

350 - Superintendent of Public Instruction
 Capital Project Request

2025-27 Biennium

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Version: C1 2025-27 Capital Budget

Report Number: CBS002

Date Run: 9/12/2024 4:41PM

Project Number: 40000146

Project Title: 2025-27 School District Health and Safety

Description

Starting Fiscal Year: 2026
 Project Class: Grant
 Agency Priority: 5

Project Summary

The Office of Superintendent of Public Instruction (OSPI) requests \$31 million to continue the school health and safety programs funded by the Legislature in previous biennial capital budgets. The health and safety programs continue to support the needs of school districts statewide who do not have the financial resources to address long-standing and urgent concerns to provide students with safe, healthy, and comfortable learning environments. This continuing grant program will provide three grant opportunities to address the following facility needs: health and safety; equal access; and emergency repairs.

Project Description

School districts rely on capital levies and debt-service levies (also referred to as bond measures) which require voter approval to pay for minor repairs and major renovations of school facilities. Many factors influence a district's ability to pass levies or bond measures, including the assessed property values in a district. School districts with lower assessed property values will require a higher tax rate to raise the same amount of tax dollars as a school district with higher assessed property values. Capital levies require 51% approval from their voters, while bond measures require a higher threshold at 60% plus one vote. Through August 2024, twenty-one school districts have offered 21 bond issuances to their voters, and only 7 (33%) of the bond issuances have passed and the remaining 14 (67%) issuances failed.

This request would continue the funding of grants to support school districts to make needed health and safety repairs which impact student learning.

Health and Safety and Equal Access Grants: \$20 Million

The Legislature funded the Urgent Repair Grant Program in the 2023-25 Biennial and 2024 Supplemental Capital Budgets with an appropriation of \$12.7 million to assist school districts in paying for non-recurring costs associated with school facility repairs and renovations necessary for health, safety, and equal access. The program included the following restrictions: 1) limiting recipient district applications to \$500,000 every other biennium; 2) prioritizing applications based on limited school district financial resources for the project; and 3) requiring any district receiving funding to demonstrate a consistent commitment to address school facility needs. In addition, the Legislature provided \$4.6 million to Equal Access Grants to improve compliance with the Americans with Disabilities Act(ADA) and Individuals with Disabilities Education Act (IDEA).

In the 2023-25biennium, OSPI received application requests totaling \$48.7 million from 107school districts for Urgent Repair Grant funding. OSPI was able to fund 40 school districts applicants with funds from the 2023-25 enacted and 2024 supplemental capital budget. Project funded includes repairs such as upgraded fire alarm systems, replacement of failed heating and cooling systems, and removal. The proposed grant program will continue to provide funding to school districts to address deferred maintenance projects focusing on health and safety issues which impact learning. Grants will be awarded at the beginning of the biennium, and school districts will be expected to complete the projects before the end of biennium in which the funds are awarded.

Besides bond or levy failures, the following grant criteria were also used to determine priority for funding:

- Overall age and condition of facility systems and subsystem.
- Assessed property valuation per student as compared to state averages.
- Assurance by all school districts receiving funding to demonstrate a commitment to maintain any major improvements funded.
- Financial capacity and resources; and
- Other criteria developed by a project review committee comprised of school district facility managers and other stakeholders.

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OSPI requests \$15 million in funding for the Urgent Repair Grant Program to continue with helping school districts with facility repairs and renovations needed for health and safety of the students and staff.

The Legislature provided \$5 million in funding in the 2023-25 Biennial and 2024 Supplemental Capital Budgets, for Equal Access Grants for school districts to improve compliance with the ADA and IDEA. School districts were limited to one grant, not to exceed \$100,000 in a three-year period, and were required to demonstrate a consistent commitment to addressing school facility needs. In the 2023-25biennium, OSPI received application requests totaling \$7.1 million from 63school districts. OSPI was able to fund only 53 of these applicants, with projects ranging from making agricultural facilities wheelchair accessible to purchase of accessible playground equipment.

OSPI requests \$5 million in funding for Equal Access Grants to continue with aiding school districts with facility repairs and renovations needed for equal access of students and staff.

This request merges the Urgent Repair Grant and Equal Access Grant Programs into one grant program to gain administrative efficiencies. Our experience working with district grant applicants shows that some projects qualify for both grant programs. The combined grant program would merge the criteria of the two programs and adjust the prioritization process to provide favorable funding to the school districts trying to access both the grant programs.

Emergency Repair Pool: \$11.0 Million

The Legislature first appropriated K-12 Emergency Repair Pool funding beginning in the 2011-13 Biennial Capital Budget to address unexpected and imminent health and safety hazards at K-12 public schools, including skill centers, which have an impact on the day-to-day operations of the school facility.

Emergency Repair Pool Grants are for school districts that do not have the financial resources to fix and repair building systems which impact health, safety, and student learning.

The Legislature provided \$11 million in funding in the 2023-25 biennial and 2024supplemental capital budgets for the emergency repair pool and as of August 2024, OSPI has provided a total of \$7.2 million in funding to 27 district projects that required immediate remedies. Examples of projects funded are many HVAC and roof replacements to water line repairs and replacements.

OSPI seeks\$11.0 million in funding to continue this successful program and will continue using the Legislature's established criteria below when granting funding:

- An emergency declaration must be signed by the school district board of directors.
- The emergency declaration must include a description of the imminent health and safety hazard, the possible cause, the proposed scope of emergency repair work and related cost estimate, and identification of local funding to be applied to the project; and,
- Grants of emergency repair moneys must be conditioned upon the written commitment and plan of the school district board of directors to repay the grant with any insurance payments or other judgments that may be awarded.

Total Funding Request for School District Health and Safety: \$31.0 Million.

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What will the request produce or construct (i.e., building predesign or design, construction of additional space, etc.)? When will the project start and be completed?

School districts rely on capital levies and bonds, which require voter approval, to pay for major and minor repairs at school facilities. Many school districts have been unsuccessful in passing capital levies or bonds and do not have the financial resources to address safety, health, and equal access issues that have a direct impact student learning.

This request continues grant programs that provide school districts with the resources to address health, safety, and equal access concerns so students have a safe and healthy environment for learning.

How would the request address the problem or opportunity identified by your proposed project? What would be the result of not taking action?

Local school districts will receive funding to make needed major and minor repairs to schools to provide a safe and healthy learning environment for students.

These major and minor repairs will help districts preserve their school facilities and extend their useful life which may delay the need for a major school replacement through the SCAP.

What alternatives were explored? Why was the recommended alternative chosen?

Bond elections and issuing levies require a lot of time in planning and would not serve the school districts well in case of imminent health and safety and equal access issues. Hence this grant program is the only feasible option available.

Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.

This grant program will allow districts who do not have the financial resources to make major and minor repairs to schools to address needed safety and health repairs which impact student learning.

Does this project or program leverage non-state funding? If yes, how much by source? If the other funding source requires cost share, also include the minimum state(or other) share of project cost allowable and the supporting citation or documentation.

Local school district funds will not be required to apply for the competitive grant programs or request funding from the emergency repair pool.

Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, masterplans, space programming, and other analyses as appropriate.

This project supports Superintendent Reykdal's K-12 education vision of his goal for Washington's public education system to prepare every student who walks through our school doors for post-secondary aspirations, careers, and life.

Does this decision package include funding for any Information Technology related costs including hardware, software (to include cloud-based services), contracts or staff? If the answer is yes, you will be prompted to attach a complete IT addendum. (See Chapter 10 of the operating budget instructions for additional requirements.)

N.A.

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If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 14 (Puget Sound Recovery and Governor’s Salmon Strategy) in the 2025-27 Operating Budget Instructions.

This project does not impact the Puget Sound Action Agenda.

How does this project contribute to meeting the greenhouse gas emissions limits established in RCW70A.45.050, clean buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate. For buildings subject to the clean buildings performance standards, describe your compliance pathway for the building, and include information about energy audits, metering, and energy benchmarking

The projects will meet Office of Superintendent of Public Instruction’s Washington Sustainable Schools Protocol. In addition, any old and inefficient HVAC systems will be replaced with new energy efficient systems to reduce overall energy usage.

Is this project eligible for Direct Pay? If the answer is yes, you must include this project to the list of direct pay projects and information for submittal (see Chapter 1.7 of the capital budget instructions for additional instructions).

This data collection effort is not eligible for direct pay opportunities.

Location

City: Olympia

County: Statewide

Legislative District: 098

Project Type

Grants

Grant Recipient Organization: Local School Districts

RCW that establishes grant: 28A.525

Application process used

OSPI will continue the competitive grant processes for the Urgent Repair and Equal Access Grant Funding. The Emergency Repair Pool grant program will mirror the requirements established by the Legislature in the 2019-21 biennial capital budget.

Growth Management impacts

School districts are responsible for determining whether and how they need to participate in the planning process with the city or county planning authority.

Funding

Acct Code	Account Title	Estimated Total	Expenditures		2025-27 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	155,000,000				31,000,000
	Total	155,000,000	0	0	0	31,000,000
Future Fiscal Periods						
		<u>2027-29</u>	<u>2029-31</u>	<u>2031-33</u>	<u>2033-35</u>	

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		Future Fiscal Periods			
		2027-29	2029-31	2031-33	2033-35
057-1	State Bldg Constr-State	31,000,000	31,000,000	31,000,000	31,000,000
	Total	31,000,000	31,000,000	31,000,000	31,000,000

Operating Impacts

Total one time start up and ongoing operating costs

Narrative

No Operating Budget Impact.

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<u>Parameter</u>	<u>Entered As</u>	<u>Interpreted As</u>
Biennium	2025-27	2025-27
Agency	350	350
Version	C1-A	C1-A
Project Classification	*	All Project Classifications
Capital Project Number	40000146	40000146
Sort Order	Project Priority	Priority
Include Page Numbers	Y	Yes
For Word or Excel	N	N
User Group	Agency Budget	Agency Budget
User Id	*	All User Ids