

# 2008 New Funding Allocation and Capital Plan for SDA Districts

Management's Presentation to the SDA Board

July 8, 2008

## **Process Overview**

- ❖ June 2007 DOE commenced preparation of Education Facilities Needs Assessment to inform SDA planning
- ❖ June 2007 collaborative process initiated with DOE, SDA and Districts to identify top 3-5 priorities in each district
  - Goal to align District priorities with educational need
  - Identified critical needs within Districts
- ❖ April 2008 DOE initiated analysis of most critical projects among all districts based on district-identified priorities
  - Applied ranking criteria based upon educational adequacy
  - Established hierarchy among projects

## **Process Overview (continued)**

- ❖ SDA, in consultation with DOE, applied newly available funding and programmatic policies and goals leading to development of 2008 Funding Allocation Plan
- ❖ Commencing in or about January 2009, SDA in consultation with DOE, Districts, and governing bodies in SDA Districts will develop strategic plan reflecting identified needs for future funding

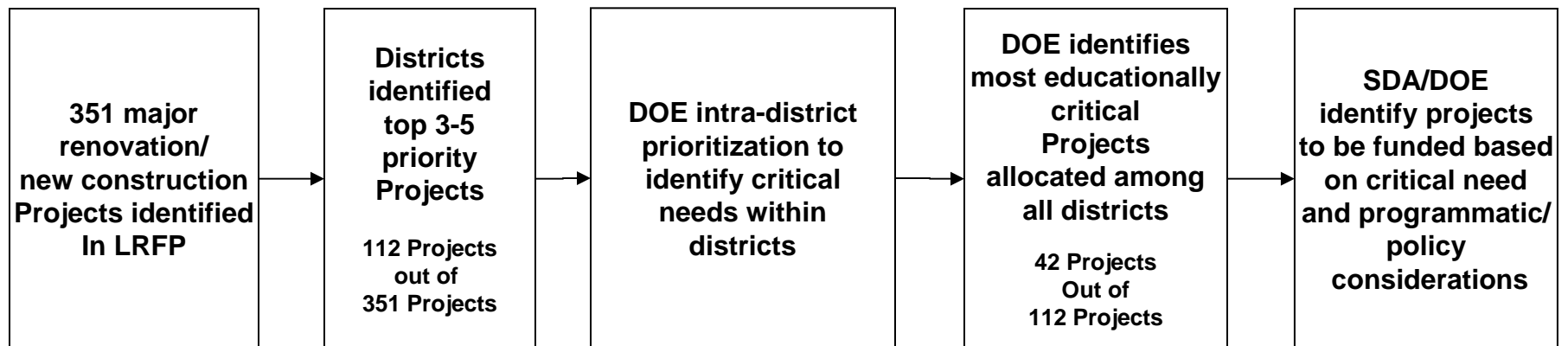
## **Goals of the 2008 New Funding Allocation and Capital Plan for SDA Districts**

- ❖ Complete 2007 Deferral Plan phase funded projects previously approved through preparation of bid documents
- ❖ Recognition of significant State investment (Sunk Costs)
- ❖ Equitable distribution of limited resources
- ❖ Full funding of Projects
- ❖ Maintain adequate Reserves for planning, emergent projects and other unforeseen events
- ❖ Provide for District Specific Adjustments

## Complete 2007 Deferral Plan Phase Funded Projects

- ❖ Deferral Plan efficiently allocated then-remaining resources:
  - Fully funded 32 projects
  - Phase funded 27 projects  
Through preparation of bid documents
  - Retained adequate Reserve for emergent projects and other unforeseen events
  
- ❖ First priority for additional funding allocation
  - Fund Deferred projects through Completion
  - Projected Notice-to-Proceed dates subject to refinement
  - Total Estimated Cost to Complete: **\$ 970.6m**  
(Includes Anticipation of finalization of publicly articulated plans subject to DOE Approval)

## Methodology for Determination of Need



## Financial Assumptions

<b>Funding - July 1, 2008</b>	<b>\$2,900,000,000</b>
+ Existing Reserve for Emergent Projects & Unforeseen Events (as of 6/30/08)	\$147,067,501
+ Forecasted Interest Earnings on New Funding Allocation <sup>^</sup>	\$54,300,000
- Estimated Costs to Complete May 2008 Emergent Projects	\$57,000,000
- Estimated Program Costs (related to new funding through 2013; G&A @ 3%)	\$90,000,000
<b>Total Net Funding</b>	<b>\$2,954,367,501</b>
- Cost to complete Deferred Projects*	\$970,554,176
<b>Funding for Proposed 2008 New Funding Allocation &amp; Capital Plan</b>	<b>\$1,983,813,325</b>
- Reserve for Unforeseen Events	\$150,000,000
- Reserve for Emergent Projects	\$40,000,000
- Reserve for Adjustments to Planning Estimates	\$100,000,000
<b>Remaining for major Facility Projects</b>	<b>\$1,693,813,325</b>

<sup>^</sup> - Forecasted Interest earnings based on average rate of return experience over the previous 24 months

\* - Includes Anticipation of finalization of publicly articulated plans subject to DOE Approval

# Methodology for Identification/Inclusion of New Projects

## First

### Educational Assessment

- **Inter-District Prioritization Rating Criteria**
  - District Size
  - Overcrowding based on existing enrollment
  - Preschool accommodations
  - Temporary and leased facilities
  - Annexes and remote buildings
  - Building age
  - Program Delivery
  - Facility Efficiency
  - Standards compliance
  - Long Range Facility Plan percentage complete

## Second

### State Investment

- **Alignment of State financial investment with DOE/District educational priority alignment**
  - Maximize educational benefit of prior funding investment
  - Complete projects with investments exceeding \$3m each for previously performed preconstruction activities

## Third

### Equity & Specific Adjustments

- **Equity Adjustments**
  - All districts to have at least one project funded through this authorization
  - No district to have more than four projects funded through this authorization, except if fifth project has Sunk Costs exceeding \$3m
- **District Specific Adjustments**
  - Address Higher Educational Priority
  - Result in Net Reduction of Costs



## 2008 New Funding Allocation and Capital Plan - SDA Districts

<b>Summary</b>	
<b>Completion of Deferred Projects</b>	<b>27</b>
<b>Newly Funded Projects</b>	<b>26</b>
<b>Total Projects</b>	<b>53</b>

**2008 New Funding Allocation and  
 Capital Plan - SDA Districts (continued)**

<b><u>Projects</u></b>	<b><u># of Projects</u></b>	<b><u>Cost</u></b>
<b>Completion of Deferred Projects</b>	<b>27</b>	<b>\$970.6m</b>
<b>Newly Funded Projects</b>	<b>26</b>	<b>\$1,679.0m</b>
<b>Reserve</b> (for Planning, Emergent Projects and other unforeseen events)		<b>\$304.8m</b>
<b>Total</b>	<b>53</b>	<b>\$2,954.4m</b>

## **Presentation of Projects to be Funded**

### ❖ Listing of Projects - Alphabetically by District with Cost Estimates

- Cost Estimates based upon planning estimates and refined benchmarked assumptions
- Anticipated cost adjustments are supported by the \$100m planning reserve

### ❖ Listing of Projects - by Notice-to-Proceed Date

- Like listing of Projects with Cost Estimates - based upon planning estimates and refined benchmarked assumptions
- Provides sense of direction of rollout
- Recognizes importance of initiating work quickly
  - Availability of Education Facilities
  - Economic Stimulus
- SDA possesses the priority setting, planning, and controls to manage the rollout

This chart has been reformatted from the original version presented to the SDA Board to provide an easy-to-read format and to clarify distinctions between total estimated project costs and estimated costs to be funded strictly through the new \$2.9 billion allocation.

## 2008 New Funding Allocation & Capital Plan for SDA Districts

### Listing of Projects to Be Funded Alphabetically by District with Cost

Based on Planning Estimates for 26 New Projects

<b>Color Key</b>
<b>List of 27 Deferred Projects</b>

District	School	Estimated Earliest Notice to Proceed Date	Pre-Construction Phase Costs		Estimated Construction Phase Costs	Estimated Other Costs to Complete	Total Estimated Project Cost	Total Estimated Cost to Complete from 2008 \$2.9b Allocation
			Funding Expended	Estimated Funding To Be Expended				
Asbury Park*	New ES (Bangs Replacement)	May-11	\$1,051,596	\$8,419,606	\$28,191,700	\$1,780,842	\$39,443,744	\$38,392,149
Bridgeton	Broad Street Elementary Reno	May-10	\$243,060	\$8,077,474	\$26,326,493	\$2,677,270	\$37,324,298	\$37,081,238
Burlington City	Boudinot Area ECC	May-11	\$0	\$894,126	\$7,885,360	\$601,426	\$9,380,911	\$9,380,911
Camden City	Pyne Poynt Family M.S.	Jan-09	\$6,245,980	\$1,873,066	\$32,260,917	\$1,355,413	\$41,735,376	\$33,616,330
Camden City	Camden H.S.	Jun-10	\$15,881,769	\$9,224,286	\$76,632,528	\$8,514,725	\$110,253,308	\$94,371,539
Camden City	Lanning Square E.S.	Aug-10	\$2,383,411	\$7,030,936	\$32,777,320	\$2,610,583	\$44,802,250	\$42,418,839
East Orange	George Washington Carver	Jun-10	\$3,246,645	\$2,911,596	\$24,188,643	\$2,687,627	\$33,034,510	\$29,787,865
Elizabeth	Academic Magnet HS (incl. Parking Deck)	Mar-11	\$3,517,063	\$7,235,949	\$82,630,376	\$8,043,665	\$101,427,053	\$97,909,990
Garfield	James Madison School #10	Sep-09	\$3,086,066	\$3,231,503	\$22,669,149	\$1,415,750	\$30,402,468	\$24,084,899
Gloucester City	Middle School - New	Jan-11	\$12,727,683	\$5,037,815	\$44,695,358	\$3,787,742	\$66,248,598	\$53,520,915
Harrison	HS conversion to MS	Jul-09	\$1,256,398	\$4,147,584	\$34,456,848	\$3,828,539	\$43,689,369	\$42,432,971
Hoboken	Thomas G. Connors	Feb-10	\$771,898	\$1,772,948	\$22,541,582	\$1,592,029	\$26,678,457	\$24,133,611
Irvington	Madison Avenue ES	Oct-10	\$511,712	\$7,065,812	\$31,706,227	\$3,224,362	\$42,508,112	\$41,996,400
Jersey City	ECC 13	Jun-09	\$3,179,562	\$3,563,885	\$16,454,745	\$760,890	\$23,959,082	\$17,215,635
Jersey City	ECC 03	Jun-09	\$7,769,407	\$2,077,216	\$19,631,512	\$941,647	\$30,419,782	\$20,573,159
Jersey City	E.S. 3 (swapped w/ 24)	Jun-09	\$402,973	\$5,274,934	\$40,441,159	\$1,758,311	\$47,877,376	\$47,474,404
Jersey City	P.S. 20	Jul-09	\$7,759,267	\$2,398,314	\$40,816,416	\$3,250,865	\$54,224,862	\$46,465,595
Jersey City	ECC 14	May-11	\$454,119	\$2,291,314	\$16,299,834	\$767,446	\$19,812,712	\$17,067,280
Keansburg	Lorraine Place ES	Jan-10	\$5,285,228	\$3,239,607	\$32,160,568	\$1,385,679	\$42,071,083	\$33,546,247
Keansburg	New ECC PK-2 (Caruso)	Mar-10	\$560,733	\$3,313,478	\$45,431,864	\$3,618,467	\$52,924,543	\$52,363,810
Long Branch	Elberon E.S.	Jun-09	\$1,175,140	\$2,800,804	\$36,323,077	\$1,485,962	\$41,784,984	\$37,809,039
Millville	New high school	Jan-10	\$875,483	\$7,881,628	\$141,545,548	\$13,778,770	\$164,081,430	\$163,205,947
New Brunswick	Paul Robeson Community E.S.(Addition)	Nov-08	\$1,940,442	\$1,893,865	\$25,945,430	\$1,116,621	\$30,896,358	\$27,062,051
New Brunswick	A. Chester Redshaw E.S.	Dec-08	\$3,505,213	\$1,701,203	\$37,056,116	\$2,020,462	\$44,282,995	\$39,076,578
New Brunswick	K Center (Potential +10 PK Classrooms)	May-11	\$849,053	\$19,978,352	\$23,340,121	\$1,858,948	\$46,026,474	\$45,177,421
Newark	Gladys Hillman-Jones M.S.	Nov-08	\$4,837,775	\$1,242,758	\$19,057,851	\$1,529,063	\$26,667,447	\$20,586,914
Newark	Oliver Street	Jul-09	\$11,374,918	\$13,078,956	\$50,399,312	\$4,014,105	\$78,867,292	\$67,492,373
Newark	South Street	Jul-09	\$10,812,306	\$9,591,327	\$47,302,982	\$3,767,494	\$71,474,110	\$60,661,804
Newark	West Side	Jul-09	\$9,729,319	\$31,574,676	\$91,722,348	\$9,327,696	\$142,354,039	\$132,624,720
Orange	Cleveland Street Elementary School	Mar-10	\$1,124,071	\$9,973,792	\$20,984,250	\$2,435,672	\$34,517,784	\$33,393,714
Passaic City	Dayton Avenue Middle	Jan-10	\$14,809,119	\$5,173,781	\$82,650,256	\$6,571,091	\$109,204,246	\$94,395,128
Passaic City	Dayton Avenue Elementary	Jan-10	\$13,134,835	\$2,809,991	\$56,656,721	\$4,354,429	\$76,955,977	\$63,821,142
Passaic City	New ECC & BOE @ Henry Street Site/Leonard Place	Sep-10	\$681,773	\$17,787,077	\$30,541,700	\$2,798,323	\$51,808,872	\$33,340,023

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### Listing of Projects to Be Funded Alphabetically by District with Cost

Based on Planning Estimates for 26 New Projects

<b>Color Key</b>
<b>List of 27 Deferred Projects</b>

District	School	Estimated Earliest Notice to Proceed Date	Pre-Construction Phase Costs		Estimated Construction Phase Costs	Estimated Other Costs to Complete	Total Estimated Project Cost	Total Estimated Cost to Complete from 2008 \$2.9b Allocation
			Funding Expended	Estimated Funding To Be Expended				
Passaic City	New ECC @ Dayton Avenue Site	Nov-10	\$0	\$1,197,000	\$21,346,780	\$1,064,053	\$23,607,833	\$22,410,833
Paterson	New Elementary School at Marshall & Hazel	Dec-08	\$8,835,765	\$2,726,020	\$39,684,635	\$2,556,445	\$53,802,865	\$42,241,080
Paterson	Marshall St. Bridge(included in preceding project; listed separately consistent w/ List of 27)	Dec-08	\$0	\$200,865	\$2,899,819	\$0	\$3,100,683	\$2,899,819
Paterson	Number 25 E.S.	Dec-08	\$1,122,316	\$1,736,671	\$25,317,881	\$2,208,513	\$30,385,381	\$27,526,394
Paterson	PS # 16 ES	Apr-11	\$1,617,686	\$25,401,049	\$41,210,039	\$3,464,561	\$71,693,335	\$70,075,649
Paterson	#3 ES	May-11	\$56,581	\$28,223,316	\$47,044,451	\$3,955,064	\$79,279,412	\$79,222,831
Pemberton Twp.	New Early Childhood Center	Dec-08	\$2,589,741	\$1,620,991	\$27,291,178	\$1,182,902	\$32,684,812	\$28,474,080
Pemberton Twp.	ECC #2	May-11	\$0	\$10,517,704	\$31,751,038	\$2,528,844	\$44,797,586	\$44,797,586
Perth Amboy	Seaman Avenue School	Sep-09	\$2,286,285	\$2,334,681	\$34,221,644	\$2,162,160	\$41,004,770	\$36,383,804
Phillipsburg	New Phillipsburg HS	Jun-09	\$16,579,651	\$4,277,366	\$139,930,604	\$13,621,563	\$174,409,184	\$157,829,533
Plainfield	Woodland ES	Jan-10	\$961,998	\$2,543,230	\$21,128,376	\$2,347,597	\$26,981,202	\$26,019,204
Pleasantville	Decatur Ave Alternative High School	Apr-09	\$1,079,408	\$1,109,732	\$19,255,431	\$874,921	\$22,319,492	\$20,130,352
Pleasantville	New ECC	May-11	\$0	\$5,913,908	\$42,566,778	\$3,390,274	\$51,870,960	\$51,870,960
Salem City	John Fenwick ES	May-10	\$382,669	\$4,629,047	\$33,368,178	\$2,657,643	\$41,037,537	\$40,654,868
Trenton	New Early Childhood Center	Mar-09	\$1,818,210	\$1,650,750	\$14,348,196	\$655,096	\$18,472,252	\$15,003,292
Trenton*	Roebing School	Jul-10	\$18,256,121	\$6,237,000	\$72,346,500	\$3,564,000	\$100,403,621	\$82,147,500
Trenton*	Trenton Central HS	Jun-10	\$10,330,003	\$12,560,723	\$125,581,062	\$11,513,996	\$159,985,783	\$149,655,781
Union City	New ES - Columbus Replacement	Jun-09	\$7,737,865	\$4,522,517	\$44,838,746	\$2,172,725	\$59,271,853	\$47,011,471
Vineland	Vineland Middle School #2	Jan-09	\$2,974,438	\$1,843,265	\$29,717,420	\$1,649,104	\$36,184,227	\$31,366,524
West New York	Harry L. Bain E.S.	Jun-09	\$8,481,529	\$11,772,193	\$48,589,938	\$2,734,991	\$71,578,652	\$51,324,929
<b>Total</b>			<b>\$236,294,283</b>	<b>\$345,587,690</b>	<b>\$2,204,163,004</b>	<b>\$173,966,367</b>	<b>\$2,960,011,345</b>	<b>\$2,649,527,128</b>

\* - Anticipation of finalization of publicly articulated plans subject to DOE Approval

2.9b Funding Allocation	No. of Project	Funds
Total Projects Fully Funded	53	\$2,649,527,128
Total Projects that receive no funds	0	\$0
<b>Subtotal</b>	<b>53</b>	<b>\$2,649,527,128</b>
Reserve for Emergent Projects, Planning & Unforeseen Events		\$304,840,373
<b>Total</b>		<b>\$2,954,367,501</b>

**Note:** Funding Includes Existing Reserve and Program Costs

## 2008 New Funding Allocation & Capital Plan for SDA Districts

### Listing of Projects to Be Funded by Notice-to-Proceed Date

Based on Planning Estimates for 26 New Projects

### Color Key

List of 27 Deferred Projects
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District	School	Estimated Earliest Notice to Proceed Date
New Brunswick	Paul Robeson Community E.S.(Addition)	Nov-08
Newark	Gladys Hillman-Jones M.S.	Nov-08
Pemberton Twp.	New Early Childhood Center	Dec-08
New Brunswick	A. Chester Redshaw E.S.	Dec-08
Paterson	New Elementary School at Marshall & Hazel	Dec-08
Paterson	Marshall St. Bridge(included in preceding project; listed separately consistent w/ List of 27)	Dec-08
Paterson	Number 25 E.S.	Dec-08
Camden City	Pyne Poynt Family M.S.	Jan-09
Vineland	Vineland Middle School #2	Jan-09
Trenton	New Early Childhood Center	Mar-09
Pleasantville	Decatur Ave Alternative High School	Apr-09
Jersey City	ECC 13	Jun-09
West New York	Harry L. Bain E.S.	Jun-09
Union City	New ES - Columbus Replacement	Jun-09
Jersey City	ECC 03	Jun-09
Jersey City	E.S. 3 (swapped w/ 24)	Jun-09
Long Branch	Elberon E.S.	Jun-09
Phillipsburg	New Phillipsburg HS	Jun-09
Newark	Oliver Street	Jul-09
Newark	South Street	Jul-09
Newark	West Side	Jul-09
Jersey City	P.S. 20	Jul-09
Harrison	HS conversion to MS	Jul-09
Perth Amboy	Seaman Avenue School	Sep-09
Garfield	James Madison School #10	Sep-09
Keansburg	Lorraine Place ES	Jan-10
Passaic City	Dayton Avenue Middle	Jan-10
Passaic City	Dayton Avenue Elementary	Jan-10
Millville	New high school	Jan-10
Plainfield	Woodland ES	Jan-10

**2008 New Funding Allocation & Capital Plan for SDA Districts**  
**Listing of Projects to Be Funded by Notice-to-Proceed Date**

**Color Key**

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District	School	Estimated Earliest Notice to Proceed Date
Hoboken	Thomas G. Connors	Feb-10
Orange	Cleveland Street Elementary School	Mar-10
Keansburg	New ECC PK-2 (Caruso)	Mar-10
Salem City	John Fenwick ES	May-10
Bridgeton	Broad Street Elementary Reno	May-10
Trenton*	Trenton Central HS	Jun-10
Camden City	Camden H.S.	Jun-10
East Orange	George Washington Carver	Jun-10
Trenton*	Roebing School	Jul-10
Camden City	Lanning Square E.S.	Aug-10
Passaic City	New ECC & BOE @ Henry Street Site/Leonard Place	Sep-10
Irvington	Madison Avenue ES	Oct-10
Passaic City	New ECC @ Dayton Avenue Site	Nov-10
Gloucester City	Middle School - New	Jan-11
Elizabeth	Academic Magnet HS (incl. Parking Deck)	Mar-11
Paterson	PS # 16 ES	Apr-11
Jersey City	ECC 14	May-11
Pleasantville	New ECC	May-11
Pemberton Twp.	ECC #2	May-11
New Brunswick	K Center (Potential +10 PK Classrooms)	May-11
Paterson	#3 ES	May-11
Asbury Park*	New ES (Bangs Replacement)	May-11
Burlington City	Boudinot Area ECC	May-11

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