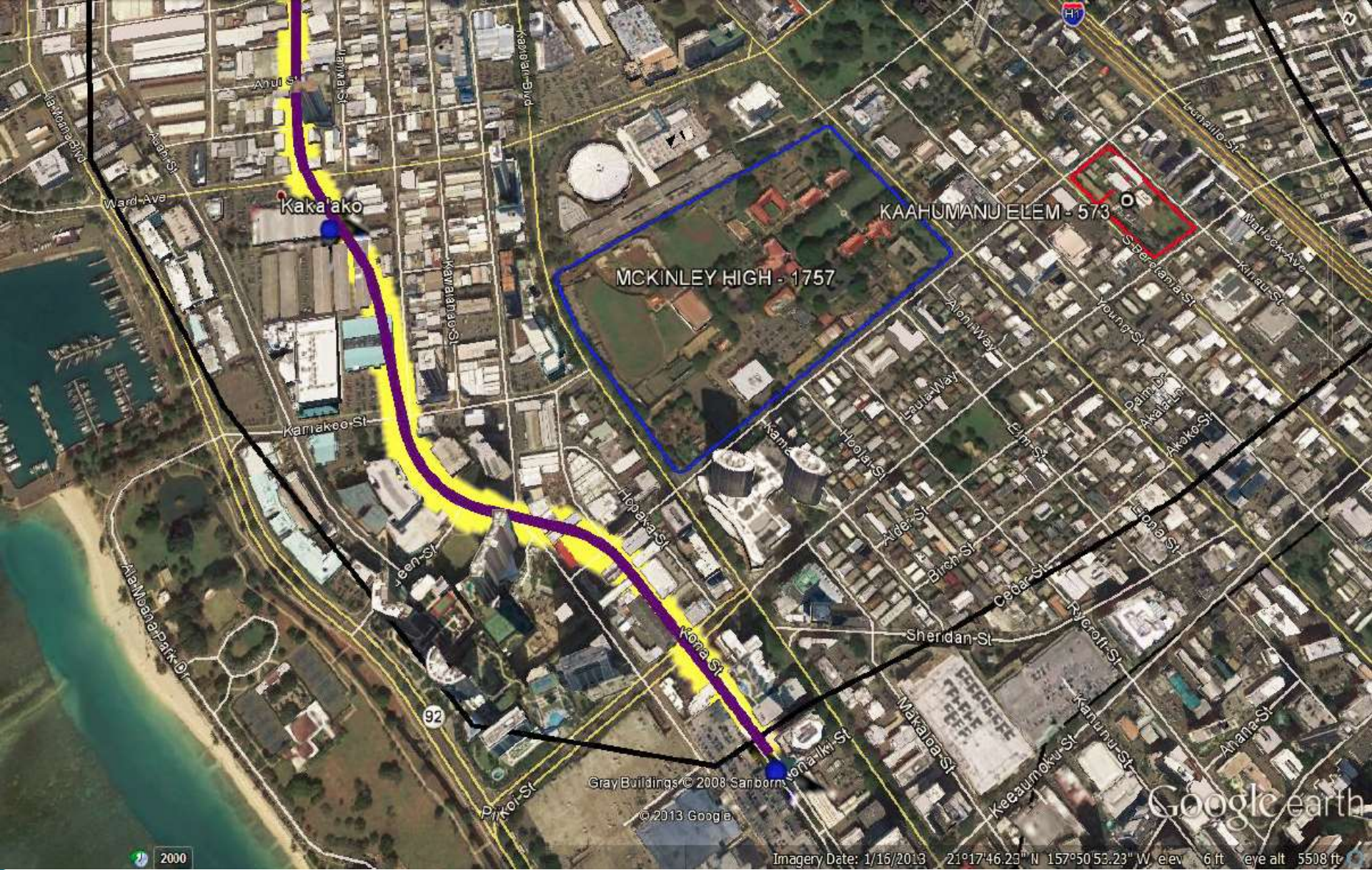
- ▶ The DOE may lease public school land for no more than three public school land sites
- ▶ Leases for a term of not more than 55 years
- ▶ Any redevelopment must comply with county plans, ordinances, zoning, and development codes with appropriate permits
- ▶ Any lease through DOE shall be fully executed no later than five years from the effective date of Act 155
- ▶ Lessee may retain any revenue generated provided that:
 - Lessee is obligated to maintain and operate the facilities
 - Lessee must pay all property tax on value of improvements
 - A leasehold premium may be charged to the lessee for using public school land based on a bid process
 - Upon expiration of the lease the facilities shall revert to the DOE
 - All revenues and proceeds derived by the State shall be deposited in the school facilities subaccount

Systemic Plan: Real Estate Evaluation

- ▶ Hallstrom Group conducted evaluation of Dept. of Education land inventory
 - 255 school sites, 50 libraries and other non-education sites
 - ▶ Jones Lang LaSalle conducted development study
 - Identified developable parcels and assessed market potential
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Farrington Complex



McKinley HS / Queen Kaahumanu ES



Jefferson ES/HSDDB/Waikiki ES


Update on Act 155

- ▶ Act 155 requires the DOE to report to each legislative session after its passing
 - “DOE report due 20 days prior to 2014 Leg. session and each regular session thereafter until the completion of each project authorized pursuant to this Act.”
 - **The DOE did not publish its report during the 2016 legislative session**
 - No word on the current status of Act 155 from the DOE website

Previous DOE report from 2015

- ▶ Previous DOE Legislative Report from 2015 did not identify any sites for development
 - Reported progress on creating “site selection criteria”
 - Requested that the \$100,000 provided by Act 155 for each of the first two years be followed up by an additional \$150,000 per year for the remaining 3 years
 - Cited concerns regarding “public purpose” uses, “competitive bid process”, and whether or not the DOE is allowed to enter into P3’s
 - Lists June 2018 as the deadline to Select Developer and Issue Lease

DOE Role: Implementation

- ▶ Creating 21st Century Office
 - ▶ Responsible for implementation of pilots
 - ▶ Conducting Facilities Assessment
 - ▶ Utilizing Community Engagement in design process
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The Next Steps

- ▶ Aligning leadership on improving public school facilities
 - ▶ Adopting innovative funding mechanisms
 - ▶ Building community expectation for excellent public education in excellent facilities
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