

## SECTION 7: MSBA

### A. *Feasibility Study Stage*

On February 28, 2008, Members of the SBC met with representative of the Massachusetts School Building Authority (MSBA) to review the Wellesley High School Building Project. This was the first meeting with the MSBA since the announcement that Wellesley had been invited to proceed to the next stage of the process, the Feasibility Study Stage (see next page for MSBA Process Flow diagram).

Prior to the meeting, the SBC compiled and submitted a comprehensive summary of work completed to date on the High School Project, including an Executive Summary<sup>1</sup> and detailed historical and current information. Also included was a summary of options under review. The meeting was very productive and the response was positive. The SBC will proceed as planned: To request funds at Annual Town Meeting to develop a final project plan; to seek Town Meeting approval in the fall; and ultimately a Town-wide vote in December (see calendar in Section 1, page 6).

Additional Information:

- The next step is to enter into an agreement with MSBA, the "Feasibility Study Agreement", in order to obtain reimbursement for those parts of our study that qualify.
- The MSBA will review the submission prepared by SBC and focus on two critical areas: the enrollment projection and the educational program spaces.

The MSBA anticipates they will complete the submission review by the end of March, prior to the press date of this book. An update will be provided at Town Meeting.

### B. *Reimbursement Formula*

A critical source of project funding is the potential for reimbursement from the Commonwealth. The MSBA is the managing authority on school building projects and on the level of reimbursement for which a project can qualify. The SBC is striving to meet the requirements necessary to achieve the maximum reimbursement possible so as to deliver the project which delivers the most value to the Town and to the Commonwealth.

The *Grant Percentage Formula* in the MSBA regulations is provided on page 3 in this section. The MSBA has clarified the following regarding the reimbursement formula: The minimum reimbursement a town will receive is 40% of eligible project costs.

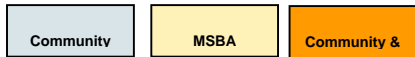
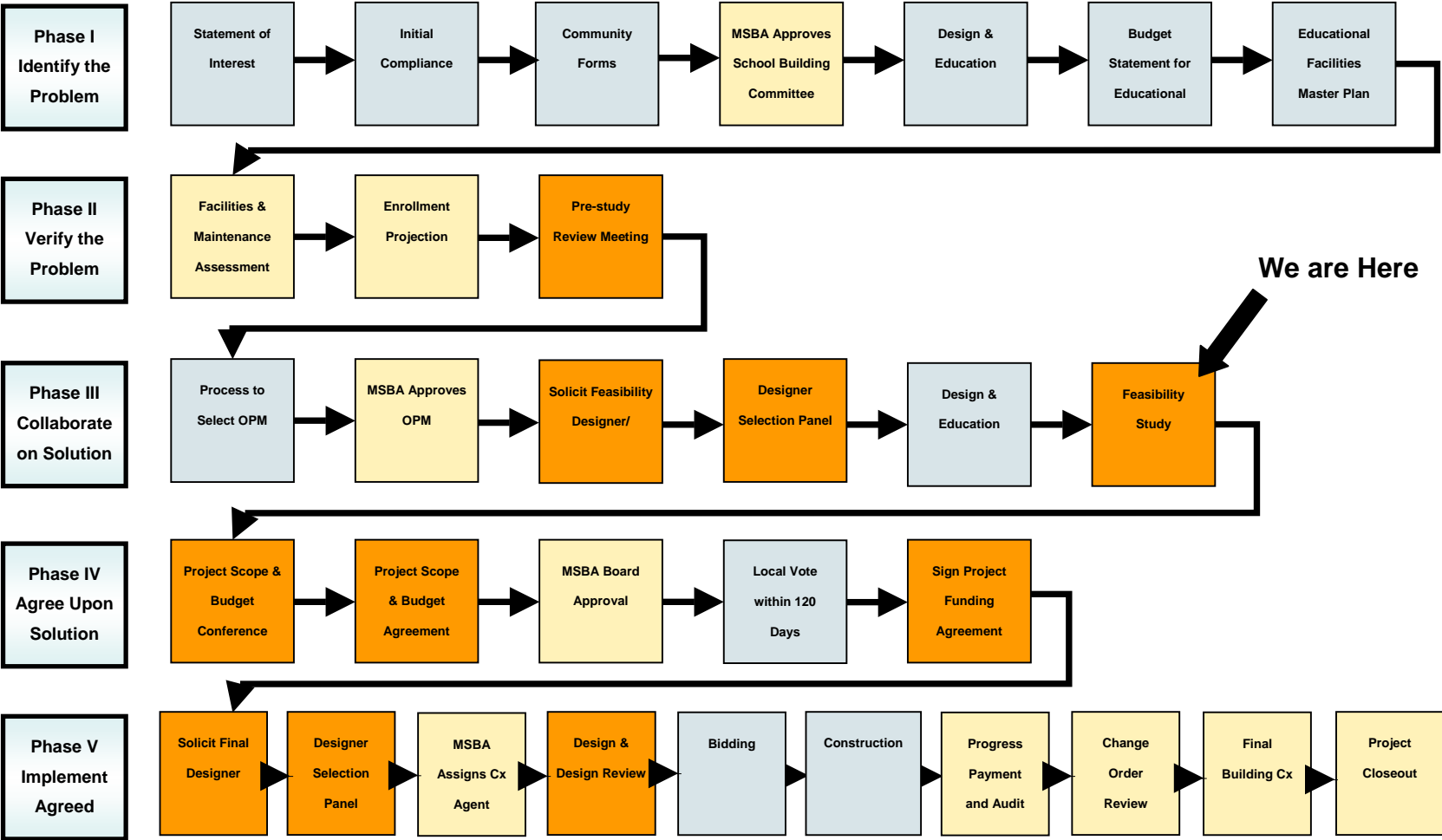
Many towns will receive reimbursement rates in excess of 40% because of their economic profile. Wellesley's profile sets it at the lowest end of the range. At a minimum, the Town will receive 40% of the eligible project costs. Should it wish to obtain reimbursement at more than 40%, the Town must earn at least ten incentive points (see page 3) starting from a basis of 31%, which apparently is a significant challenge to achieve.

A review of the incentive formula and the costs associated with achieving various levels of incentive points has been initiated. Further information will be provided as developed.

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<sup>1</sup> **WHS Progress Feasibility Study Executive Summary**, February 2008. Available online at: [www.wellesleyma.gov](http://www.wellesleyma.gov), click on School Building Committee, go to: *Download SBC Files*

# MSBA New Project Process Flow



## MSBA REIMBURSEMENT FORMULA

BASE VALUES	%	
<b>Base Percentage</b>	31%	
<b>Ability to Pay:</b> <i>(1) Community Income Factor</i>	0% to 12 %	Community Income Factor = per capita income, as determined by the department of revenue, for a municipality as a % of statewide average per capita income.
<i>(2) Community Wealth Factor</i>	0% to 28%	Community Wealth Factor = Equalized property valuation per capita as determined by the department of revenue, for the municipality as a % of statewide average equalized property valuation per capita.
<i>(3) Community Poverty Factor</i>	0% to 17%	Community Poverty Factor = Proportion of low income students, as determined by federal eligibility for free or reduced price lunch, for the district, as a % of the statewide average proportion of low income students.
INCENTIVE FACTORS		
<b>Innovative Community Use</b>	up to 3%	Demonstrate truly innovative use and result in a reduction of cost or scope to the Approved Project by use of other community resources
	up to 1%	Adoption of an overlay zoning district pursuant to the provisions of MGL C 40R or C 40S
	up to 0.5%	MGL c. 40R overlay zoning district provides for either 100 units or more of housing in one, two, or three family structures OR in which 50% or more of the total number of allowed housing units in MGL c.40R overlay zoning district are designated for such structures.
<b>Energy Efficiency</b>	up to 2%	Where the Authority makes a determination that elements of an Approved Project meet the threshold established in the Green Schools Guidelines for the allocation of Energy Efficiency incentive points
<b>Maintenance Rating</b>	up to 8%	1) Establishment of long-term capital improvement plans, 2) establishment of segregated local funds dedicated for the capital maintenance of school facilities, 3) the use of facility maintenance manuals and practices that standardize preventive and routine maintenance procedures, or 4) other practices as determined by the Authority. The maintenance program will be reviewed as part of the Facilities Assessment and this information will be used as part of the assessment of incentive points for maintenance ratings. <i>Includes any incentive % points awarded for the establishment of a "School Facility Maintenance Trust"</i>
	up to 1% CASH GRANT	Trust shall be "a segregated local fund used solely for the preventive maintenance and upkeep of the Eligible Applicant's school facilities." Applicant has to provide a one-for-one match for any funds deposited in the Trust.
<b>Private Match</b>	at a rate of 0.5% per 1%	At discretion of Authority, allocated at a rate of .5% for every 1% of Project costs raised for the capital construction of the facility from non-public sources, which may include private fundraising, in-kind grants, bequests, land grants, mechanical equipment, or other non-public donations presented by the Eligible Applicant.
<b>Alternatives to Construction</b>	up to 4%	May allocate up to 1% for Projects utilizing Construction Management at Risk construction delivery method as certified by the Inspector General and pursuant to <i>Construction Manager at Risk Guidelines</i> established by the Authority.
<b>Renovation/Major Reconstruction/New Construction</b>	up to 5%	0 points for new construction, 4 points for Major Reconstruction and 5 points for Renovation/Reuse