14 February 2018

The Honorable Maggie McIntosh Chair
Appropriations
Room 121, House Office Building
Annapolis, Maryland 21401

Re: Letter of Concern for HB 0968
Maryland School Overcrowding Reduction Act

Dear Delegate McIntosh and members of the Appropriations Committee:

I am writing to offer AIA Maryland’s concern for House bill 0968. AIA Maryland represents nearly 2,000 Registered Architects in the state of Maryland. Architects are registered professionals entrusted to protect the health safety and welfare of inhabitants of buildings throughout the state. Many of our members are intimately involved in the planning, design of and construction observation of schools being built throughout the state of Maryland and elsewhere. Additionally, AIA Baltimore’s Committee on Architecture for Education and our national committee focus on creating a forum to bring together diverse stakeholders to explore, discuss and disseminate ideas on how to create, build and implement great learning environments.

We recognize the need to be nimble and cost conscious in planning for school construction and we support the intent of this bill, however we wish to express concerns regarding two aspects of this bill. First, enabling alternative financing for projects, particularly public private partnerships, sounds like a great opportunity to potentially solve some issues in implementing projects quickly, however we believe this process may require oversight that does not appear to be enabled with this legislation. Our input is based upon national and international studies of similar processes implemented for school construction. Second, the construction incentive program proposed in this bill highlights the schism between capital and operational cost of schools in Maryland. While state funding directly applies to capital dollars, the two issues should not be divorced when looking at project costs, particularly when considering a reward program. Education outcomes should also be considered.

Alternative financing of projects may be best vetted through a centralized P3 office when paired with oversight in each unique project realm. Two neighboring jurisdictions, Virginia and DC have an office of Public Private Partnerships that is housed within one agency to address the potential of a variety of project types that may be financed this way. Neither of these states has yet done a P3 school, but establishing a center of expertise of understanding such arrangements makes sense to have that centralized because of the unique nature of the contract. Based upon problems that have occurred when
projects have been undertaken in other countries, we believe it may be prudent to amend article 4-114 D (2) (line 7 on p. 3) to read. *If demonstrated to provide significant advantages of cost, time or education delivery.* A COUNTY BOARD MAY TRANSFER TITLE TO PROPERTY USED FOR A PARTICULAR PUBLIC SCHOOL OR LOCAL SCHOOL SYSTEM..... We understand that the bill is simply enabling such an arrangement, but an oversight body (aligning a center of expertise for such projects and a group such as the IAC) should confirm a vetting process to provide a strong level of surety before entering into such arrangements. Additionally, the nature of such projects often demands a project of significant size to make economic sense. This size threshold and possibly bundling of projects that would be required to make economic sense for P3 financing of education projects in Maryland may not make sense, but it should be properly evaluated.

The proposed incentive program in this bill is looking at only one part of the equation of school costs and any incentives should be inclusive of operational and transportation costs and it should consider education outcomes. Schools are long-term investments that typically serve our communities for well over 50 years and what makes a building cost less in year 1, may add significant costs in year 5, year 20 or year 50. Additionally, we need to be certain that project cost does not take priority over education outcomes. For instance, many studies show that daylight in classrooms improves education outcomes, but it’s cheaper to build a wall with fewer windows. If we build a classroom with 30% fewer windows, we may meet the cost incentive, but deprive our students of something we know is valuable. Although the state does not pick up the bill for the transportation, operational and maintenance costs, education outcomes and life-cycle costs should not be left out of the equation when identifying potential incentives. Schools are typically the cornerstones of our communities and they need to be exemplary in terms greater than being built for 30% below average costs.

AIA Maryland cares deeply about the quality of Maryland’s built-environment, particularly space that houses our future generations. It’s important that we plan well, we respectfully ask your committee to consider our concerns and reevaluate the additional language set forth within this bill as discussed herein.

Sincerely,

Laurence A. Frank, AIA
President

Chris Parts, AIA
Past President

cc:

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