

Board of Trustees – Facilities and Maintenance Committee

May Butler Center

55 S. Rodney Ave

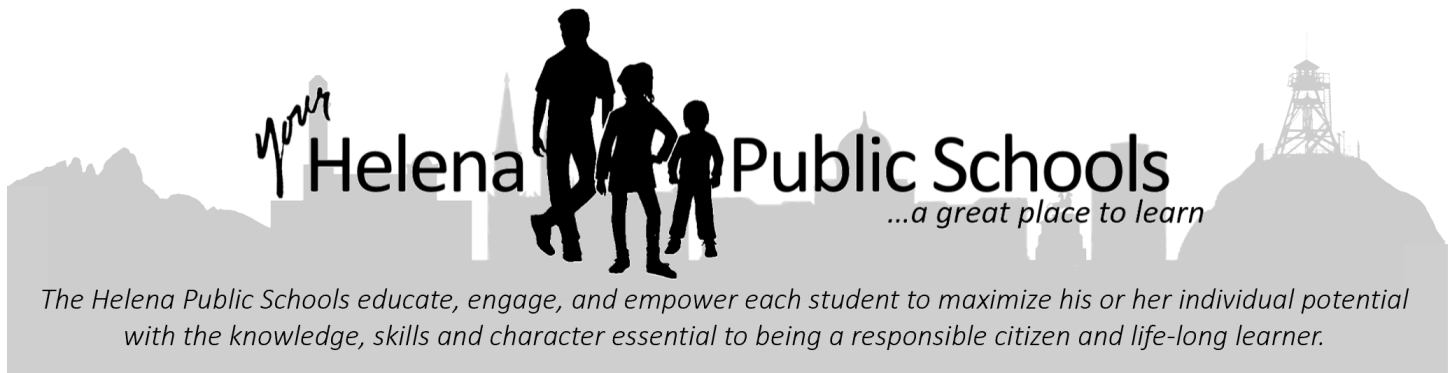
Monday, October 7, 2019 – 12:00p.m.

AGENDA

- I. CALL TO ORDER / INTRODUCTIONS
- II. REVIEW OF AGENDA
- III. **GENERAL PUBLIC COMMENT:** *This is the time for comment on public matters that are not on the agenda. Public matters do not include any pending legal matters, private personnel issues or private student issues. Please do not attempt to address such issues at this time or you will be ruled out of order. The Board cannot enter into a discussion during General Public Comment.*
- IV. **APPROVAL OF MINUTES:** 9.9.2019 Facilities Committee Meeting Minutes
- V. **ITEMS FOR INFORMATION/DISCUSSION**
 - A. Demographics Study Update
Update on identifying a partner organization for a forthcoming demographics study
 - B. 7th Avenue Gym
Review of preliminary use and cost estimates (attached materials)
Consider and discuss process and possible recommendation for the full Board of Trustees
- VI. **SUPERINTENDENT'S REPORT / BOARD COMMENTS**
- VII. **ADJOURNMENT**

Next Meeting:

November 4, 2019 | MBC Conference Room



Board of Trustees – Facilities & Maintenance Committee Meeting

May Butler Center | 55 S. Rodney Ave
Monday September 9, 2019 – 12:00pm

MINUTES - DRAFT

ATTENDANCE

Terry Beaver, Committee Chair

Jeff Hindoin, Committee Member

Siobhan Hathhorn, *excused absence*

John McEwen, Trustee

Sarah Sullivan, Trustee

Tyler Ream, Superintendent

Barb Ridgway, Chief of Staff

Kalli Kind, Facilities Director

I. CALL TO ORDER/INTRODUCTIONS

Meeting was called to order at 12:03pm by Committee Chair, Terry Beaver.

II. REVIEW OF AGENDA

No changes were requested.

III. GENERAL PUBLIC COMMENT

None was offered.

IV. ITEMS FOR INFORMATION/DISCUSSION

A. Parameters for forthcoming Demographics Study

Dr. Ream said he had been unable to find an existing RFP for the previous demographics study, and Mr. Hindoin answered that since the expense was under the fiscal threshold required for an RFP, one may not have been sent. Ms. Kind offered additional details on the previous process by stating that the district had an agreement with Cropper for software updates each year showing the requested slices of data. She added that since she started with the district, the district has been able to see the same information from Edulog, but in real time. Mr. Beaver requested clarification that the information from Edulog only shows current students. Ms. Kind answered that was correct: Edulog is unable to forecast data or estimate growth. Mr. Beaver asked if the district had access to current data to which it could compare the forecast from Cropper. Dr. Ream answered he could pull together that data during the October pull date.

Helena Public Schools Board of Trustees

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Dr. Ream continued that the previous study forecasted through 2020, and some elements extended through 2025. He noted while some areas of the study have been validated – specifically growth of young families in the north valley – some data has decreased in accuracy with time – such as the projected decline in enrollment at Smith, and a slight decline in age and sex demographics projected after 2020. He also mentioned that East Helena High School couldn't have been factored into the study. Dr. Ream asked if Cropper provided any kind of soft data, mentioning some concerns about the northeast valley being too far from Helena Middle School and Helena High School for families to see them as viable secondary options. He continued that if the next demographics study looks at birth rates, the district will assume children in that area will go to Warren, but he would be interested to know if that is the perception of residents and if the demographics study can include that type of information.

Mr. Beaver asked if students in the northeast valley are located within the Helena district and choose to go to East Helena, does the Helena district pay East Helena. Dr. Ream answered that parents pay East Helena for those students, and East Helena receives the ANB, but the Helena district maintains the tax base. Mr. Beaver asked if it would benefit the district to change the boundaries so those students would be in the East Helena district. Mr. Hindoin answered that a district never wants to lose its tax base. Mr. Beaver asked if Spokane Creek was in the East Helena district, and Ms. Ridgway answered yes. Dr. Ream added that transportation does go around the north side of East Helena to pick up students.

Dr. Ream noted that no housing information was used – or at least cited – in the previous study. He thought the study did look at overall real estate trends. Mr. Hindoin added that new construction plays a larger role, especially multi-family housing, but he wasn't sure how that could be measured in a study. Mr. McEwen asked whether Mountain View Estates families went to the East Helena schools. Mr. Hindoin answered that the elementary district boundaries were already drawn so those students would attend East Helena schools; the subdivision was just annexed into the city of Helena to access to the infrastructure. Mr. Beaver requested real estate trends – specifically for multi-family housing – be including in the next demographics study.

Mr. Hindoin asked if the district has looked at the data from the boundary change study conducted by Great Falls schools and Missoula schools. Ms. Kind added that Billings schools recently went through a demographics study, in which Cropper was involved. Mr. Hindoin continued that it might be beneficial to see their underlying data set. Dr. Ream asked if Great Falls and Missoula conducted the demographics study because they knew – and their community knew – that they were going to go through some redistricting. Mr. Hindoin answered that he thought the objective was clear. Ms. Ridgway mentioned that on the Great Falls website, there was an entire section dedicated to redistricting plan information. She added that Cropper did the study. Mr. Hindoin said that using previously established survey questions would also decrease lead time. Dr. Ream added that he thought the existing demographics report was well-built; the data is just no longer valid. He mentioned looking at how the trends from the last study have played out and what are the projections for the next six years. Mr. Beaver recommended including data from Montana City and Clancy as it affects the high school level. Dr. Ream noted that the previous study was primarily elementary focused. He added that one way to capture more high school data would be to look internally at where out of district high school students have historically come from.

Mr. Beaver mentioned another unmeasured aspect being enrollment in private schools, and that there would be potential for the Helena district to recruit those students. Ms. Ridgway mentioned the district can't offer the religious piece, which is the caveat of most local private schools. Mr. Beaver asked how the district could get data from students enrolled in private schools or being home schooled. Ms. Sullivan said that data would be available through the County Superintendent. Ms. Ridgway looked at the Helena Christian Academy's enrollment and verified 160 students were enrolled in the prek-12 school. She added that St. Andrew's has 187.

Mr. McEwen requested clarification that Dr. Ream said the 2016 demographic study is not useful anymore. Dr. Ream clarified that there are pieces that are useful; it's just helpful to have current data when making decisions affecting the future. He added that it's hard to tell the public the district is making decisions based on four years old data. Ms. Kind added that it would be beneficial to be able to share with the public what the district could expect with the addition of three new schools. Ms. Sullivan shared a few FAQs that should be presented to the public as a result of a new demographic study. She added that the district should have the new demographics data prior to asking for another bond.

B. Parameters for forthcoming Demographics Study

Dr. Ream clarified the next steps will be to look at the data from the Great Falls and Missoula studies and what processes were used. Mr. Hindoin confirmed, adding that the next study should focus on the high school level. Dr. Ream said that for the last bond, there was more focus on the status of the facilities needing to be replaced instead of looking at projected growth and demographics.

Dr. Ream recommended district leadership develop specs to send to the committee for approval.

Mr. Hindoin asked how Edulog pulled data – if it was pulling PowerSchool data. Ms. Kind answered that it was data that transportation used for routing buses that worked with PowerSchool. Mr. Hindoin asked if it included every student – not just the ones outside the two-mile radius around schools. Ms. Kind answered that it did. Mr. Hindoin said the district had to determine the purpose of the study and communicate it accordingly with the public. Dr. Ream added that there is some concern around Helena being designed to have two feeder schools and what happens if one falls significantly in enrollment if there's not a solution in place – the district can't use the historical structure any longer.

V. SUPERINTENDENT'S REPORT/BOARD COMMENTS

None offered.

VI. ADJOURNMENT

Meeting was adjourned at 12:42pm by Mr. Beaver. The next Facilities and Maintenance Committee meeting will be October 7, 2019.



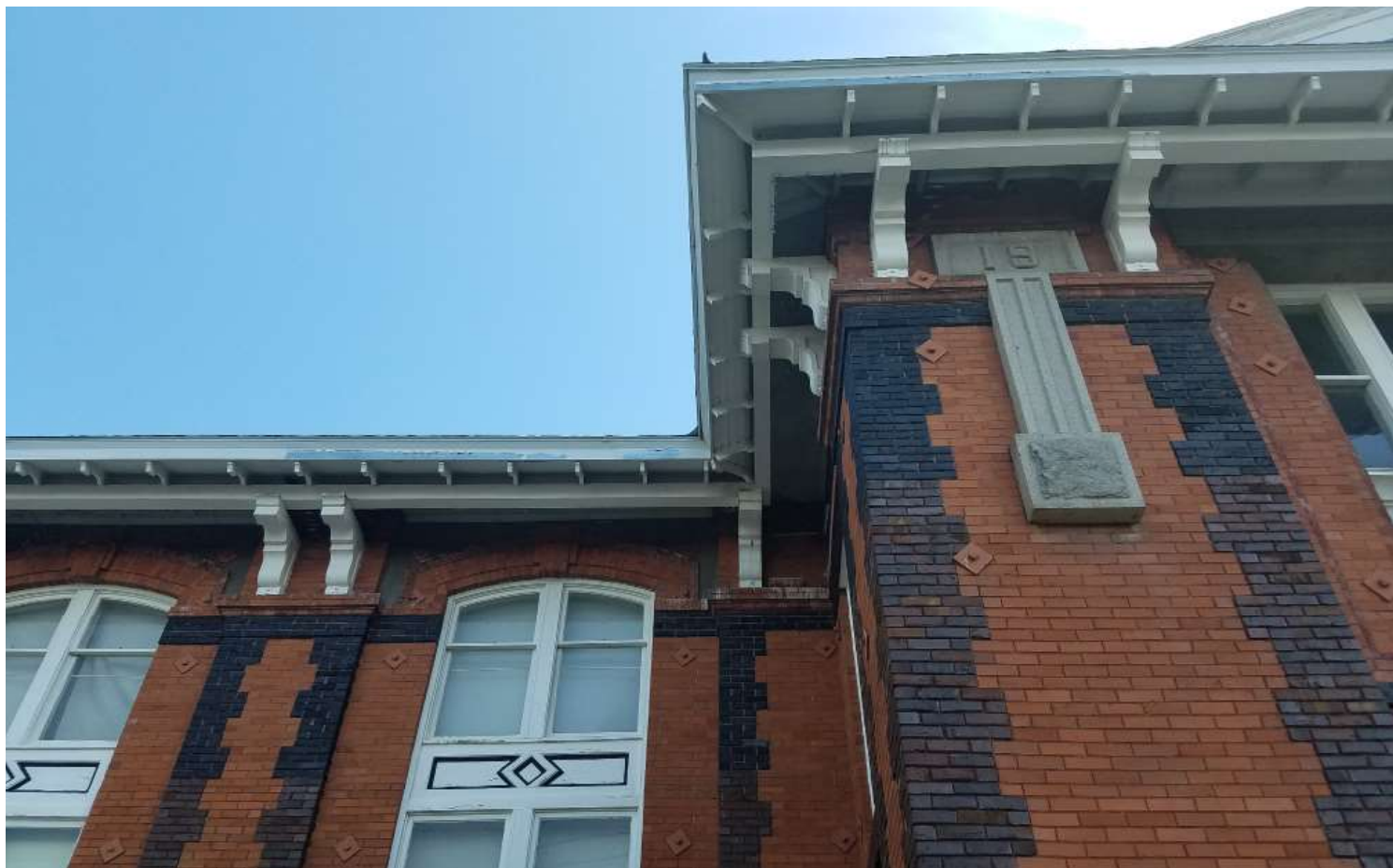
Alternative Analysis

Redevelopment of the 7th Avenue Gym is unique in a variety of ways, thus the alternate analysis and selection process are different than a typical PAR. It is a unique building, in that it is a historic building in a prominent downtown location with a specialized original purpose. And it is unique that this PAR is for an owner (HPS) that will not be the long-term user of the building, and no developer/user is committed at the time of this report. So, three distinct sets of alternates are defined: potential use/development, scope alternates for the selected use, and ownership alternates.

The potential use/development alternates examine a range of uses, partners, funding sources, and the pros and cons of that particular path to redevelopment. The scope alternates examine multiple routes for realizing the vision and the corresponding scope of construction and costs, along with displaying the range of amenities and program potential that could be realized. Ownership alternates examine the variety of options for how HPS moves forward and their role in the building.

Several of these use alternates are viable and could ultimately be the fate of the building. Likewise, all of the scope alternates are viable courses of action and can be adapted to the needs of the end user. And the ownership options presented are all worthwhile options that HPS can select when a developer engages with the project. A preferred option is selected in order to complete the process, the report, and to guide recruitment of an appropriate developer.

The three categories of alternates are organized in terms of ascending intensity/investment.



Use/Development Alternate 1a - Sell the building 'as-is'

Use/Development Alternate 1b - Demolition

Use/Development Alternate 2a - District Use

Use/Development Alternate 2b - Early Childhood Development

Use/Development Alternate 3a - STEAM Plant

Use/Development Alternate 3b - Arts Center

Use/Development Alternate 4a - Food Hub

Use/Development Alternate 4b - Downtown Hub

Construction Scope Alternate 1 - Use 'as-is'

Construction Scope Alternate 2 - Renovation with Small Addition

Construction Scope Alternate 3 - Renovation with Comprehensive Addition

Construction Scope Alternate 4 - Renovation with Addition & Site Development

Ownership Alternate 1 - Maintain HPS Ownership

Ownership Alternate 2 - Maintain HPS Ownership & Lease Building

Ownership Alternate 3 - Transfer Ownership

Use/Development Alternate 1a - Sell the building 'as-is'



Description

List the building on the open market to sell as quickly as possible to the most appropriate bidder.

Major Considerations - Cons

- Least amount of financial investment required by HPS
- Least amount of control over compatibility of use
- No guarantee that the building will be made safe or renovated
- No guarantee of any positive benefit to the community
- Does not guarantee the building will contribute towards the goals established for community and economic development
- Least amount of opportunity for partnerships

Major Considerations - Pros

- Potentially fast transfer of Ownership (but not guaranteed)
- Relieves HPS of liability and O/M of building
- Potential for revenue from sale

Outreach/Potential Partners

- Local realtors
- Local developers

Financial Incentives (for commercial development)

- HPS maintains option to sell at below-market rate
- Forthcoming TIF District funds (for developer)
- Developer pursuit historic preservation tax credits if design qualifies
- Limited potential for further incentives

ALTERNATE 1 - HPS DIRECTED OPTIONS

Use/Development Alternate 1b - Demolition

**Description**

HPS to demolish the building.

Major Considerations - Pros

- HPS no longer responsible for liability and O/M
- HPS adds small amount of space to Central School grounds

Major Considerations - Cons

- Failure to use, do good with, or benefit financially from sound building asset with decades of usable life remaining
- High cost to HPS and no financial return
- Certain scopes of work (like hazardous materials abatement) still required
- Would free up additional square footage on Central School site
- High likelihood of significant public backlash against demolition
- Significant negative environmental impact
- No positive benefits to the community
- Further degradation of the historic district and historic downtown
- Does not meet best practices for community and economic development

Outreach/Potential Partners

- MBAC and EPA for cleanup grant
- Few others, if any

Financial Incentives

- Potential for hazardous materials cleanup grant

CDBG USE/DEVELOPMENT ALTERNATES
ii.A
ALTERNATE 2 - EDUCATIONAL USE

Use/Development Alternate 2a - District Use



Description

Adapt and renovate the building for HPS use

Major Considerations - Cons

- Rehabilitation for educational use on Lower Level would likely be cost prohibitive and difficult to achieve current life-safety and programmatic requirements
- Not conducive to rehabilitation solely for District administrative and office use
- Reuse as gym for school functions unlikely given construction of new gym immediately next door
- Significant financial investment required
- Building would remain HPS's responsibility (an asset or a liability, depending on perspective)
- Potential partners likely to be occasional users of the space, not a major source of funding or building management



Major Considerations - Pros

- Guarantee of compatible use and highest degree of control for HPS



Outreach/Potential Partners

- Community groups that will be potential gym users

Financial Incentives & Revenue Generation

- Conventional educational facilities funding sources (grants and bonds)
- Some (limited) revenue generation from events

ALTERNATE 2 - EDUCATIONAL USE

Use/Development Alternate 2b - Early Childhood Development

**Description**

Transfer property to community organization for them to redevelop building as a child-focused program

Major Considerations - Cons

- Lack of easily identifiable group with capacity and desire to lead the project
- Likely a slow development process based largely on a capital campaign and grants
- Limits to broader community activities in gymnasium
- Improvements required on building to provide appropriate public access and accessibility

Major Considerations - Pros

- Highly compatible use in-line with long-term HPS goals and programs
- Meets a real need in the community and would provide many benefits

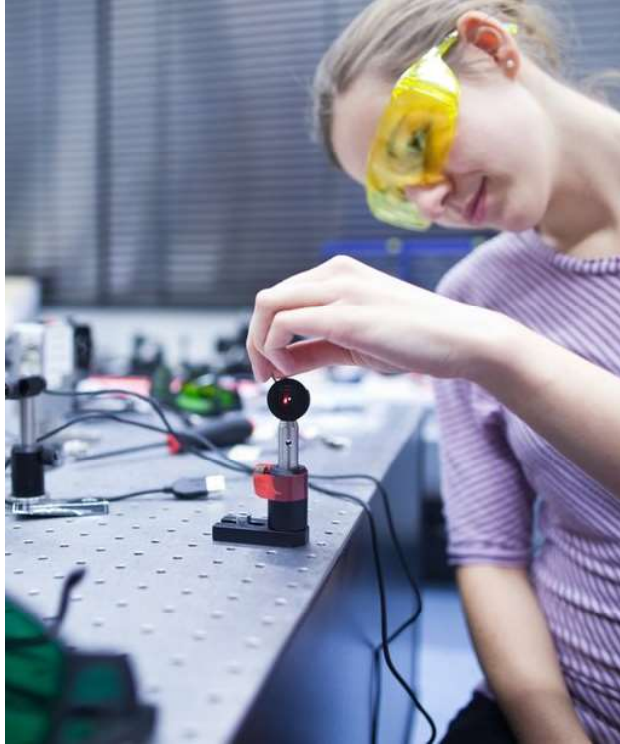
**Outreach/Potential Partners**

- Many child/youth focused organizations in the community would use the facility or be a limited partner (YMCA, RMDC, Big Brothers and Big Sisters, etc.). However, there appears that there is not currently the right mix of need and capacity for any one organization to be the lead as the developer and long term steward/operator of the facility

**Financial Incentives (for commercial development)**

- Historic Preservation Tax Credits
- CDBG community facilities grant
- USDA community facilities grants
- Early childhood development grants and program-related grants

Use/Development Alternate 3a - STEAM Plant

**Description**

Transfer property to community organization for them to redevelop building as a youth STEAM program

Major Considerations - Cons

- Lack of capacity (or need) to create a new organization that would compete directly with successful organizations like Exploration Works
- Lack of overall demand in the community to create a new organization that could support a construction project of this size and ongoing facility operation
- Likely a slow development process based largely on a capital campaign and grants
- Improvements required on building to provide appropriate public access and accessibility

**Major Considerations - Pros**

- Highly compatible use for HPS
- Exciting idea that meets a community need and would benefit the community
- Use compatible with the building and conducive to practical rehabilitation

Outreach/Potential Partners

- Some existing community organizations may have interest in partnering or limited use of the facility (Exploration Works, Star Base, robotics clubs, etc.).
- No identifiable 'lead' organization to be developer

**Financial Incentives (for commercial development)**

- Historic Preservation Tax Credits
- CDBG community facilities grant
- USDA community facilities grants
- Program-related grants

ALTERNATE 3 - ARTS & SCIENCE USE

Use/Development Alternate 3b - Arts Center

**Description**

Transfer property to community organization for them to redevelop building as an arts center and venue

Major Considerations - Cons

- Potentially slow development process based largely on a capital campaign and grants
- No identifiable 'lead' organization to be developer
- Challenging balance of building programming: the more sophisticated a venue it is, the less of a multi-purpose community space it is / keeping it what it is (a multi-purpose gym) will limit types and quality of performance programming
- Improvements required on building to provide appropriate public access and accessibility

Major Considerations - Pros

- Highly compatible use for HPS and meets a community need and would benefit the community
- Would support prioritized ideas of branding Helena as an arts community and increase activity downtown
- Building is reasonably compatible to rehabilitation as this use and the gym space is large enough for performances, however it would require a major overhaul (potentially prohibitive) to become a properly sophisticated venue
- Has been done successfully in other Montana communities

**Outreach/Potential Partners**

- While there are organizations with the capacity to take on and operate a project of this size, the primary candidates (Myrna Loy Center, Grand Street Theatre, Archie Bray Foundation) are all currently pursuing their own visions and facility development independently.

Financial Incentives (for commercial development)

- Historic Preservation Tax Credits
- CDBG community facilities grant
- USDA community facilities grants
- Program-related grants (HumanitiesMT, National Endowment for the Arts, etc.)



Use/Development Alternate 4a - Food Hub

**Description**

Transfer property to community organization for them to redevelop building as a local food based hub

Major Considerations - Cons

- Potential conflicts with food-related amenities/requirements: potential that alcohol is served/sold, potential for truck traffic (conflict with school, site challenges), potential audience for the venue, hours of heavy activity during day and evening.
- Improvements required on building to provide appropriate public access and accessibility

Major Considerations - Pros

- Moderately to highly compatible use for HPS (depending on final partners, visions, and activities housed)
- Exciting idea that meets a community need and would benefit the community
- Would support prioritized ideas of branding Helena while supporting the community and increasing activity downtown
- Potential to integrate 'farm to school,' culinary education/training, and health programming into school
- Potential to house services like a food bank that would serve families of Central students
- Use compatible with the building and conducive to practical rehabilitation

Outreach/Potential Partners

- Use explored in the "Marlow Market" feasibility study, recommended as potentially viable but violated most of the consultant's 'rules' for choosing a public market site public market concept dependent upon courting outside developer through an RFP resulting in little control over ultimate results/compatibility
- Significant potential for a broad range of funding and meaningful partnerships

Financial Incentives (for commercial development)

- Historic Preservation Tax Credits
- CDBG community facilities grant
- USDA community facilities, local food, and work-force development grants
- Program-related grants (HumanitiesMT, National Endowment for the Arts, etc.)



ALTERNATE 4 - COMMUNITY/ECONOMIC DEVELOPMENT USE

Use/Development Alternate 4b - Downtown Hub

**Description**

Transfer property to community organization for them to redevelop building for downtown-focused organizations on Lower Level, and maintain multi-purpose community programming in the gymnasium

Major Considerations - Cons

- Improvements required on building to provide appropriate public access and accessibility
- Not an inherently 'education-based' use

Major Considerations - Pros

- Compatible use for HPS and school site (limited business activity during school day, event activity in off hours)
- Most technically compatible use for the building, i.e. least required scope of work therefore highly efficient and practical scope of renovations
- Maintain and honor the 7th Avenue Gym's historic use as a community event space
- Highest potential for long-term financial feasibility, i.e. potential for sustained revenue generation from events and renting spaces plus programmatic funding, rather than solely programmatic funding.
- Most diverse planning/construction/programmatic funding base

**Outreach/Potential Partners**

- Potential for partnership or use by all other organizations in previous concepts
- Potential for downtown business development partnerships from leading organizations (like MBAC and/or BID), support for future downtown business development by housing an business incubator leading to further redevelopment

**Financial Incentives (for commercial development)**

- Potential for a broad range of funding resources associated with primary and partner organizations
- USDA, TIF district grants, Historic Preservation Tax Credits, Montana History Foundation, National Trust for Historic Preservation, Steele-Reese Foundation, CDBG, USDA, Treacy Foundation, HumanitiesMT, National Endowment for the Arts

Construction Scope Alternate 1 - Use 'as-is'

Description

This scope of work is an examination of the minimal scope of work required to bring the building into public service. It utilizes the existing features of the building to meet modern needs to the greatest extent possible and utilizes all usable systems. The advantages of this approach include the lowest up-front capital cost identified in the alternates. Inability to grow or accommodate new programs would be a chief concern with this solution. As would the increased long-term O/M costs associated with not addressing all deferred maintenance and upgrades up-front.

Construction Scope Alternate 2 - Renovation with Small Addition

Description

This scope of work includes full renovation of the existing building envelope, a reconfiguration of the Lower Level, restoration of the gymnasium, and a small addition. The addition would house accessible circulation and some amenities to accommodate day-to-day and public use of the building (accessible bathrooms, stairs, elevator, etc.). This approach keeps capital costs at a reasonably low level while accommodating a broad range of business, public, and event uses. Limiting costs means limiting the size and scope of the addition, which also limits the types and quality of the businesses and events hosted.

Construction Scope Alternate 3 - Renovation with Comprehensive Addition

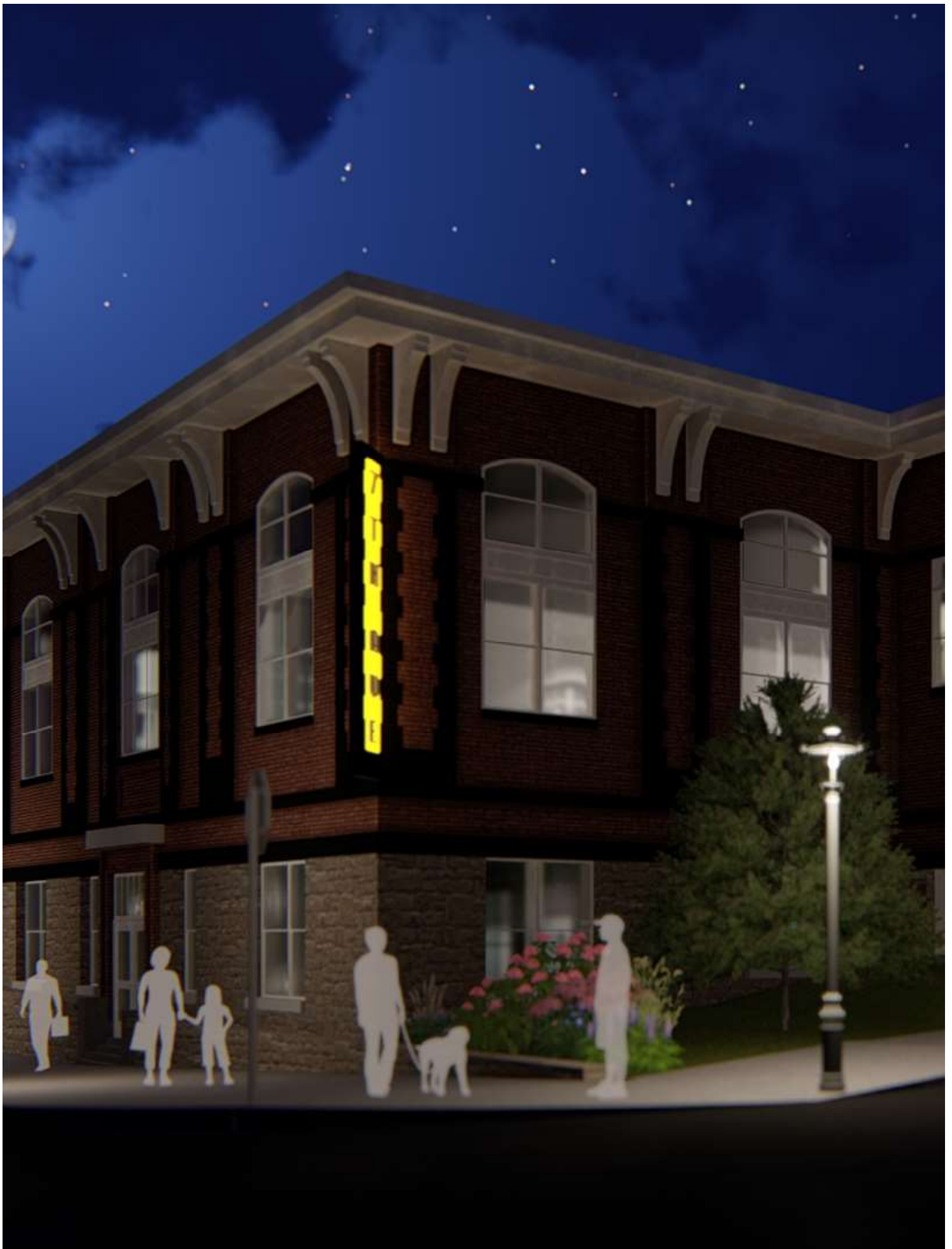
Description

This scope of work proposes a full renovation of the existing building envelope, a reconfiguration of the Lower Level, restoration of the gymnasium, and a large addition. The addition houses accessible circulation, accessible locker and restrooms, along with storage and support spaces to house a larger variety of high quality events and performances. This approach represents a significant capital investment, but allows for the broadest and highest quality use of the building.

Construction Scope Alternate 4 - Renovation with Addition & Site Development

Description

This construction scope includes all the work included in Alternate 3, with additional development of the surrounding site. These improvements would include using landscaping and parking to narrow Cruse Avenue at the Gym in order to make the site more easily accessible, calm traffic, provide a pedestrian connection to downtown, and develop a section of Cruse Avenue in the manner proposed in the Downtown Master Plan. Additionally, the steep slope between Cruse Avenue and the Central School playground could be developed to support the programs housed in the 7th Avenue Gym.



iii.E

RENOVATION - PRELIMINARY OPINION OF COSTS

SQ FT. COST (MIN)		SQ FT. COST (MAX)	TOTAL (MIN)		TOTAL (MAX)
			\$ 60,000.00	- \$	80,000.00
\$ 125.00	- \$	143.75	\$ 400,000.00	- \$	460,000.00
\$ 145.00	- \$	166.75	\$ 72,500.00	- \$	83,375.00
\$ 5,000.00	- \$	5,750.00	\$ 5,000.00	- \$	5,750.00
\$ 200.00	- \$	230.00	\$ 29,000.00	- \$	33,350.00
\$ 8.00	- \$	9.20	\$ 126,848.00	- \$	145,875.20
\$ 4,500.00	- \$	5,175.00	\$ 4,500.00	- \$	5,175.00
\$ 4,500.00	- \$	5,175.00	\$ 4,500.00	- \$	5,175.00
\$ 3.75	- \$	4.31	\$ 21,037.50	- \$	24,193.13
\$ 22.00	- \$	25.30	\$ 123,420.00	- \$	141,933.00
\$ 2,000.00	- \$	2,300.00	\$ 90,000.00	- \$	103,500.00
\$ 22,400.00	- \$	25,760.00	\$ 22,400.00	- \$	25,760.00
\$ 10.00	- \$	11.50	\$ 3,600.00	\$	4,140.00
\$ 8.00	- \$	9.20	\$ 1,640.00	\$	1,886.00
\$ 4.00	- \$	4.60	\$ 24,000.00	- \$	27,600.00
\$ 25,000.00	- \$	28,750.00	\$ 25,000.00	- \$	28,750.00
\$ 7,000.00	- \$	8,050.00	\$ 7,000.00	- \$	8,050.00
\$ 10,000.00	- \$	11,500.00	\$ 10,000.00	- \$	11,500.00
\$ 15,000.00	- \$	17,250.00	\$ 15,000.00	- \$	17,250.00
\$ 281,400.67	- \$	323,610.77	\$ 281,400.67	- \$	323,610.77
			\$ 1,266,846.17	- \$	1,456,873.10
\$ 200.00	- \$	230.00	\$ 690,000.00	- \$	793,500.00
\$ 150,000.00	- \$	172,500.00	\$ 150,000.00	- \$	172,500.00
			\$ 840,000.00	- \$	966,000.00

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