Long-Term Planning Committee
CRA Building Improvement Summary
2019 thru September 2024

Introduction:

The purpose of this report is to provide an update as it relates to upgrading our physical facilities at CRA.

Every year, the school sends out a stakeholder survey and one of the main topics addressed in the responses to the survey from our stakeholders' centers around the building and the condition of the physical facilities.

About five years ago, the board expanded the Long-Term Planning Committee, the ("Committee"). The purpose of the Committee is to focus on how to best facilitate and implement upgrades to our physical facilities and building.

Over the years members of the committee have had expertise in real estate development, construction, finance, and education. Presently, the committee consists of three current board members, a former CRA principal, CRA staff, and a commercial general contractor.

To help guide this process, CRA also conducted a detailed formal public RFP process to find appropriate expertise to assist the school. The RFP's resulted in hiring two third-party professional groups which include Odyssey Partners, who focus on charter school development, and Babcock Design, an architectural group with a deep background in designing for charter schools.

Background and Objectives:

During this time, the board and the Committee, in conjunction with CRA administration and the hired consultants, have evaluated multiple options for improving our physical facilities. Below are the objectives which were identified and which we are striving to achieve through this process:

- Upgrade the operational performance of the facilities, including Mechanical, Electrical, Plumbing ("MEP") components which are beyond their useful life.
- Upgrade the seismic integrity of the building
- Design a pickup and drop-off solution which exists solely on the CRA property
- Upgrade the school's security systems and protocols
- Maintain a budget and keep operating costs at a level that would not burden the school going forward.
- Maintain the same student population count as dictated by our charter, 525 students.
- Provide an auditorium enhancing the experience for our performing arts, and plays
- Keep the school open during the process

Options Explored:

In trying to achieve the above objectives, the Committee considered three main possible alternatives:

- **Option 1:** Remodel the existing school and rework the site for pickup and drop-off

- **Option 2:** A hybrid approach, keeping a single wing of the existing school and build an addition
- **Option 3:** Building a brand-new school

To start the process our consultants performed a feasibility study. We got a current survey, title report, and a geotechnical report so we could understand the soil conditions which dictate the size and type of building foundations that must be built. We further brought two different structural engineering groups through the building to provide a structural analysis of the existing building.

Considerations for each of the above options are discussed below, including pros and cons of each possible solution.

Option 1: Remodel the Existing School and Rework the Site for Pickup and Drop-off

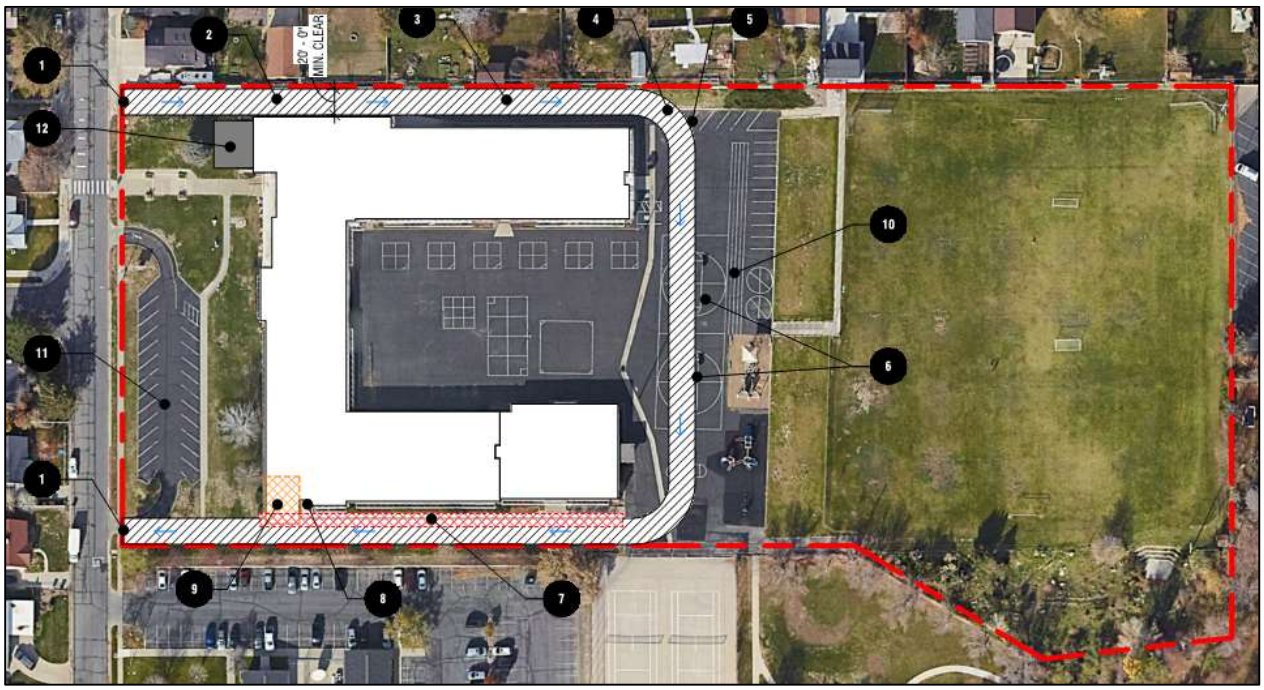

Figure 1: Option 1 - Conceptual Site Plan showing loop around the school, an expanded kitchen and the loss of a 3rd grade classroom

This option entailed keeping the existing school bones, upgrading the MEP components, the building's seismic capability, the roof, and the façade, all within the school's current footprint. Additionally, we explored expanding the kitchen area to the west for more storage and we explored having the pickup and drop-off loop around the rear of building.

This option was initially thought to be the least intrusive and the cheapest option to accomplish most of the identified objectives.

One important item to understand is that when renovating buildings, as structural repairs are made which exceed a certain level, it triggers the requirement to upgrade every other component within the building which is not consistent with current building codes. Thus, it becomes very difficult to do remodel work in piecemeal overtime.

With the due diligence performed, it became apparent that the cost to upgrade the existing building's earthquake/seismic performance would be incredibly tedious and time consuming and would require working within difficult to reach crawl spaces for many months. In conversation with multiple contractors pricing this option, the tedious nature of the work in the crawl spaces dramatically increased the costs such that the cost savings hoped to achieve in the first option turned out to be negligible when compared to the other two options.

Option 1 Pros:

- Keeps the existing character of the building and preserves the history of the building
- Originally thought to be the cheaper option (which was proven incorrect)
- Provided for needed kitchen expansion
- Had a conceptually feasible solution for pickup and dropoff

Option 1 Cons:

- Was nearly as expensive as a building new, and the result of the upgrade would not be as efficient or desirable as a new building
- Didn't solve for any additional staff and visitor parking which is needed
- We would lose 1 third grade classroom to accommodate the loop around the building and we are already tight on classroom space.
- Very difficult to implement this solution without having to shut down some portions of the school during the school year, which would necessitate bringing in portable classrooms. After pricing the portable classrooms, they were very expensive, driving up costs further.
- Did not do anything to enhance the experience of our performing arts (no auditorium)

Option 2: Taking a hybrid approach where some of the existing structure remains, and we tear down a portion of the old building and build new portion connecting to the old portion

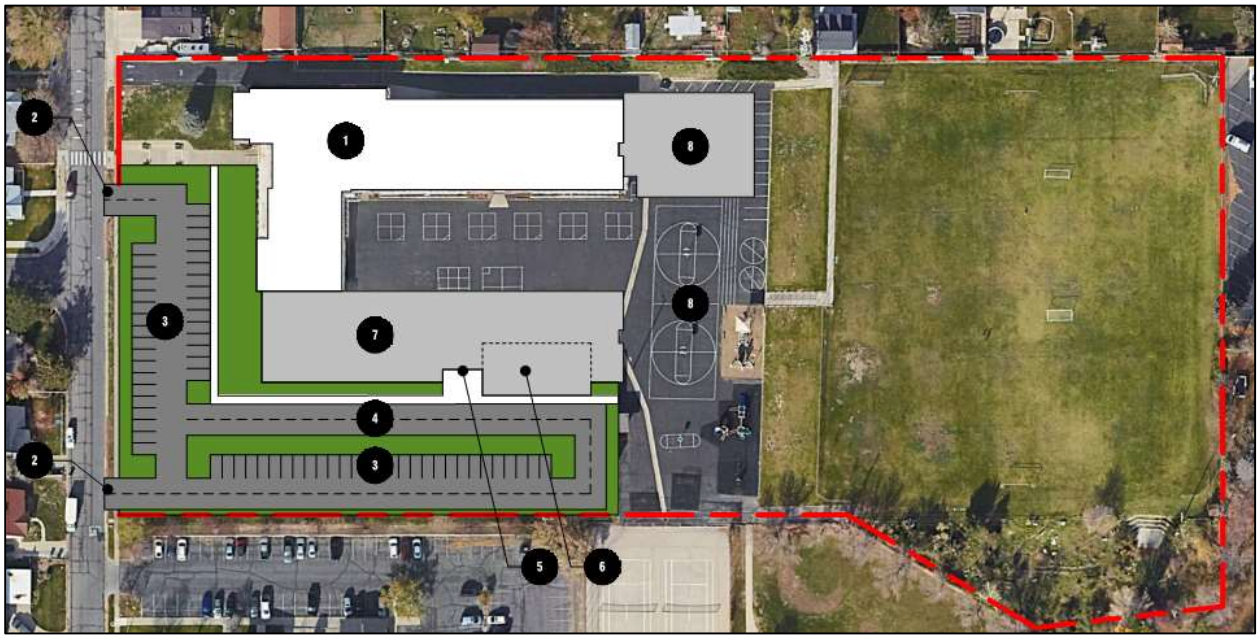

Figure 2: Option 2 - Hybrid new and old school with new rear 2 story auditorium, and reworking pickup and dropoff

This option 2 entailed reconfiguring the outline of our building by tearing down approximately fifty (50) percent of the existing building and constructing a new south wing. The south wing would be constructed further north allowing for pickup and dropoff to be accommodated on the CRA site as shown above. Similar to the first option, an expansion to the kitchen area was also contemplated, but in this option 2, a new auditorium would be constructed east of the 6th grade classrooms.

The main perceived benefit of this hybrid approach was to save on costs. Because the number one driver of costs in new construction is the size of the building (less bricks to buy and install), if we could save on the amount of new construction, that would be less materials to purchase and therefore, maybe there could be some cost savings.

In reviewing this option, it was quickly noted that the construction work for the hybrid option could not be performed over the summer break. This would mean that portable classrooms would be needed for nearly 2 school years (the first year for approximately half the classrooms while the new portion was built, and the second year for the other half of the classrooms while the existing portion of the school was renovated). The cost for portable classrooms was priced to be over one million dollars each year. Spending this type of money on something that was eventually going to go away did not seem like a good option. Furthermore, the hassle and struggle of students and teachers having to operate for a couple years out of portable classroom space was less than ideal.

Additionally, the expensive foundation work within the crawl spaces noted in option 1 would still have to be performed on the remaining portion of the school, and blending the materials, structure, and

operational systems between the new and old portions of the school would likely result in less operationally ideal situation than a new build.

Option 2 Pros:

- Kept some portion of original building maintaining some of its existing character preserving the history of the building
- Originally hoped to be cheaper option than a full new build (proved to be not true)
- Able to move pickup and dropoff on the CRA site
- Provided for a new 2 story auditorium
- Provided for a needed kitchen expansion

Option 2 Cons:

- Pick up and dropoff cueing, while on our property, was not sufficient so as to not back up on to 29th east.
- Would need to put about half of the school in portable classrooms and this would likely be over 2 separate school years. Not only was this not palatable, but it also added significant cost to the budget
- Blending new and old structures can often result in operational and structural elements that are less ideal when compared to a newly designed and newly built alternatives.
- The location of the auditorium was not proximate to the revised entrance of the school. This would cause everyone to have to walk through the whole school to get to school plays and other uses for the auditorium. Quick access to the auditorium for visitors would be better.

Option 3: Building a brand-new school behind our existing school and then once the new school is up and operating, raising the existing building and finishing the site where the old school stood.

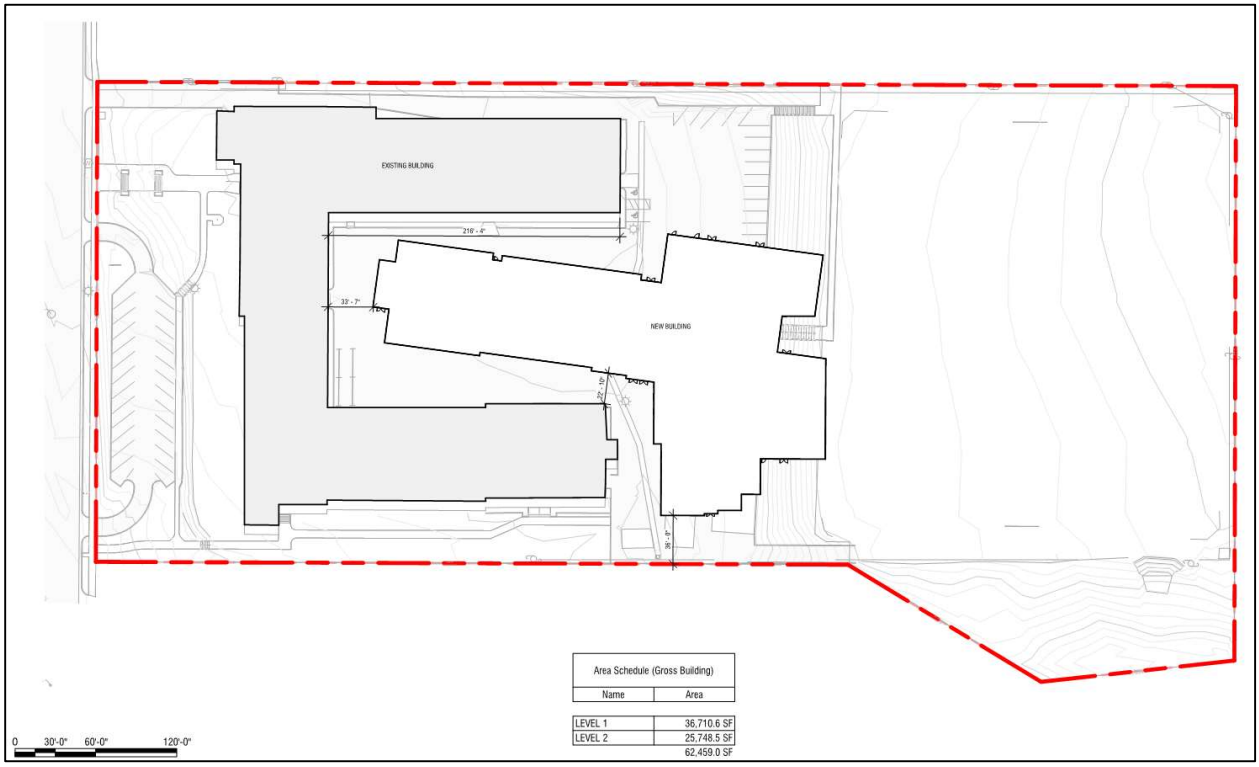

Figure 3: Option 3 – Shows location of new school and existing footprint

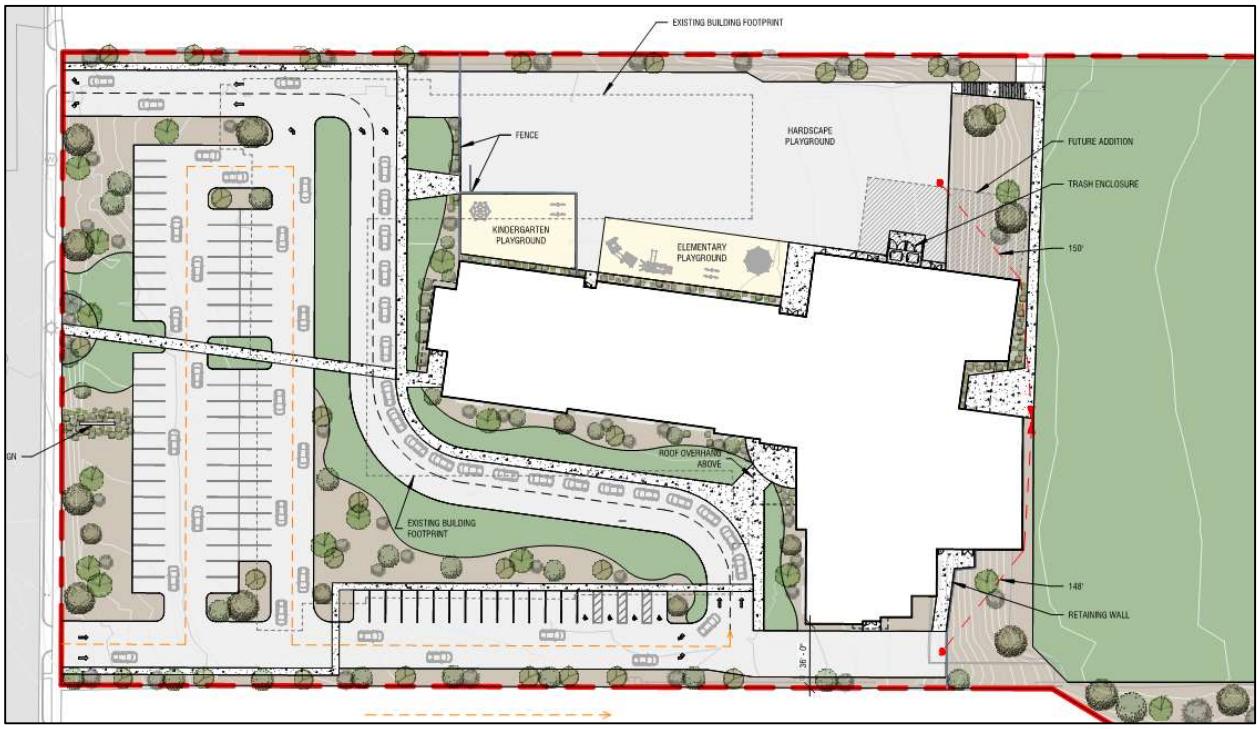

Figure 4: Option 3 – Shows conceptual site plan of the new school upon completion

The third option consisted of building a brand-new school in between the existing horseshoe shape. The plan would be for this new school to be constructed within the horseshoe as shown above. No physical interruptions would occur to the old building and classrooms until staff and students could move in and occupy the new building. Once this occurs, the old school would be razed and the parking and pickup and dropoff could be finalized on the west side of the school proximate to 2900 east.

The new school would be 2 stories and the second story would be able to connect and exit out onto the upper field. Because the school would be new, all the earthquake proofing, the mechanical systems, and the security systems would be able to be designed and incorporated in an efficient manner. Further the new build provides for the desired auditorium close to the parking lot and entrance to the school. Although any construction activity onsite will be a nuisance and may cause some distraction and annoyance to the CRA stakeholders, Option 3 provides for the least amount of interruption to the school and its stakeholders compared to the other options.

Of the three main options considered, Option 3 is the only option that achieves the majority of the initially identified objectives when starting this process.

Figure 5: Option 3 – Conceptual Rendering of completed new school

Option 3 Pros:

- Upgrades the MEP components
- Gets a new building up to current seismic code
- Incorporates new security systems and protocols
- Accommodates pickup and drop-off solely on the CRA property
- Maintains the same student population count
- Provides an auditorium which is near the main entrance

- Keeps the school open during the process

Option 3 Cons:

- May require some potential fundraising to not burden the school long term. This is discussed below in the finance section

Just a quick note that the option of building a new school on the upper field was also considered. After reviewing the geotechnical borings, it revealed that the soil conditions on the hill are all imported non-native soils and they would require over excavating a significant portion of the dirt and bringing in new structural fill. This structural fill is not needed if construction occurs on the lower level off the hill. The biggest reason why building on the hill is unattractive is having the school sit so far back away from the main road and not presenting itself to the street is not a desirable condition in the long run.

Finances:

After reviewing multiple preliminary options and getting high-level pricing from multiple contractors on those options, option 3, building a new school, was the clear winner.

Regardless of the building upgrade option selected it was known that significant funds would be needed to improve the school facilities, to that end CRA has been saving money so that our objectives can be a reality.

As a charter school, CRA's main source of funding comes from the state in a fixed amount per student. CRA is basically a one-school district. There are many advantages that we have as a charter school relating to curriculum, culture, teachers, and flexibility within the school. This is why many of us choose to have our children educated at CRA.

There are, however, certain challenges we have as a charter school when compared to local school districts. One of those comparative challenges is that we cannot combine excess resources from multiple schools to undertake large scale capital projects. CRA does not have the ability to increase the mill rate on housing and increase its revenue. Our main funding source is subject to the State Legislature.

One of the things CRA has been doing is saving money each year. Initially, this savings went to pay off the loan which the school used to purchase the building from Granite School District. This loan was paid off in full in 2019. Given the continued parent feedback every year regarding the facilities, CRA has continued to save money with an eye towards the future.

In order to construct a new school, the funding will need to come from 2 basic sources. The first will be a loan, whether that be through, bonds, traditional banks, or other sources. Because a lender will not lend 100% of the costs of the project, the difference must be funded through CRA savings, or public donations.

CRA's efforts to save a consistent amount of money achieves two necessary objectives

1) The school is able to save money that it needs to cover the costs which will not be funded by a loan
2) The amount of savings has been structured to equate to the approximate payment on the loan that CRA will be paying after the building is built. This is important to a lender to see that CRA has effectively already been paying our future mortgage, but just paying it to itself in savings. This makes it more likely that we will be able to get more favorable financing terms.

To really know what the actual cost of the new school will be is to get a design that can be taken to contractors who take detailed takeoffs based on actual quantities specified in plans. A Design Review Committee has been formed and is currently working to complete a design that can be bid out. This process will take a couple of months but is crucial in determining our project costs.

Capital Raising:

Preliminary cost estimates for building a new school reviewed in early spring indicated that financial solutions would leave several million dollars to be cut or raised in order to complete the project. The number of years required to save that much money, factoring in the rate of inflation on construction costs directed the committee to look at capital fundraising.

At the beginning of the summer the board engaged Pathways Group to perform a capital campaign feasibility study.

The results of this study were completed at the end of September and indicates that there may be an opportunity for CRA to engage in a capital campaign but at a lower amount, nearer to $2 million dollars. Pathways Group also outlined a path for moving forward with the capital campaign. This information has been valuable and needed to help determine the feasibility of building a new school.

Fortunately, in the recent months market conditions have improved, and new financing opportunities have been discovered which are being explored. Until a firm bid is obtained and a solid project number is determined no action will be taken on raising capital.

Conclusion

The long-term vision of building a new school, that began in 2014 with the purchase of the building, will eventually become a reality. Over the next few months, the committee will continue to work on the design development to determine a firm cost so a timeline can be determined. The goal of the committee is to be able to determine a timeline and make a recommendation on how to proceed in the first quarter of 2025.