



# Corvallis School District 509J Long Range Facilities Master Plan

Dawn Tarzian, Superintendent  
Presented to School Board on January 14, 2008

This document has been formatted to support double-sided printing.

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# Background

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In 1995, the Corvallis School district began a long-range facilities planning process by conducting detailed building assessments. This information led to the creation of the 2002 Long Range Facilities Master Plan. The adoption of this document led to a successful bond campaign and voter approval of a bond for \$86,397,641 in November 2002. Construction activities under this bond began in June of 2003, and will culminate with several small projects scheduled for completion during the summer of 2008.

This 2002 master plan was divided into three phases covering a twenty to thirty year time period. The first phase addressed the most pressing facility needs in the district: replacing Corvallis High School, replacing two middle schools with one, major renovations at Crescent Valley High School, and major repairs to other buildings to address immediate safety concerns and accessibility.

Completion of the first phase items called for a review of the District's Long Range Facilities Master Plan. Superintendent Dawn Tarzian convened a committee in December 2006 to address the following District needs:

1. Methods to address projected student enrollment over or under capacity at individual school facilities,
2. The feasibility and necessity of the identified improvements in the remaining phases of the 2002 master plan, and any other necessary future facility improvements, and
3. Additional phases of the plan as necessary to address needed improvements over the fifteen to twenty years.

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# The Planning Process/Report Overview

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The first meeting of the Committee was held in December, 2006. It was soon decided that a sub-committee would be formed to address pending school boundary issues, looking into changes that could be made to address projected student enrollment capacity at individual school facilities. The report and recommendations of the Boundaries Sub-committee are documented under separate cover.

The focus of this Committee then became facilities and properties based. As a result, the committee asked for updates to existing facility audits to reflect work already completed. Clayton Vorse, representing Arbuckle Costic Architects, Inc., was hired to update these reports. Kenna Gillespie of Gillespie Appraisal Services was contracted to provide the committee with information concerning the assessment of real properties owned by the District but not currently utilized by District programs.

Additionally, the Committee relied upon professional opinions of District maintenance and construction management staff that have first-hand knowledge and expertise regarding District facility systems, maintenance and operational histories and schedules, as well as projected needs.

Based on this input, the Committee produced a new Long Range Facilities Master Plan for review by the School Board in January, 2008. Each section of this report includes the Committee Recommendation Action sheet capturing the committee discussion and rationale. The committee adopted these recommendations to be included in this report.

This new plan covers the following areas of focus:

1. Corvallis High School – Expansion of Campus
2. Real Property Recommendations
3. Renovate vs. Replace
4. Capital Improvements
5. Capital Improvement Repairs
6. Construction Excise Tax
7. Timeline

The remainder of this document summarizes the Committee's work in these areas.

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# The Committee

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## **Committee Members**

Larry Earhart, Community Member and Committee Chair  
Mike Fagan, Crescent Valley High School Vice Principal  
Helen Higgins, Corvallis School Board  
Stephanie Mehlenbacher, Community Member  
Dick Ragsdale, Community Member  
Steve Rogers, City of Corvallis Public Works Director

## **Consultants**

Tom Gaulke, Business Consultant  
Kenna Gillespie, Gillespie Appraisal Services  
Clayton Vorse, Arbuckle Costic Architects, Inc.

## **Corvallis School District 509J Staff Support**

Kathy Rodeman, Business Services Director  
Noel Mingo, Auxiliary Services Manager  
Kim Patten, Construction Management Center Fiscal Specialist  
Jen Schroeder, Auxiliary Services Administrative Assistant

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# Definitions & Terminology

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For the purposes of this report and all other documentation of their work, the Committee has agreed upon the following definitions and terminology:

## **Capital Improvement Repair**

Capital improvement repairs are defined as major projects that will ensure the continuation of educational activities within the District facility. These are projects that will ensure safety of current systems and could include items such as abatement of asbestos products, roof restorations, asphalt overlay or slurry seal for playgrounds and parking lots, boiler retrofit or replacement, or other similar activities. Routine repairs and maintenance are not included as capital improvement repairs.

## **Capital Improvement**

Capital improvements are defined as major projects that will enhance or expand upon current systems in order to increase the safety, usability and/or function of District facilities. These are actions that could include upgrades for increased seismic safety, staff comfort, easier vehicular and bus access, energy conservation and other similar activities.

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# Corvallis High School – Expansion of Campus

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*Real estate purchases/sale adjacent to Corvallis High School*

Committee Recommendation - December 6, 2007

**Description:** The committee reviewed the 2002 Long Range Facilities Master Plan, specifically, Phase Two, item one, as follows:

*1. Complete CHS Master Site*

- *Relocate/replace Franklin School to an alternate site (South Corvallis or current Western View or Harding sites with new facility).*
- *Purchase residential properties located on the SE corner of existing CHS site.*

**Rationale:** The addition of these properties to the CHS campus will create more functional space for athletic fields and parking.

**Considerations:**

- Cost of purchasing properties adjacent to the campus.
- Cost of long-term maintenance and subsequent development of the adjacent properties.
- Value of resources that could be provided on the additional properties once they are developed.

**Recommendation:** The committee recommends removing item one from phase two of the existing Long Range Facilities Master Plan.

**Reason:** When the costs of purchasing and developing properties adjacent to the campus were compared to the planned use for the space, it was determined an inefficient use of resources for the district. The school board has decided that the Franklin program will remain in existence at its current location for the foreseeable future.

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**Table A: Cost Effectiveness of Acquiring Property next to CHS**

Draft 9-12-07

	<b>Projected</b>	
	<b>Cost</b>	<b>Comment</b>
<b><i>Cost Acquiring the Land</i></b>		
Cost of appraisals	2,000	
Legal	5,000	
Purchasing the 10 tax lots		
Market value of the land + 10%	1,201,750	Benton County Assessor numbers
Market value of the structures + 10%	966,174	Benton County Assessor numbers
<b><i>Cost of Developing the Land</i></b>		
Assessing hazard wastes	2,000	
Removal of any hazard waste	5,000	
Demolish the houses & disposal	200,000	\$20,000 per tax lot
Vacant & removal of streets	100,000	NW Pierce, NW 12th, NW 13th
Construct baseball field	250,000	Fill, drainage, irrigation, backstops
<b>Total</b>	<b>2,731,924</b>	
	=====	
<b><i>Annual cost for Baseball team using a off school site</i></b>		
Contracted bus transportation	6,000	60 bus trips @ \$100 per trip
Fees for use of facility	2,500	Fee to the City Parks & Rec
<b>Total</b>	<b>8,500</b>	

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# Real Property

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## *Recommendations for Disposal and/or Retention of Surplus Property & Property Acquisition*

### **Surplus Properties**

Committee Recommendation - December 13, 2007

#### **Edgewood Park Estates – Lots 28, 29, 30**

**Description:** These three vacant lots are located along NW Roosevelt Drive, north of McKinley Street and west of 29<sup>th</sup> Street. The lots range in size from 11,749 to 16,902 square feet. These lots are located behind Hoover School, adjacent to the Hoover property. There are some topographic issues with these lots. The street leading to these sites is at an approximate 30-35% grade and therefore unserviceable to fire trucks. In essence, the lots are not buildable due to the extreme difficulty in access for utility and fire-safety services.

Approximate Real Market Value: \$15,000 - \$20,000 each for lots 28 & 30, \$9,000- \$12,000 for lot 29.

#### **Considerations:**

- Selling the lots to adjoining neighbors.
- Using the lots for educational purposes, for example, nature trails.
- Potential market for sale.

**Recommendation:** The committee recommends disposal of these properties.

**Reason:** These properties are unusable as an expansion to the Hoover property and the committee could not identify a use for the properties in the future because they are not buildable.

#### **Pleasant View Fruit Farms**

**Description:** This property lies between S.W. 49<sup>th</sup> and S.W. 53<sup>rd</sup> streets, south of Country Club Drive. This 11.49 acre parcel is level, at street grade, and zoned low-density.

Areas of the property have been identified as wetlands. There has not been a formal delineation report filed with the Division of State Lands. The east part of the property appears to be developable.

There is a Zone of Benefit assessment on the property. As of July 3, 2006, a charge of \$74,500.55 will be due when the property is further developed. This appears to be a payback for the enhancements to 49<sup>th</sup> Street and may be payable to the developer of Stoneybrook.

Approximate Real Market Value: \$135,000-\$165,000 per usable acre

**Considerations:**

- The committee discussed whether or not this parcel of land could be a possible site for a new school.
- Postponing sell until the property was annexed into the city’s urban growth boundary.
- Impact of wetlands on the usability of the property.

**Recommendation:** The committee recommends disposal of this property.

**Reason:** Due to the location of the property and the wetlands issues, this is not an ideal property for a future school.

**Western View**

**Description:** The site of the former Western View Middle School is at the southeast corner of Highway 20 and S.E. 35<sup>th</sup> Street, it is the northerly 22.82 acres. The building itself was recently demolished (except for the library building) and the property has been leveled and seeded.

The property is set aside in the City plan for institutional use, any other use for the parcel would require the City of Corvallis to update their Comprehensive Plan and Parks and Recreation Plan. Changing the City plan would be time consuming and costly.

Approximate Real Market Value: \$2,850,000 to \$3,425,000

**Considerations:**

- Location in proximity to the district office and Adams Elementary School.
- Current zoning of the property.
- Potential future school site.

**Recommendation:** The committee recommends that the district retain this property and remove it from the surplus property list. The committee strongly recommends that the property not be improved for recreation purposes, so that it can be retained as a future school site.

**Reason:** The district and the committee concur that this property is an ideal location for a future school site.

**Village Green**

**Description:** This property is currently a sports field. It is located between a city park and the Southern Pacific Railroad track, on the south side of Conifer Boulevard. The parcel is irregularly

shaped and contains 11.01 acres. The sports field is currently used by the Boys & Girls Club and the Corvallis High School JV baseball team.

Approximate Real Market Value: \$1,700,000 to \$1,925,000

**Considerations:**

- Location near Cheldelin Middle School and city park.
- Current use.
- Potential site for future improved playing field (CHS JV Baseball).

**Recommendation:** The committee recommends that the district retain this property and remove it from the surplus property list.

**Reason:** This property is currently being used for a district function as the CHS baseball practice field, and it is a potential site to permanently accommodate the CHS JV baseball team or as a future school site.

### **Garfield Park**

**Description:** Garfield Park is in the north portion of the Garfield School site. It is on the south side of N.W. Cleveland Avenue, between N.W. 11<sup>th</sup> and Dixon streets.

Approximate Real Market Value: \$640,000 to \$700,000

**Considerations:**

- The property is heavily used as a park.
- The district has a contract with the City of Corvallis for maintenance and scheduling of the park. The district has no financial obligation for maintenance of this property.
- If the district decided to replace Garfield. Building of the new school could take place without disruption to the current classes in the older building, much like the process used to replace CHS.

**Recommendation:** The committee recommends that the district retain this property and remove it from the surplus property list.

**Reason:** This district has no current expense in retaining the property and the district feels that it is a potential site for a future replacement school.

### **1252 NW Pierce Way**

**Description:** The subject is a single story dwelling on a small lot. It is located on the south side of N.W. Pierce Way, between N.W. 12<sup>th</sup> and 13<sup>th</sup> streets.

This property was purchased as part of the 2002 Long Range Facilities Master Plan which outlined purchase of properties adjacent to the Corvallis High School campus, to expand the campus. It is currently under renovation by the Corvallis High School Advanced Construction class.

Approximate Real Market Value: \$145,000-155,000

**Considerations:**

- Long-term use of the property.
- Added value to expanding that end of the CHS campus.
- On-going costs.

**Recommendation:** The committee recommends that the district dispose of this property once the student project is complete.

**Reason:** The committee did not identify a viable long-term use for the property. The committee will be making a recommendation to modify the Phase II of the existing Long Range Facilities Master Plan, item number one, to remove the line bullet "Purchase residential properties located on the SE corner of existing CHS site". Based on a cost analysis provided by Tom Gaulke, district consultant, the committee has decided that it is not a financially viable solution for expanding the CHS campus.

**1361-1363 NW Fillmore Avenue**

**Description:** This two-story duplex abuts the south side of an athletic field for Corvallis High School.

This property was purchased as part of the 2002 Long Range Facilities Master Plan which outlined purchase of properties adjacent to the Corvallis High School campus, to expand the campus. It is currently used by the SMART program for offices.

Approximate Real Market Value: \$200,000 to \$220,000

**Considerations:**

- Long-term maintenance costs.
- Long-term use of the property.

**Recommendation:** The committee recommends that the district retain the property and remove it from the surplus property list, as long as a 509J educational use for the facility could be identified (i.e. storage, life skills opportunities, offices, etc). If no 509J educational use is identified, the committee recommends disposal of the property.

**Reason:** The committee discussed several potential uses for this property. Since it is directly adjacent to the campus, the committee felt that the possible educational uses should be explored in more detail.

### **Fairplay School**

**Description:** This property was developed in 1967 with an addition in 1981. Modular classrooms were moved from another school to this property in 1985. The building area totals approximately 24,226 square feet, and the site contains 10.96 acres. The site and facility are currently leased to Corvallis Waldorf School. That lease expires in 2013.

**Considerations:**

- Future potential uses for the property.
- Long-term maintenance costs.

**Recommendation:** The committee recommended that this status of this property be re-evaluated in 2012, when the lease expires.

**Reason:** The district cannot dispose of or alter the use of this property until the lease expires in 2013.

### **Dixie School**

**Description:** Dixie Elementary School was built in 1963. It includes two buildings with a total of approximately 15,000 square feet, and the site includes 7.74 acres. The building is currently leased to Linn Benton Lincoln Educational Service District.

**Considerations:**

- Long-term maintenance costs.
- Value and convenience of the current lease.
- Future potential uses for the property.

**Recommendation:** The committee recommends revising the lease terms to require the lessee cover all maintenance and operations expenses; and investigate disposal of the property should no deed caveats prohibit this action.

**Reason:** The current lease terms do not provide for long-term deferred maintenance of the building (the rental fees are not adequate). Therefore, a revision to the lease to cover these expenses or put the burden of the expenses on the lessee would be in the district's best interest. However, if no such agreement can be made, the district should sell the property to avoid any future financial liability for an aging building.

## Timberhill Property

**Description:** This 6.87-acre property was deeded from the City of Corvallis to Corvallis School District 509J on October 17, 2002. The deed grants title so long as the district “constructs a public school, and uses the entire property as a school, within ten (10) years from the date of the execution of this deed”.

**Considerations:**

- Arbuckle Costic Architects has provided a design for a school on this site which accommodates 550 students in a two-story building.
- The size of the property
- The deed restrictions do not allow sale of the property
- Possible future uses for the site

**Recommendation:** The committee recommends that the district retain this property, remove it from the surplus property list and work with the City of Corvallis to extend the deed reversion clause until 2022. The committee strongly recommends that the property not be improved for recreation purposes, so that it can be retained as a possible future school site.

**Reason:** The district cannot sell the property and the committee feels that it may be a potential school replacement site.

## Inavale School

**Description:** Inavale School was built in 1950. The building is approximately 16,032 square feet, and the site includes 5.65 acres. The property is currently used as a storage facility for the district. However the district is currently working with Muddy Creek Charter School and OSU regarding potential future use of the building.

**Considerations:**

- Deed restrictions limiting use and/or sale of the property.
- Future uses for the property.
- Lease options.
- Transferring deed to another agency.

**Recommendation:** The committee recommends that the district explore options to transfer the deed to another agency (for educational purposes). If transferring the deed is not feasible, the committee recommends returning the property to the owner at the least possible expense to the district.

**Reason:** Transferring the deed would relieve the district of financial liability and long-term upkeep.

## **Property Acquisition**

Committee Recommendation – December 13, 2007

**Description:** In reviewing real properties currently owned by the district as well as the 2002 Long Range Facilities Master Plan, the committee had discussions regarding potential locations for future replacement schools. The 2002 Long Range Facilities Master Plan identifies purchase of property in south Corvallis for a replacement school site.

### **Considerations:**

- Current properties owned by the district
- Available land
- Areas of potential population growth

**Recommendation:** The committee recommends that the district begin immediately looking for land in south Corvallis to purchase as a future school site.

**Reason:** The district knows we have a need for a replacement school site in south Corvallis because the Lincoln School site is not expandable. Land is scarce in Corvallis and property values continue to climb. Therefore, the committee felt that it is financially prudent to purchase property prior to a bond sale.

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# Renovate vs. Replace

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## *Considerations for replacement versus renovation*

Committee Recommendation - December 13, 2007

**Description:** In reviewing facility audit information, it was apparent to the committee that many buildings were constructed during the same decade and may be reaching a point where replacement should be considered instead of renovation. Arbuckle Costic Architects advised that if renovation of a building exceeds 50% of the cost of replacement, we should consider replacement. However, if current educational needs are met within the current building and the campus has expansion potential, renovation could still be financially beneficial if the overall costs do not exceed 70% of the replacement costs.

In comparing the costs of renovation versus replacement, the committee agreed that we should use the cost of a replacement elementary level school that would accommodate 550 students at 25 students per classroom. The cost estimate provided by our architect for construction of a new school on existing district land is \$7.6-\$10 million dollars.

The committee briefly reviewed the feasibility for expansion of our existing buildings based on the following criteria:

- cost of capital repairs and improvements (without expansion)
- expansion potential of the building and site, capacity (current and projected)
- functionality of the current learning environment
- infrastructure of the building.

The following buildings were identified as not expandable at their current locations: Franklin, Jefferson, Hoover, Lincoln, and Harding.

**Recommendation:** The committee recommends that the district replace four to five elementary or K-8 schools with four new 550 student capacity buildings (25 students per class) within the next 10-20 years. Our committee recommends that a Long Range Facilities Master Planning Committee should be convened in 2012 to identify which schools should be replaced.

**Reason:** The committee felt that the decision about which schools should be replaced and where to build replacement facilities should be delayed until 2012 because of potential changes to learning trends.

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# Capital Improvements

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## *Enhancement of Existing Facilities & Construction of New Buildings*

Committee Recommendation December 13, 2007

**Description:** In 2000, the district hired WBS Architects and LRS Architects to develop architectural audits for all of our schools. Since then, the Corvallis community passed an \$86.4 million facilities improvement bond and has completed many of the repairs and improvements that were identified in those audits. The district hired Arbuckle Costic Architects to update the old reports.

Arbuckle Costic Architects met with district staff and the committee on many occasions to provide the accurate facility assessment information and cost estimates.

The final architectural audit reports will be included as part of the Long Range Facilities Master Plan document as Appendix A.

**Considerations:**

- Needed improvements that were identified in 2000.
- Work completed with 2002 Facilities Improvement Bond.
- New needs that have developed since 2000.
- Construction cost inflation.

**Recommendation:** The committee recommends that the district begin bond planning in 2012 to address capital improvements and replacement facility construction district-wide. The facility audits prepared by Arbuckle Costic should be a starting point for said planning and prioritization. The committee recommends that the district consider an \$85-\$90 million dollar facility improvement bond to include \$41 million in renovations (as shown in Table B) and \$40 million for construction of four replacement schools (these estimates are based on 2008 construction estimates).

**Reason:** To ensure a safe and comfortable educational environment for student and staff in addition to maintaining our capital investment in our buildings

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**Table B: Facility Assessment - Probable Cost Spreadsheet**

	SEISMIC LIFE SAFETY	HVAC	PLUMBING	ELECTRIC - LINE VOLTAGE	ARCHITECTURAL REPAIRS	DIRECT CONSTRUCTION COSTS	INDIRECT CONSTRUCTION COSTS (21%) AVERAGE	BUILDING TOTAL COSTS	COSTS per CLASSROOM
ADAMS ELEMENTARY	\$634,876	\$226,221	\$92,883	\$85,146	\$1,548,368	\$ 2,587,494	\$ 543,374	\$ 3,130,868	\$ 149,089 (21)
GARFIELD ELEMENTARY	\$665,088	\$224,134	\$307,968	\$167,968	\$1,558,419	\$ 2,923,577	\$ 613,951	\$ 3,537,528	\$ 176,876 (20)
JEFFERSON ELEMENTARY	\$702,720	\$412,000	\$164,480	\$121,056	\$1,227,545	\$ 2,627,801	\$ 551,838	\$ 3,179,639	\$ 176,647 (18)
HOOVER ELEMENTARY	\$622,080	\$378,850	\$187,328	\$113,920	\$2,365,503	\$ 3,667,681	\$ 770,213	\$ 4,437,894	\$ 221,894 (19)
WILSON ELEMENTARY	\$681,408	\$376,881	\$145,300	\$92,134	\$1,731,890	\$ 3,027,613	\$ 635,799	\$ 3,663,412	\$ 183,171 (20)
MOUNTAIN VIEW ELEMENTARY	\$641,472	\$190,390	\$116,977	\$118,335	\$1,214,116	\$ 2,281,290	\$ 479,071	\$ 2,760,361	\$ 125,471 (22)
FRANKLIN SCHOOL (K-8)	\$919,040	\$308,774	\$271,040	\$157,800	\$1,390,618	\$ 3,047,272	\$ 639,927	\$ 3,687,199	\$ 216,894 (17)
LINCOLN SCHOOL (K-8)	\$942,592	\$344,350	\$253,656	\$79,920	\$1,286,458	\$ 2,906,976	\$ 610,465	\$ 3,517,441	\$ 167,497 (21)
HARDING SCHOOL	\$1,720,768	\$440,787	\$151,722	\$206,470	\$1,555,558	\$ 4,075,305	\$ 855,814	\$ 4,931,119	\$328,741 (15)
CHELDELIN MIDDLE SCHOOL	\$499,367	\$320,000	\$451,793	\$420,942	\$1,333,738	\$ 3,025,840	\$ 635,426	\$ 3,661,266	\$ 110,947 (33)
CRESCENT VALLEY HIGH SCHOOL	\$2,022,400				\$1,632,084	\$ 3,654,484	\$ 767,442	\$ 4,421,926	\$ 78,963 (56)
<b>SUB-TOTALS</b>	\$10,051,811	\$3,222,387	\$2,143,147	\$1,563,691	\$16,844,297	\$ 33,825,333	\$7,103,320	\$40,928,653	
<b>OFFLINE BUILDINGS</b>									
INVALE ELEMENTARY	\$343,040	\$211,430		\$65,594	\$532,518	\$ 1,152,582	\$ 242,042	\$ 1,394,624	\$ 199,232 (7)
FAIRPLAY ELEMENTARY	\$465,920	\$281,113	\$252,147	\$148,141	\$542,723	\$ 1,690,044	\$ 354,909	\$ 2,044,953	\$ 255,619 (8)
DIXIE ELEMENTARY	\$314,880	\$391,682	\$232,897	\$63,616	\$326,400	\$ 1,329,475	\$ 279,190	\$ 1,608,665	\$ 268,110 (6)
<b>SUB-TOTALS</b>	\$1,123,840	\$884,225	\$485,044	\$277,351	\$1,401,641	\$ 4,172,101	\$ 876,141.21	\$ 5,048,242.21	

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# Capital Improvement Repairs

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## *Effective Long-Term Stewardship of Facilities*

Committee Recommendation - December 13, 2007

**Description:** The 2002 Facilities improvement bond addressed many issues to make District facilities safer and more conducive to learning. However, there are further repair items that will need to be done to keep the district's buildings operational. Therefore, the maintenance department compiled a list of necessary capital improvement repair items projected to be needed in the next 10-15 years. Cost estimates for successful and efficient completion of these projects currently exceed the maintenance budget so they are classified as capital improvement repair projects. Possible sources of funding are SB 1149 funds (only energy efficiency projects with <10 year payback are eligible) and the construction excise tax (if adopted by the board).

**Considerations:**

When compiling the list the Maintenance staff used the following criteria when considering projects for the list:

- Student/Staff Safety
- Legal Requirements
- Protecting District Capital Investment
- Keeping Buildings Operable
- Energy Efficiency
- Code Requirements

This list will evolve over time as issues arise. The list does not include additional power needs which may be necessary to support increasingly technology driven curriculum.

It is also important to recognize that this is a list compiled based upon maintenance needs and does not include staff "wish list" items or technology improvements.

**Recommendation:**

The committee recommends that the district actively seek funding necessary to successfully complete Capital improvement repair projects. The committee is additionally respectful of the likelihood that priorities and facility needs may shift over time. Therefore, it is further recommended that the list of Capital improvement repairs be reviewed on an annual basis.

**Reason:**

A proactive approach to facilities maintenance is fiscally prudent and ensures the continued abilities of district facilities to support the success of an overall educational mission of excellence.

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**Table C: Anticipated Capital Improvement Repair Planning – Immediate Needs**

<b>Issue</b>	<b>Estimated Cost</b>	<b>Time Frame</b>	<b>Funding Source</b>
Adams Roof (will address Seismic as well)	\$750,000	planned for '08	Bond Funds
Adams Playground Fall Protection	\$100,000	planned for '08	Combination of Insurance Fund and outside grants
Franklin Playground Fall Protection	\$25,000	planned for '08	Combination of Insurance Fund and outside grants
Hoover Playground Fall Protection	\$65,000	planned for '08	Combination of Insurance Fund and outside grants
Jefferson Playground	\$120,000	planned for '08	Bond Funds
Jefferson Playground Fall Protection	\$60,000	planned for '08	Combination of Insurance Fund and outside grants
Lincoln Playground Fall Protection	\$75,000	planned for '08	Combination of Insurance Fund and outside grants
Mt View Playground Fall Protection	\$50,000	planned for '08	Combination of Insurance Fund and outside grants
Wilson Playground Fall Protection	\$35,000	planned for '08	Combination of Insurance Fund and outside grants
Fairplay Siding	\$10,000	planned for '08	Maintenance Funds
Cheldelin Track	\$326,000	planned for '08	Bond Funds
CHS Tennis Courts	\$700,000	planned for '08	Bond Funds
Replace Exterior Metal Halide Lights	\$105,000	planned for '08	Funding still to be determined
CV Paving/Stadium ADA Access	\$170,000	planned for '08	Bond Funds
CV Kitchen Floor – Food Service Upgrades	\$112,000	planned for '08	Bond Funds
Restroom Upgrades (multiple sites)	\$390,000	planned for '08	Bond Funds
<b>Planned for '08 Total</b>	<b>\$3,093,000</b>		

*(continued next page)*

\*\*\*Updated 1/11/08\*\*

**Table C (continued): Anticipated Capital Improvement Repair Planning – 2-5 Years from Now**

<b>Issue</b>	<b>Estimated Cost</b>	<b>Time Frame</b>	<b>Other</b>
Adams Office Ventilation	\$25,000	2-5 Years	No airflow designed in original construction
Franklin Boiler & new piping	\$90,000	2-5 Years	Will need to include abatement and removal of old steam system. 1st priority for boilers
Franklin Windows	\$250,000	2-5 Years	Very inefficient & hard to operate (sometimes open without user knowledge)
Franklin Domestic Hot Water	\$20,000	2-5 Years	Needs major improvement
Garfield Office Ventilation	\$25,000	2-5 Years	No airflow designed in original construction
Garfield Asbestos in Attic	\$100,000	2-5 Years	Highest need asbestos issue in district
Garfield North Side Windows	\$75,000	2-5 Years	Windows need repairs
Hoover Bus Drop Off	\$200,000	2-5 Years	Buses drive around school. Access and/or Asphalt need to be addressed
Jefferson Office Ventilation	\$25,000	2-5 Years	No airflow designed in original construction
Jefferson Parking	\$200,000	2-5 Years	Inadequate parking. Solutions need to be negotiated with City Development
Lincoln New Parking Lot	\$125,000	2-5 Years	Better Parking for Entrance to the School
Wilson Office Ventilation	\$25,000	2-5 Years	No airflow designed in original construction
Cheldelin Boilers	\$110,000	2-5 Years	2nd Priority for boilers
Harding Boiler # 2 needs work	\$40,000	2-5 Years	Parts are hard to find
CV Roof Restoration	\$500,000	2-5 Years	Restoration will get us 15 years; price varies based on in-house vs contracted labor
CV Boilers	\$250,000	2-5 Years	Boilers are old and inefficient. 3rd Priority for boilers
CV Library Ventilation	\$20,000	2-5 Years	Zones have been split. Would make sense to relocate all computer labs
Westland Center Library	\$25,000	2-5 Years	Old and ineffecient electrical heat system. Lots of duct leaks
District Wide Modular Roofs	\$25,000	2-5 Years	No roofs have ever been replaced
Cheldelin Isomets	\$15,000	2-5 Years	Should have safety shutoffs for science rooms
CV Stadium Bleachers		2-5 Years	Having engineering assessment done. Cost TBD
<b>2-5 Years Total</b>	<b>\$2,145,000</b>		

*(continued next page)*

**Table C (continued):  
Anticipated Capital Improvement Repair Planning – 5 Years & Beyond**

<b>Issue</b>	<b>Estimated Cost</b>	<b>Time Frame</b>	<b>Other</b>
Garfield North Side Doors	\$20,000	5-10 years	Doors in poor repair, new frames needed as well
District Wide Aluminum Ramps	\$200,000	5-10 years	Better Traction, last longer than wood ramps can be reused if moved
Hoover Roof Repairs	\$180,000	5-10 years	Sloped portion of the roof will need to be repaired
Cheldelin Roof Repairs	\$800,000	5-10 years	Remainder of Roof needs to be done
LPMS Heating System for Old Library	\$25,000	5-10 years	Heating System for old Library
District Wide Asphalt Overlays	\$800,000	5-10 Years	Driveway and play surface over-lays
Harding ADA Door Hardware	\$70,000	If used again	Not performed with bond work (Lifeskills Classrooms are in progress)
<b>5-10 years Total</b>	<b>\$2,095,000</b>		
CHS Artificial Turf Replacement	\$500,000	10-15 Years	Will probably need replacement before next Bond Issue.
<b>10-15 Years Total</b>	<b>\$500,000</b>		

<b>Total: All Anticipated Capital Repair Projects</b>	<b>\$7,480,000</b>
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# Construction Excise Tax

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## *Consideration of Available Funding Options*

Committee Recommendation December 13, 2007

### **Description:**

SB 1036 allows school boards to impose construction taxes to be levied on improvements to real property resulting in a new structure or additional square footage in an existing structure. The amount of the tax may not exceed \$1.00 per square foot for residential use and \$.50 per square foot for non-residential use. Taxes for non-residential use may not exceed \$25,000 per building permit, or \$25,000 per structure, whichever is less. Certain exemptions apply for affordable housing, public improvements, hospitals, schools, religious facilities, and agricultural buildings.

### **Estimated Income:**

If the levy had been in place over the past six years, it is estimated that \$4.4 million would have been collected. One percent of that total would have been used for the administrative fee.

### **Rationale:**

The current bond levy does not include sufficient funding to cover unforeseen maintenance problems and other unanticipated issues that may arise in the future. This funding would provide additional resources to cover capital improvement repairs such as roofs and boilers that may not be eligible for bond funds.

### **Considerations:**

- An intergovernmental agreement with appropriate local governments must be sought to collect the taxes. There is a provision of an administrative fee, not to exceed one percent of tax revenue, to cover collection costs.
- The current housing market is not likely to have as much new construction as the past few years. Therefore, estimated income based on past construction trends may be inflated. A conservative estimate would be \$400,000 per year of income from this source.

**Recommendation:** The committee recommends continuing to explore imposing a new construction levy tax.

### **Reason:**

Work under the previous construction bond will be finished in summer 2008. Plans are already in place for those funds. There is no other method targeted to fund extraordinary, unplanned expenditures.

## **SENATE BILL 1036, ALLOWING SCHOOL DISTRICTS TO IMPOSE CONSTRUCTION TAXES**

### **Provisions of the Bill**

The Oregon State Senate passed SB 1036 effective September 27, 2007. It allows construction taxes to be imposed by a school district, as defined in ORS 330.005. The tax would apply to improvements to real property resulting in a new structure or additional square footage in an existing structure.

The tax can be imposed by resolution adopted by the district board of the school district. The resolution shall state the rates of tax. The tax is not subject to election. A Long Range Facilities Plan must be adopted by the district prior to imposing any tax.

The amount of the tax may not exceed \$1.00 per square foot for residential use and \$.50 per square foot for non-residential use. Tax for non-residential use may not exceed \$25,000 per building permit, or \$25,000 per structure, whichever is less.

The following are exempt from taxation:

- Private school improvements;
- Public improvements as defined in ORS 279A.010;
- Residential property considered to be affordable housing under guidelines established by US Department of Housing and Urban Development;
- Households earning no more than 80 percent of the median household income for the area;
- Public or private hospital improvements;
- Improvements to religions facilities primarily used for worship or education associated with worship; and
- Agricultural buildings as defined in ORS 455.315(2) (a).

### **Use of Tax Monies**

The school district may use the net revenues only for capital improvements. Further, the school district is required to develop a long-term facilities plan for making such capital improvements.

Capital improvements mean:

- The acquisition of land;
- The construction, reconstruction or improvement of school facilities;
- The acquisition or installation of equipment, furnishing or other tangible property;
- Architectural, engineering, legal or similar costs related to capital improvements and any expenditures for assets having a useful life of more than one year;
- Payment of obligations and related costs of issuance used to finance or refinance capital improvements; and
- Capital improvements do not include operating costs or costs of routine maintenance.

## Collection of Taxes

Prior to the adoption of the resolution, the school board is required to enter into an intergovernmental agreement with local government, local service district or special government body collecting the tax. The agreement should state the collection duties and responsibilities, the school accounts for the monies to be deposited and the frequency of deposit, and the amount of the administrative fee, not to exceed one percent of tax revenue. Construction taxes are to be paid by the person undertaking construction at the time the permit is issued.

The Bill also preempts other local governments from using a construction tax until January 2, 2018, but grandfathers in local government construction taxes in effect as of May 1, 2007, or in the process of being developed.

### Trend Information

Based on information provided by the City of Corvallis and Benton County, the following table indicates the trends in construction and revenue over the past six years.

Types	2002	2003	2004	2005	2006	2007	Totals
SF	593,915	566,101	625,227	657,101	762,909	367,767	3,573,020
MF		87,602	86,108	509,771	114,402	75,036	872,919
DUP	7,616	12,535	3,308	10,303	7,600	14,175	55,537
Total Sq Ft	601,531	666,238	714,643	1,177,175	884,911	456,978	4,501,476
Exemptions:							
Habitat for Humanity	3,000	3,000	3,000	3,000	3,000	3,000	18,000
Camas	62,960	0	0	0	0	0	62,960
Estimated Totals	65,960	3,000	3,000	3,000	3,000	3,000	80,960
Net Sq Ft	<b>535,571</b>	<b>663,238</b>	<b>711,643</b>	<b>1,174,175</b>	<b>881,911</b>	<b>453,978</b>	<b>4,420,516</b>
Tax rate = \$1 sq ft	\$535,571	\$663,238	\$711,643	\$1,174,175	\$881,911	\$453,978	\$4,420,516
Administrative fee = 1%	\$5,356	\$6,632	\$7,116	\$11,742	\$8,819	\$4,540	\$44,205
Net Proceeds	<b>\$530,215</b>	<b>\$656,606</b>	<b>\$704,527</b>	<b>\$1,162,433</b>	<b>\$873,092</b>	<b>\$449,438</b>	<b>\$4,376,311</b>

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## *Charge to Future Planning Committees*

Committee Recommendation - December 13, 2007

**Description:** The committee agreed with staff recommendations to delay asking voters to pass an additional bond until 2016 or 2018, because the 2002 Facilities Improvement bond debt service payments will decrease in 2018. However, effective planning between now and the next bond funding opportunity will be essential to the success/feasibility of the next facilities improvement bond. Therefore, the committee discussed necessary steps for planning with the next ten years.

**Considerations:**

- Timeline for going out for a new facilities bond
- Financial impact on voters
- Need for repairs/renovation
- Capacity of our schools (current and projected)

**Recommendation:** The committee recommends the following timeline:

- **Immediately** - Staff should work to identify and purchase property in south Corvallis for a new K-8 school.
- **Immediately** - The district should focus immediate short/medium term attention on the efficient and safe operations of school facilities. Included should be repair, retrofit, or replacement of aging systems to maintain the capital investment in our buildings and grounds.
- **2012** - The Long Range Facilities Master Plan committee should reconvene every five years. The next committee should reconvene in 2012 to review and make recommendations on the following items:
  - Fairplay lease (lease with Corvallis Waldorf School expires in 2013)
  - Tentatively identify schools to be replaced
  - Identify property for potential future school sites – proceed with property purchases if deemed necessary
  - Begin bond planning
- **2016-2022**– The district should consider going out for a new facilities improvement bond.

**Reason:** The committee felt that their proposed timeline would have the least impact on voters and other government agencies by postponing another attempt at bond funding until the 2002 Facilities Improvement Bond is paid down and the tax rates drop for our community.