DPI School Planning
K-12 School Construction Update

2023 FBS Summer Conference
Research Triangle Park, North Carolina

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NORTH CAROLINA
State Board of Education
Department of Public Instruction

DPI School Planning Section

- ## Nathan Maune, AIA
  - *Section Chief, Legislation, Budget, Publications*

- ## Teri Williams
  - *Office Manager, Review Certificates, Athletic Facility Grants*

- ## Jon Long, AIA
  - *Architectural Reviews, Green Ribbon Schools, Capital Projects*

- ## Architect (vacant)
  - *Architectural Reviews, Publications, Capital Projects*

- ## Dennis Hilton, PE
  - *Structural Reviews, Lottery Capital Funds*

- ## Frankie Sykes, PE
  - *Mechanical Reviews, Plumbing Reviews, Capital Projects*

- ## Jonathan Jones, PE
  - *Electrical Reviews, Capital Projects, HUB Coordinator*

DPI School Planning Updates

- K-12 Design Review Updates

- K-12 Consolidated Facility Database Project

- 2020 Statewide Facility Needs Survey

- Capital Funding (NC Education Lottery)
    - PSBCF
    - NBPSCF
    - PSBRRF

- Questions / Discussion

Design Review Updates

- Electronic Submittals – PDF Format

- Average 224 Reviews / Year 2015-2021

- 484 Reviews Completed in 2022

- 315 Reviews Completed YTD in 2023

- 255 Projects Currently Under Review

- Historic Review Cycle is 2-to-4 Weeks

- Current Backlog is 5-to-7 Weeks

https://www.dpi.nc.gov/districts-schools/district-operations/school-planning/design-review

K-12 Facility Database

- Created in SL 2021-180 (State Budget)
- SaaS Contract in Final Negotiation (DIT)
- K-12 Facility Data Resource
- Sorting / Filtering / Reporting
- Cooperative Purchasing
- Local Bond Reporting
- RFQ / RFP / Bid Results
- Construction Cost Reporting
- Statute Requires County and District Participation

2020 Facility Needs Survey

- New Schools
  - 131 New Schools – 111,156 Students
- Additions
  - 312 Schools
    - 2,045 Classrooms
    - 99 Gymnasiums
    - 59 Cafeterias
    - 39 Media Centers
- Renovations
  - 1,594 Schools
- School Replacement
  - 83 Schools

2020 Facility Needs Survey

- Repairs / Deferred Maintenance   45.1%
- Building Code / Life Safety   18.3%
- Replace Obsolete Facilities   10.3%
- HVAC / Energy Savings   10.0%
- Enrollment Growth   4.0%
- Technology Infrastructure   4.0%
- Other   8.3%

2020 Facility Needs Survey

- 2021 to 2025 = $12.79 Billion
- 2026 to 2030 = $8.83 Billion

Comparison of Five-Year Needs

5-Year Need	2015-16 Survey	2020-21 Survey	% Change
New Schools	$ 2,787,390,899	$ 4,827,615,231	73.19%
Additions	$ 1,632,766,326	$ 1,655,892,689	1.42%
Renovations	$ 3,098,241,811	$ 5,632,942,480	81.81%
Furnish / Equip	$ 486,474,110	$ 613,032,104	26.02%
Land	$ 57,883,543	$ 64,638,630	11.67%
Total	$ 8,062,756,689	$ 12,794,121,134	58.68%

Lottery Capital Funds

- Public School Building Capital Fund (1987)
  - Original Funding – Corporate Tax Revenue
  - $100 Million / Year
  - ADM-Based Allotment

- Needs-Based Public School Capital Fund (2017)
  - Joint Application Process
  - Critical Facility Needs
  - Local Matching Funds

- Public School Repair & Renovation Fund (2021)
  - $50 Million / Year
  - Equal Allocation to 100 Counties
  - Repair, Renovation, Expansion of Classroom Facilities

https://www.dpi.nc.gov/districts-schools/district-operations/school-planning/capital-funding

NBPSCF

- Eligibility Criteria
    - Adjusted Market Value of Taxable Real Property
    - NC Department of Revenue (data source)

- Maximum Grants
    - $30 million – Elementary Schools
    - $40 million – Middle Schools
    - $50 million – High Schools

- Eligible Uses
    - New Buildings, Additions, Repairs, and Renovations

- Local Matching Requirement
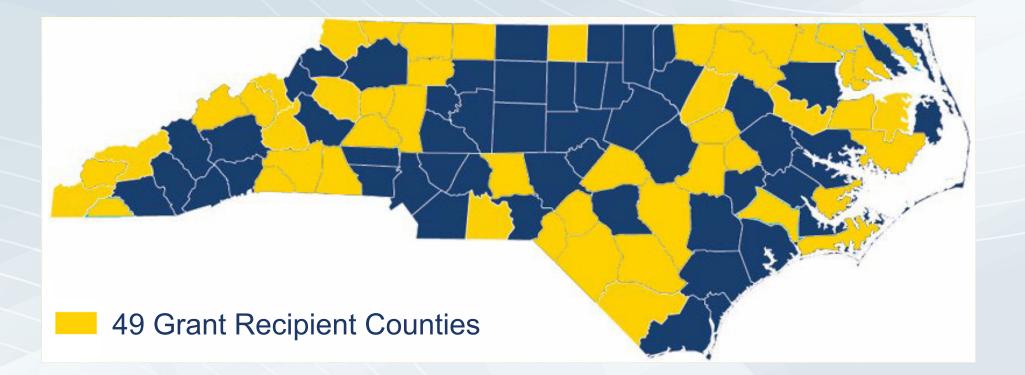   - Ranges from 0% to 35%

NBPSCF

- Application Evaluation Criteria
  - Prior recipients applying for an increase.
  - Counties designated as Tier 1 areas.
  - Counties with greater need and less ability to generate tax revenue.
  - Counties with a high debt-to-tax revenue ratio.
  - Projects that address critical deficiencies.
  - Projects with new construction or complete renovation.
  - Projects that consolidate two or more schools.
  - Counties that have not received a grant in three years.
  - Percentage of District Students Served
  - Start Date of Construction

NBPSCF

- Funding History

  - $ 30,000,000   FY17-18
  - $ 140,684,581   FY18-19
  - $ 58,200,000   FY19-20
  - $ 115,311,011   FY20-21
  - $ 395,785,890   FY21-22
  - $ 437,068,261   FY22-23
  - $ 1,177,049,743   Total

  - 57 Grants
  - 49 Counties

NBPSCF

49 Grant Recipient Counties

NBPSCF (H259 *State Budget Bill*)

- Increases Maximum Grants (proposed)
    - $40 million – Elementary Schools
    - $50 million – Middle Schools
    - $60 million – High Schools

- Establishes Deadline (proposed)
    - Begin Construction Within 18(H) / 24(S) Months of Award

- Establishes Forfeiture Provisions (proposed)
    - Failure to Initiate Construction on Schedule
    - Significant Change to Project Scope
    - False Statement or Information in Application
    - Local Funding is Reduced after Award

NBPSCF

- Anticipated Funding – FY2023-24 Grant Cycle
  - $ 254,252,612   (pending State Budget approval)
  - $_____*   (excess net lottery rev. per GS 18C-164)
  - $ 254,252,612+ Total (*excess lottery revenue TBD)

- FY2023-24 Submittal and Award Schedule
  - Aug. '23 – Application & Guidance (anticipated)
  - Sep. '23 – Application Deadline (anticipated)
  - Oct. '23 – Grant Award Announcements (anticipated)

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PSBRRF

- Public School Repair & Renovation Fund
  - $50 Million / Year
  - Equal Allotment to 100 Counties
  - Procedures Similar to Annual Lottery (PSBCF)

- Eligible Expenditures
  - Repair, Renovation, Expansion of <u>Classroom</u> Facilities
  - Planning / Design / Construction

- Not Eligible
  - Debt Service Payments
  - Central Administration, Transportation Facilities

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Questions...?

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