



# **Pre-Development Work Session & Public Hearing FY 2024 Capital Budget and FY 2025-2029 Capital Improvement Program**

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**August 16, 2022**



# FY 2024 Capital Budget Timeline

## Approximate Dates (Subject to Scheduling Changes)

8/16/2022	Pre-Development Work Session/Public Hearing
9/8/2022	Presentation of the Superintendent's Proposed Budget
9/22/2022	Public Hearing/Work Session and Approval
10/3/2022	County Council Legislation Introduction
10/4/2022	BOE Submission of Proposed State Budget to State
10/6/2022	Planning Board Public Hearing Review
October	Presentation of Proposed State Budget to State - TBD
10/17/2022	County Council Public Hearing Review
12/30/2022	State Budget IAC Hearing
January	State Budget Appeal to BPW - TBD
March	BOE Submission of Requested Budget to County
4/27/2023	BOE Work Session
5/4/2023	BOE Public Hearing
5/25/2023	Adoption of Capital Budget



# Capital Improvement Program

- The Capital Improvement Program and Capital Budget process link capital planning with attendance area planning and addresses long-range planning issues identified in the annual Feasibility Study
- The Capital Improvement Program provides for student capacity, renovations, and various other improvements that the Comprehensive Maintenance Plan, staff, parents, and community leaders have identified as needs
- Criteria included in the evaluation of a project include:
  - Capacity and program needs
  - Age of facilities, systemic condition, time since last renovation
  - Curriculum, Security, and Technology plans,
  - State eligibility of funding
  - Financial parameters, (funding availability, cost benefit analysis)
- Challenge: balance growing need within fiscal constraints
  - Capacity issues, aging facilities, and growing program needs



# Challenge of Balancing the Capital Needs.

## Challenge: balancing capacity needs, asset management, programmatic needs

- Continued enrollment growth through 2030
  - Local funding required for planning costs, construction cost (local share if state participated), and close-out costs
- 80+ buildings to maintain; many of which are aging at the same rate with systemic systems coming to the end of their useful life cycle at the same time
  - Local funding required for planning costs, construction cost (local share if state participated), and close-out costs
- Programmatic and spatial needs growth throughout the school system
  - Needs for space beyond strict capacity, for educational and special programs, prekindergarten, and growing staff within each division

**Funding Source Balancing Challenge:** State funding is available for eligible costs on eligible projects at the cost share percentage of 56% State/44% Local for FY2024. Local funding covers the match cost share and non-eligible items for State and Local projects



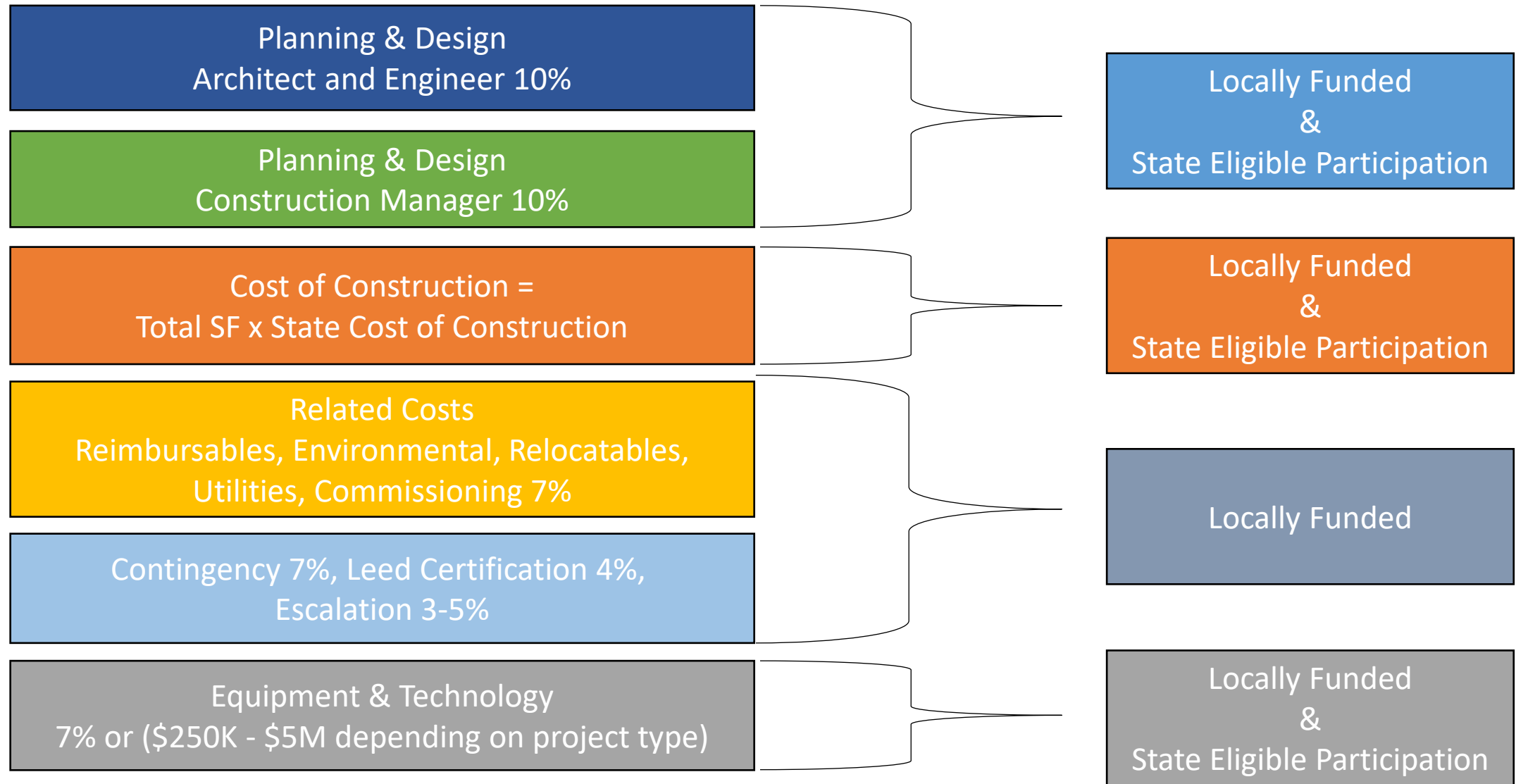
# Coordination with State and Local

## Collaborative effort between the HCPSS, the County, and the State

- Coordination on the prospective long-term project pipeline
- Anticipated annual State allocation for next 10 years \$21.8 million
- Anticipated annual Local allocation for next 10 years \$52 million
- Available State funding sources for FY2024:
  - Capital Improvement Program (CIP) and Enrollment Growth and Relocatable Classroom (EGRC) funding
  - Built to Learn Act (BTL)
  - Pass Through Grant from SB291-2022
- Priority factors considered:
  - Current Capital Budget layout
  - Capacity and Program needs
  - State Facility Assessment Facility Condition Index (FCI) list
  - Deferred Maintenance List



# “Building” a Project Estimate





# FY 2024 Capital Budget Factors

- **State Cost of Construction**

- Beginning of FY18 Budget Cycle: Renovation \$265.00/s.f. New Construction \$315.00/s.f.
- Middle of FY18 Budget Cycle: Renovation \$293.00/s.f. New Construction \$348.00/s.f.
- FY19 Budget Cycle: Renovation \$302.00/s.f. New Construction \$360.00/s.f.
- Beginning of FY20 Budget Cycle: Renovation \$315.00/s.f. New Construction \$374.00/s.f.
- Middle of FY20 Budget Cycle: Renovation \$318.00/s.f. New Construction \$378.00/s.f.
- FY21 Budget Cycle: Renovation \$329.00/s.f. New Construction \$391.00/s.f.
- FY22 Budget Cycle: Renovation \$341.00/s.f. New Construction \$406.00/s.f.
- FY23 Budget Cycle: Renovation \$358.00/s.f. New Construction \$427.00/s.f.
- FY24 Budget Cycle: Renovation \$385.00/s.f. New Construction \$458.00/s.f.

- **State-Local Cost Share Percentage**

- FY16-FY22 55%
- FY23-FY24 56%



# FY 2024 Capital Budget Factors (Continued)

- **County Funding History**

- FY14 to FY15      3%      Decrease
- FY15 to FY16      25%      Decrease
- FY16 to FY17      6%      Increase
- FY17 to FY18      0%      No Change
- FY18 to FY19      27%      Increase
- FY19 to FY20      14%      Decrease
- FY20 to FY21      42%      Increase
- FY21 to FY22      16%      Decrease
- FY22 to FY23      5.2%      Decrease

- **County Funding Outlook**

- FY23 to FY24      4.3%      Decrease (Preliminary Estimate)





# Special Funding Programs and Initiatives

## **Enrollment Growth or Relocatable Classrooms (EGRC)**

- LEAs with FTE enrollment growth equivalent exceeding 150% of statewide average, or
- More than 250 relocatable classrooms
- \$40M through FY26, \$80M in FY27 and thereafter

## **Built to Learn Act (BTL)**

- 6.6 % (\$118,800,000) of \$1.8B reserved for the HCPSS (Original BTL legislation is \$2.2B)
- Anticipated projects to include Oakland Mills MS, Dunloggin MS, and the Faulkner Ridge Center (FRC)

## **Healthy School Facility Fund (HSFF)**

- \$40M appropriated in FY23, \$90M to be appropriated in FY24, FY25, and FY26
- 50% funds reserved for Baltimore City through FY26
- \$45M distributed via competitive application process to remaining 23 LEAs

## **School Safety Grant Program (SSGP)**

- Notification of FY23 Funding allocation has been received for \$509,000
- Competitive Grant Application process is progressing

## **Ageing Schools Program (ASP)**

- FY23 HCPSS allocation is \$87,776

## **Pass Through Grant from SB291-2022 (PTG)**

- \$35M allocated to Howard County
- Projects to receive this funding is decided by the County

**\*The EGRC, BTL and HSFF require the local match. The SSGP, ASP, and PTG do not require the local match.**



# FY 2024 Capital Budget Projects

NEW CAPITAL PROJECT	TARGET OCCUPANCY
High School #13	September 2023
Oakland Mills MS Renovation/Addition	September 2027
Dunloggin MS Renovation/Addition	September 2027
Faulkner Ridge Center	September 2026
New Elementary School #43	September 2026

ONGOING CAPITAL PROJECTS	
Systemic Renovations	Site Acquisition & Construction Reserve
Roofing Projects	Technology
Playground Equipment	Planning & Design
Relocatable Classrooms	Barrier Free



# Pre-Development Work Session/Public Hearing

## FY 2024 Capital Budget and FY 2025-2029 Capital Improvement Program

Questions?

Thank You