



NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BIANNUAL REPORT

FOR THE REPORTING PERIOD OF **APRIL 1, 2023 - SEPTEMBER 30, 2023**



New Jersey Schools Development Authority (SDA)

The New Jersey Schools Development Authority (SDA or the Authority) fully funds and manages the new construction, modernization and renovation of school facilities projects in 31 school districts known as SDA Districts. The Authority also makes grants available to Regular Operating Districts (RODs) throughout New Jersey for facilities projects approved by the New Jersey Department of Education (DOE).

SDA MISSION

Our mission is to deliver high-quality educational facilities that best meet the needs of the students of the State of New Jersey. While providing efficiently designed facilities that enhance the academic environment, we promote fiscal responsibility in the management of taxpayers' resources.

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MESSAGE FROM THE BOARD CHAIRMAN AND THE CEO



Robert Nixon, Board Chairman

The New Jersey Schools Development Authority (SDA) is pleased to present our Biannual Report for the period of April 1, 2023, through September 30, 2023. This report is submitted pursuant to the provisions of P.L. 2007, c. 137 and summarizes the progress and accomplishments of New Jersey's school construction program during the six-month reporting period.



Manuel Da Silva, SDA CEO

Following the approval of the SDA's 2022 Capital Plan portfolio, significant work has occurred to advance new capital projects. This includes planning and scoping conversations with Districts, SDA in-house design activities, outside design consultant work, and procurement activities for the advancement of early site preparation work. The first of the 2022 capital projects completed was the Nelson Mandela School in Newark, a project delivered this fall through the acquisition of a vacant school facility that was recently renovated and expanded. Across this portfolio of capital projects, SDA will continue to pursue the advancement of the most appropriate project that will effectively and efficiently address the need that exists within a school district while working to advance these projects into construction.

This reporting period was marked by robust activity on projects across multiple programs. This fall, the SDA celebrated the completion of one new school facility and two major addition/renovation projects. This included the new Charles and Anna Booker School in Plainfield, as well as the final addition on the multiphase project at Millville Senior High School and the renovation phase of the Port Monmouth Road School in Keansburg. Combined, these projects represent more than \$235 million in total state investment.

Construction activities continued at a rapid pace on three capital projects in construction, including the largest project ever undertaken by the SDA, the Perth Amboy High School project, which is currently on target to be delivered months ahead of schedule. In addition, SDA was managing more than a dozen emergent projects that will remedy

various issues including water infiltration and heating concerns. SDA's Regular Operating District (ROD) grant staff continued to close out previous ROD grant projects while preparing for the upcoming offer and execution of \$450 million in new ROD grant awards. SDA also continued the issuance of grant funding through the \$75 million made available for capital maintenance and emergent projects.

We value our partnerships with school district officials and our construction partners, and continue to make ourselves available for ongoing dialogue. During this reporting period, the SDA also continued its efforts to engage more construction companies in the State's school construction program. This included an appearance at the Alliance for Action's 'Inside Scoop' event. There, we discussed current and upcoming capital projects with construction industry professionals and bidding opportunities that are anticipated to be announced in the upcoming years. Expansion of our bidding pool will foster competition during the procurement of construction contractors. During this time, the SDA also began activities to prepare for its upcoming annual Contractor Training Program to be held in December 2023.

This is just a small sampling of the achievements of the SDA. SDA has the honor of implementing the State's school construction program – a tremendous responsibility as we know access to a quality education is a great equalizer for disadvantaged children. Construction of 21st century school facilities can be life changing for the communities we serve. SDA approaches all aspects of our work with an eye toward fiscal responsibility, efficiency, and durability in order to impact generations of New Jersey students.

“
AT THE SDA, WE UNDERSTAND THAT INVESTMENTS MADE IN NEW JERSEY'S SCHOOL INFRASTRUCTURE WILL HELP SHAPE THE KIND OF FUTURE OUR CHILDREN WILL HAVE. UNDER GOVERNOR MURPHY'S LEADERSHIP, WE ARE WORKING HARD TO ENSURE THAT ALL OF OUR STATE'S CHILDREN AND EDUCATORS HAVE SCHOOL FACILITIES IN WHICH THEY CAN THRIVE, REGARDLESS OF ZIP CODE.
”

Manuel Da Silva, SDA CEO

2022 CAPITAL PROGRAM

A New High School for Camden

In September 2023, the SDA joined Camden school district, federal, state, and city officials at a District event announcing the future construction of a new Eastside High School in the City of Camden. As the cheerleaders performed, the excitement of current and past students of Eastside was palpable.



This project will address the facilities deficiencies needs project identified for advancement in Camden, as part of the SDA's Statewide Strategic Plan. CEO Manuel Da Silva shared remarks with those in attendance. He explained that after the SDA's engagement of a bridging design consultant in the coming months, commencement of the planning and development phase for the new facility would begin.

Status of 2022 Capital Projects

Significant progress continued on projects in the 2022 Capital Plan Portfolio throughout the reporting period. Among the most significant accomplishments during this reporting period was the initiation of procurement activities for two of the projects. Demolition and site preparation packages associated with the new elementary school in Garfield and the new Pre-K to 8 school in Elizabeth were advertised in August and September, respectively. Once awarded, these contracts will ready the sites for future construction of new schools.

Several additional projects advanced through approval of preliminary project charters, the engagement of bridging design consultants, in-house design activities and identification of two alternative delivery projects, including one that has already been delivered. The status of all projects approved as part of the 2022 Capital Plan at the end of the reporting period are below.

SCHOOLS DEVELOPMENT AUTHORITY BIENNIAL REPORT

District	Project	Grades	Max Capacity	Total Est. Costs (millions)	Delivery Method	Advancement Status
Newark	Nelson Mandela E.S. (Existing building acq.)	PK-8	376	\$20.5	Alternative Delivery	Building acquisition complete.
Bridgeton	H.S. Addition/Renovation	9-12	384	\$49.2	Design-build	Preliminary Charter approved Nov. 2022 Board.
Elizabeth	New ES (Battin Replacement)	PK-8	1,068	\$96.2	Design-build	Preliminary Charter approved Nov. 2022 Board.
Garfield	New ES (No. 5 Replacement)	PK-5	852	\$80.2	Design-build	Preliminary Charter approved Nov. 2022 Board.
New Brunswick	Middle School Annex (40 Van Dyke Ave.)	6-8, 9-12	859	TBD	Alternative Delivery	Acquisition approved Aug. 2023 Board.
Paterson	New STEAM & STARS HS	9-12	1,532	\$160.3	Design-build	Preliminary Charter approved Jul. 2023 Board.
Trenton	ES at Dunn MS	K-6	837	\$83.8	Design-build	Preliminary Charter approved Jul. 2023 Board.
Pleasantville	New Decatur Ave ES	PK-5	604	TBD	Design-build	SDA in-house design program concept phase ongoing.
West New York	Middle School	6-8	833	TBD	Design-build	SDA in-house design program concept phase ongoing.
Camden	New High School (East Side HS Replacement)	9-12	941	TBD	Design-build	Bridging design consultant procurement
Newark	New High School (University HS Replacement)	9-12	1,059	TBD	Design-build	Bridging design consultant procurement
Bridgeton	6-8	6-8	TBD	TBD	Design-build	DOE/District/SDA working group meetings ongoing
Bridgeton	PK, 6-8	PK, 6-8	TBD	TBD	Design-build	DOE/District/SDA working group meetings ongoing
Jersey City	PK	PK	TBD	TBD	Design-build	DOE/District/SDA working group meetings ongoing
New Brunswick	MS Addition	6-8	TBD	TBD	Design-build	DOE/District/SDA working group meetings ongoing
Passaic City	9-12	9-12	TBD	TBD	Design-build	DOE/District/SDA working group meetings ongoing
Perth Amboy	K-5	K-5	TBD	TBD	Design-build	DOE/District/SDA working group meetings ongoing
Salem City	PK-8	PK-8	TBD	TBD	Design-build	DOE/District/SDA working group meetings ongoing
Garfield	K-5	K-5	TBD	TBD	Design-build	DOE/District/SDA working group meetings ongoing

Notes:

PLEASE NOTE – Dates in the past are actual

NOTE #1: Estimated costs, grade alignment and capacity are based upon approved project charters, where applicable.

For projects without an approved charter, estimated costs, grade alignment and capacity are based upon planning assumptions.

Utilizing Bridging Design Consultants to Advance Projects

The SDA's desire to advance capital projects as expeditiously as possible, while still ensuring efficiency and quality, has led to the use of bridging design consultants. In November 2022, SDA initiated its first-ever Bridging Design Consultants Task Order pool. Under this agreement, bridging design consultants represent the SDA by developing bridging design documents to be used as the basis for a subsequent procurement of a design-builder who will be responsible for the final design and construction of a school facilities project in conformance with SDA standards.

The scope of the required bridging design consultant services includes, but is not limited to, programming, preparation of educational specifications, preparation of schematic design documents including detailed room layouts, and preparation of bridging design drawings and performance specifications. At the Authority's option, such services may include predesign activities such as program development and the development, evaluation, and selection of a conceptual design option.

Before the end of the year, the SDA will initiate the advancement of four of the 2022 capital projects through this process including high school projects in Camden and Newark and elementary schools in Elizabeth and Garfield. The use of this task order pool allows the SDA to expedite project advancement despite staffing limitations. Historically, for design-build projects, SDA's in-house design studio staff were responsible exclusively for programming, concept, schematic and bridging design documents. For the projects referenced above, the SDA will outsource all or a portion of these design services. This enables the SDA to advance more projects simultaneously into program concept design, rather than waiting until the first several projects reach the Design-Build phase.

IMPROVING NEW JERSEY'S EDUCATIONAL FACILITIES

School Completions Provide New Spaces For New Jersey Students

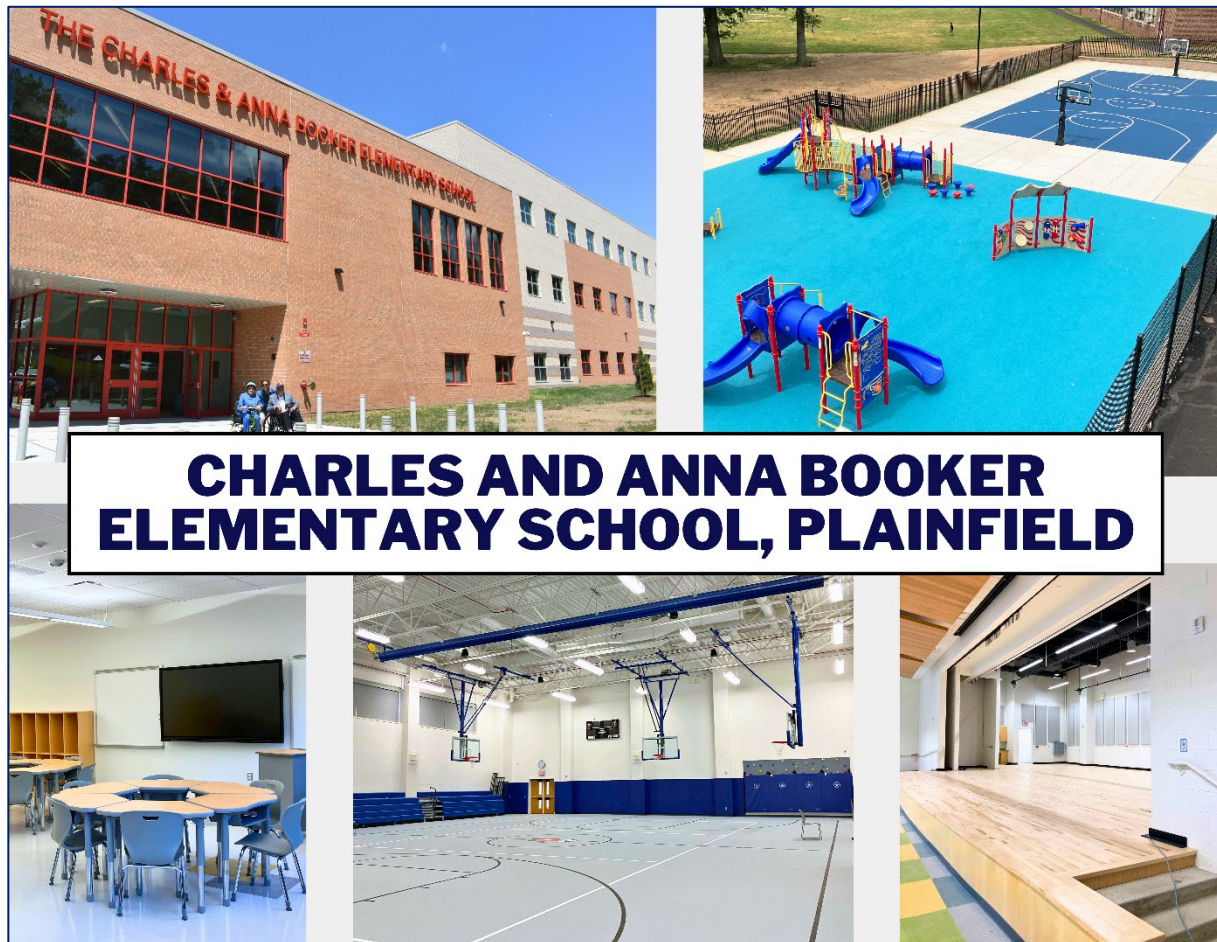
The SDA's commitment to ensuring that students and educators benefit from state-of-the-art learning environments remains evident through the construction progress being made throughout the state.

This fall, SDA celebrated the completion of multiple school projects with the delivery of one new school facility and two major addition/renovation projects. This included the new Charles and Anna Booker School in Plainfield as well as major additions at Millville Senior High School and Port Monmouth Road School in Keansburg.

Representing a total state investment of more than \$235 million, these completed school projects delivered more than 145,000 square-feet of new construction and approximately 840 new student seats. The delivery of these revitalized educational facilities will allow New Jersey students to learn in equitable learning environments for generations to come.

Each of these school facilities is delivered with 1:1 technology – today an educational necessity. The technology delivered includes a combination of tablets, Chromebooks, desktops and laptops as deemed appropriate within each school district's educational program. This, along with classroom interactive display boards, provides students and educators with the technology needed to teach and learn through a variety of settings and approaches.

All of the new school facilities and new construction spaces incorporate the guidelines developed by the United States Green Building Council (USGBC) known as the "Leadership in Energy & Environmental Design ("LEED®") program in order to achieve maximum energy efficiency and environmental sustainability in the design of schools.

Charles and Anna Booker School, Plainfield

CHARLES AND ANNA BOOKER ELEMENTARY SCHOOL, PLAINFIELD

Alongside Charles and Anna Booker, Plainfield school district leaders, students, state and local officials, and the SDA celebrated the ribbon cutting of the new Charles and Anna Booker Elementary School that opened to students this September.

The new, \$59.4 million, three-story, approximately 120,000 square-foot facility is designed to educate approximately 840 kindergarten to fifth grade students. The new school includes 41 classrooms, an art room, a vocal/music room, an instrumental lesson room, a technology lab, a science demo room,

"Today's ribbon cutting ceremony affords us the opportunity to celebrate its namesakes, the Bookers, and envision the lasting impacts this facility will have on the lives of Plainfield's young scholars. It is a testament to the productive collaboration SDA shared with the school district, state and local officials, and our contracting partners, who were integral in bringing this project to fruition." said Manuel Da Silva, SDA CEO.

a computer lab, a gymnasium, a cafeteria, a media center, a playground, and a basketball court.



The Charles and Anna Booker School was named by the Plainfield Board of Education in honor of the longtime civil rights activists. In 1965, they won a legal case, *Booker v. Board of Education of City of Plainfield*, to end segregation in Plainfield schools. Mr. and Mrs. Booker, born and raised in Plainfield, have been involved in community organizing and advocating in the City of

Plainfield their entire lives. Mrs. Booker was a teacher in Plainfield when the Plainfield Public School District began hiring African American teachers. Mrs. Booker retired after serving 20 years in the Plainfield School District.

Millville Senior High School

SDA joined the Millville School District this September for a ribbon cutting ceremony to celebrate the completion of the multi-phase, multi-year Millville Senior High School addition/renovation project.



The delivery of approximately 230,000 square-feet of additions and more than 55,000 square-feet of renovations allowed the SDA to increase the size and capacity of the existing facility, providing 860 new seats for students in grades 9 through 12.

Construction activities for this project were completed in four phases to allow the Millville School District to continue to utilize the existing facility as construction progressed. To facilitate this project phasing throughout the project, existing and temporary facilities were utilized as swing space by students and staff.

"Today is a momentous occasion as we gather to celebrate a new era at Millville High School," said Tony Trongone, Millville Superintendent. "This project delivers a fresh start at this school - one that reflects the evolving needs of our students and will provide a thorough and efficient education. Thank you to the Schools Development Authority and the contractors responsible for the construction of this project."

With the project now complete, the most recent addition gives the District access to a new 26,000 square-foot auditorium, two-story connector, two new art studios, a broadcasting/production studio, and three small group instructional rooms.



Previously completed work included the delivery of the North addition, with a gymnasium, locker rooms, a weight room, a fitness room, a dance studio, an ROTC classroom, five general classrooms, eight science labs, five Small Group Instructional Rooms, chemistry labs, guidance offices, a health care lab, and a horticultural center. SDA also delivered a West addition, including a student cafeteria, faculty dining room, full service kitchen, two culinary arts labs, 32 classrooms, eight Small Group Instruction rooms, two self-contained Special Education classrooms, and a life skills classroom.

Port Monmouth Road School, Keansburg

This fall, the SDA celebrated the completion of the \$28.4 million Port Monmouth Road School addition/renovation project in Keansburg.

With the delivery of approximately 19,000 square-feet of renovations to the existing facility, the District’s 315 pre-kindergarten students now have



**PORT MONMOUTH ROAD SCHOOL,
KEANSBURG**



access to an additional eight pre-kindergarten classrooms, a gross motor skills area, and two new playgrounds.

The approximately 27,500 square-foot single-story addition that partially opened to students last September provided 13 new classrooms, a food service area, nurse's area, support facilities and a connection to the existing facility.

Alternative Delivery Approach Provides Facility for Newark Students This Fall

Nelson Mandela School, Newark

Two capital projects were approved in 2022 to address capacity deficiencies as well as serious facilities deficiencies in the Newark School District. Earlier this year, the SDA employed an alternative delivery method to address one of the projects approved for the Newark School District through the acquisition of a vacant, non-operational charter school building.

This acquisition is an example of the SDA's goal to identify and pursue cost-effective, expedited alternative delivery methods to address facility needs that exist throughout the state, when appropriate. On this specific project, it is estimated that approximately \$5 million and three to five years was saved. This approach also provided an expedited resolution to address overcrowding.



"We will unleash potential, ignite curiosity, and cultivate critical thinking skills through hands-on experiences," said Superintendent León. "And by engaging with real-world challenges and cutting-edge technologies, students at Nelson Mandela Elementary School will develop the problem-solving abilities and creativity necessary to excel in the modern world." - Newark Board of Education Press Release

As part of this project, the SDA will also reimburse the District for technology and furniture fit-out to provide for 1:1 technology in the school facility.

This September, the 34,000 square-foot Nelson Mandela Elementary School opened its doors – initially to students in pre-kindergarten through third grade for the inaugural year. The district intends to increase capacity by one grade each year up to grade eight. The maximum capacity of the facility is 376 students.

Located in Newark’s Central Ward, the school will focus on a Science, Technology, Engineering, and Mathematics (STEM) based curriculum.

Active School Construction Across the State

Groundbreaking Ceremony Celebrates Start of a New School in Union City

The rain held off long enough for the SDA to celebrate the ceremonial groundbreaking for the new Grade 7-9 School in Union City alongside Mayor and State Senator Brian Stack, Superintendent Silvia Abbato, and Union City students this September.



The new \$93.7 million school will be an approximately 132,000 square-foot, six-story facility designed to educate more than 900 students in grades 7 to 9. In addition to general classrooms, some of the specialized spaces in the school will include a hydroponics lab and robotics lab, along with a technology lab, dance studio, and a greenhouse.

The SDA awarded a design-build contract in July 2022 to Dobco, Inc. for the design and construction of this facility to help alleviate capacity deficits in the Union City School District. Prior to the start of footings and foundations, significant work occurred to grade the site in preparation of the facility construction.

The highlight of the event was remarks by Union City eighth grade student Azilah Moore. She said, “My excitement about there being an uptown Middle School is beyond mind blowing. At first I didn’t believe it when they said they were making a new middle school, but now I am in deep shock with the exciting news. It is an honor to be a part of this community that is always thinking ahead and planning for the future, because we are the future. Thank you for investing in us, your students.”

Active Projects

At the end of the reporting period, three projects from SDA’s Capital Plan portfolio were in active construction, representing a State investment of more than \$429 million. This includes the start of construction for a new school in Union City; an addition/renovation project in Orange; and new construction in Perth Amboy.

SDA Projects in Construction as of September 30, 2023				
District	Project Name	Project Type	Total Estimated Project Cost	Max Student Capacity
City of Orange	Cleveland Street E.S.	Addition/Renovation	\$51.7 M	348
Perth Amboy	High School	New School	\$283.8 M	3,295
Union City	Grade 7 to 9 School	New School	\$93.7 M	936
3 schools in construction			\$429.2 M	4,579

In addition to the Union City project discussed above, work on the new Perth Amboy High School and the Orange Cleveland Street Elementary School continued at a rapid pace.

The Perth Amboy High School project remains that largest project ever undertaken by the SDA, both for square footage and total investment. At the end of the reporting period, the project was on target to reach substantial completion months ahead of schedule. By the end of September, interior painting, ceramic tile installation, and floor work was ongoing. Casework and architectural millwork installation was being completed. The gym floor installation and athletic equipment installation were also ongoing. On the exterior of the building, the paving of roadways and sidewalk installation continued.

The Orange Cleveland Street Elementary School project was re-bid and a new construction contract was awarded to Terminal Construction in April 2023.

Approximately two years after the original construction Notice to Proceed was issued, the SDA determined that termination of the construction services contract was in the best interest of the SDA and the State of New Jersey and, as a result, issued a Notice of Termination for Convenience. Following the recommencement of this project in April 2023, significant progress throughout the facility has occurred in the six months that followed. On the interior of the building, framing, sheetrock, concrete work and masonry work was ongoing. In addition, plumbing and site work continued and the general contractor was expediting procurement of long lead items such as HVAC equipment, doors, and hardware.

Emergent Program

SDA's Emergent Project Program provides the funding for important repair work at schools throughout the state so that students can learn in facilities that are free from building deficiencies such as leaking roofs and faulty boilers.

Through our Emergent Project Program, the SDA continues to address conditions deemed necessary by the DOE due to potential health and safety concerns. Emergent projects address conditions such as water infiltration and include the repair or replacement of roofs, windows, exterior masonry, heating and cooling systems, plumbing, electrical, mechanical and security systems.

During the reporting period one delegated emergent project was completed that addressed exterior masonry water infiltration issues at the Newark Hawthorne School. This project totaled more than \$1.5 million in emergent repairs.

At the end of the reporting period SDA was managing 13 emergent projects, representing more than \$44 million in State investment, to improve existing buildings in the 31 SDA Districts. At the close of the reporting period the status of active SDA-managed emergent projects is as follows:

- Two projects in construction, and
- 11 projects in General Construction Task Order (GCTO) with design phase ongoing.

Below is the list of these projects.

SDA-Managed Emergent Projects			
District	School Name	Project Scope	Status
Burlington	Samuel Smith E.S.	Window Repair/Replacement Partial Roof Replacement	GCTO with Design – Design Phase
Camden City	Veterans Memorial School	Exterior Masonry, Windows, Roofing & Site Work	Construction Procurement
East Orange	Fresh Start Academy	Water Infiltration, Roof, Masonry	GCTO with Design – Design Phase
Irvington	Grove Street School	Boiler Replacement & HVAC Repairs	Construction
Newark	Branch Brook E.S.	Water infiltration – Exterior Masonry	GCTO with Design – Design Phase
Newark	Cleveland E.S.	Boiler Room Vault Repairs	GCTO with Design – Design Phase
Newark	Salome Urena	Water Infiltration – Exterior masonry	GCTO with Design – Design Phase
Newark	Technology H.S.	Structural Vault Repairs/Façade Repairs	GCTO with Design – Design Phase
Newark	University H.S.	Partial Roof Replacement	GCTO with Design – Design Phase
Paterson	PS 5 E.S.	Exterior Masonry & Roofing	Construction
Trenton	Franklin E.S.	Exterior Masonry and Boiler Stack Repair	GCTO with Design – Design Phase
Union City	Emerson M.S.	Roof Replacement and Stucco Repairs	GCTO with Design – Design Phase
Union City	Union Hill M.S.	Roof Replacement, Stucco Repairs, and Chimney Repairs	GCTO with Design – Design Phase

SDA is also providing funding for one additional emergent project delegated for management by the local school district which totals \$4.2 million. When delegating projects, SDA executes a grant agreement with a local school district. The district is then

responsible for procuring and managing consultants and contractors, with SDA maintaining oversight throughout the process.

District-Managed Emergent Projects			
District	School Name	Project Scope	Status
Newark	Malcolm X Shabazz H.S.	Courtyard Drainage Water Infiltration	Construction

SDA performs site visits to school facilities where funding for potential emergent projects has been requested. The SDA advances additional emergent projects after an emergent determination has been made by the DOE and when funding is available to undertake them.

ROD Grant Program

The SDA's funding of projects in the RODs has had an enormous impact on more than 520 school districts throughout the State. Since the inception of the State's school construction program, the SDA's ROD grant program has funded more than 5,400 grants for projects at more than 1,610 school facilities in all 21 of New Jersey's counties.

SDA provides grants of at least 40 percent of eligible project costs (although some districts may be eligible for a higher share) to local school districts to leverage the local resources that are used to fund these projects. For a school facilities project to be considered for grant funding, the proposed scope of work must be 100 percent eligible for State support. Including vocational schools, of the more than \$4 billion in funding authorized for the ROD grant program, \$3.4 billion has been expended to date.

During the reporting period, the SDA disbursed 44 payments totaling over \$1.65 million, which included the closeout of 16 projects impacting nine school districts.

SDA's ROD Grant program continues to benefit school districts, as demonstrated by the SDA's active portfolio of 166 grant projects in 44 school districts throughout the State. At

the end of the reporting period these active projects totaled more than \$60.4 million in State share, generating a total investment of more than \$129 million in project costs when combined with the local share. With this significant investment the State continues to support educational needs while contributing to a strong economy.

New ROD Grant Funding

On June 30, 2022 Governor Murphy signed P.L.2022, c.18 which included a direct appropriation to the SDA to provide funding for new grant projects in the RODs. In September 2023, the DOE and SDA announced the approval of nearly \$450 million in school construction funds to address critical facilities needs in 261 school districts throughout the state. Of the \$450 million in project costs, \$350 million will come from funds allocated to the SDA from the State's Debt Defeasance and Prevention Fund, while the remaining \$100 million will come from unexpended grant funding from previous SDA allocations.

Projects that are 100 percent eligible for State support and do not require a local referendum to raise the local funding portion were eligible to receive this grant funding. School projects were identified by need, such as essential building systems upgrades like the repair or replacement of structural components, mechanical/heating and cooling, and electrical systems; building roofs; and to resolve building code issues. The funding will provide for numerous high-priority upgrades including more than 300 HVAC systems, dozens of boilers or water heaters, and more than 200 roof replacement/repair projects.

In addition to the \$450 million in state funding, local contributions totaling nearly \$600 million are estimated to bring the total cost of construction to more than \$1 billion throughout the State. The state-funded grants represent at least 40 percent of eligible costs for projects in the RODs.

Applications for this program were accepted by the DOE from January 30, 2023, through May 1, 2023. The DOE then determined the selection of school projects receiving grant funds. The grants will be administered by the SDA following issuance of Final Eligible Cost approval letters from the DOE. SDA anticipates initiation of the issuance of grant offer letters in January 2024.

\$75 Million Emergent and Capital Maintenance Grant Funding

The New Jersey State Fiscal Year 2024 budget once again included a direct appropriation of \$75 million to the SDA to provide funding for projects related to emergent and capital maintenance needs. As in Fiscal Year 2022 and Fiscal Year 2023, this funding allows both RODs and SDA Districts throughout the state to invest in infrastructure projects that will make New Jersey's school facilities healthier and provide safer environments for students. The allocation amounts for Fiscal Year 2024 had not yet been announced by the end of the reporting period but were anticipated to be announced by the DOE in January 2024.

Many of the projects funded by this grant program addressed HVAC, building envelope, site, plumbing, security and mechanical work in New Jersey's public schools. SDA's efforts reflect the Murphy Administration's commitment to ensuring a high-quality education for every student in New Jersey and directly impact student learning by providing the funding to assist districts with making improvements to their school facilities. The SDA's funding can offset costs incurred by a district while addressing those building conditions.

In order for school districts to receive their allocated funding, they were required to provide SDA with a duly-executed certification that lists an eligible emergent and/or capital maintenance project(s). Of the Fiscal Year 2022 and 2023 allocations, the SDA had disbursed \$100 million to SDA Districts and \$40.5 million to RODs at the end of the reporting period. Any Fiscal Year 2022 or Fiscal Year 2023 funding not yet requested by the Districts will be made available to augment Fiscal Year 2024 allocation amounts.

Metropolitan Statistical Comparison

In an effort to ensure that SDA's construction costs are reasonable when compared to school construction costs in geographic areas with comparable building and economic conditions, the Authority's 2007 enabling legislation requires that twice per year SDA management provide the Legislature a comparison of SDA's capital project costs with

those of projects constructed in the New York City and Philadelphia Metropolitan Statistical Comparison areas (MSA).

Although the SDA did bid one project during the reporting timeframe (Orange Cleveland Street E.S.), the project is not a useful comparative project as the bid was for a project for which the previous contractor was terminated for convenience. Therefore, the SDA does not have any SDA/MSA comparative data to provide at this time. However, for purposes of comparison to surrounding areas, recently, the SDA's cost per square foot for an elementary school project ranged from \$300 to \$325 and a middle school project was \$483 per square foot. Conversely, the New York City Mayor's Management Report in September 2023 reported a construction bid price for school capacity projects per square foot at \$800. The Philadelphia MSA reported a cost of \$449 per square foot for an elementary school, \$464 per square foot for a middle school, and \$444 cost per square foot for a high school for a similar timeframe. The New York MSA reported a cost of \$702 per square foot for an elementary school, \$465 per square foot for a middle school, and \$545 cost per square foot for a high school.

The data for the New York MSA is inclusive of New York City and its surrounding suburban counties including those located north and east of the city. The data also includes reported costs for facilities in counties in central and northern New Jersey.

School Facilities Projects Approved by DOE

From April 1, 2023 through September 30, 2023, the New Jersey DOE issued approvals for 89 school facilities projects in the RODs. None of these projects exceeded the Facilities Efficiency Standards (FES)¹.

¹ "Facilities efficiency standards" means the standards developed by the Commissioner of Education pursuant to subsection h. of section 4 of the Educational Facilities and Construction Financing Act. The facilities efficiency standards developed by the commissioner shall not be construction design standards but rather shall represent the instructional spaces, specialized instructional areas, and administrative spaces that are determined by the commissioner to be educationally adequate to support the achievement of the core curriculum content standards including the provision of required programs in Abbott districts and early childhood education programs in the districts in which these programs are required by the State.

Note: The information included in the table below was provided by the New Jersey Department of Education, Office of School Facilities.

School Facilities Projects Approved by DOE				
April 1, 2023 – September 30, 2023				
	Total School Facilities Projects Approved	Required Educational Adequacy/FES Review	Projects Requiring Educational Adequacy/RES Review & Exceeding the FES*	% of Projects Requiring Educational Adequacy/FES Review and Exceeding the FES
All Districts	89	15	0	0
SDA Districts	0	0	0	0
RODs	89	15	0	0

The DOE approved “111” “Other Capital” projects for SDA Districts. These are outside the SDA Managed funding process and not reflected in the table above. The DOE approved “349” “Other Capital” projects for RODs. These projects are not reflected in the table above. An “Other Capital” project is a project that is either not eligible or not seeking State funding support.

BENEFITING NEW JERSEY'S CONSTRUCTION INDUSTRY

Supporting Construction Jobs

New Jersey's school construction program plays an integral role in the State's efforts to modernize New Jersey schools. At the same time as this investment provides opportunities for our State's children by maximizing the long-term viability of our educational infrastructure, it also strengthens the State's construction sectors by generating jobs.

For the capital projects in construction at the end of the reporting period, the more than \$429 million (total project costs) investment in active school facilities represents the creation and/or support of more than 3,700 job-years throughout the project lifecycle.

In addition, the 199 active ROD Grants issued throughout the State, with total project costs of more than \$154 million, represent 1,300 job-years for the construction workforce.

The SDA expects the State's school construction program to have exponentially more impact on the State's construction workforce in the coming years as additional capital construction projects advance.

SDA Construction Supports Small Businesses and a Diverse Workforce

The goal of the SDA's Small Business program is to award at least 25 percent of the total dollar value of all publicly advertised SDA contracts to Small Business Enterprises each fiscal year. To this end, the SDA requires consultants and prime contractors on both Capital and Emergent projects to make good-faith efforts to identify and hire available small business enterprise (SBE) sub-consultants and subcontractors and award at least 25 percent of the total contract value to them.

Specific activity during this reporting period includes the award of contracts totaling \$38,759,426, with 30.12 percent of the total dollar value awarded so far going to

businesses with Small Business Enterprises (SBE) classifications. This includes construction awards for five emergent projects and one design consultant notice to proceed.

The SDA also compiles information on the number of school construction contracts awarded by the Authority to women, minority, veteran, and disabled veteran-owned contractors. This information includes the total value of these contracts and the percentage that they represent of all SDA school facilities projects that have entered into construction during the reporting period. This reporting period, minority-owned businesses received \$1,000,000 or 2.58 percent of total SDA construction contracts awarded. Women-owned businesses received \$1,283,000 or 3.31 percent of total SDA construction contracts awarded. There were no awards to veteran or disabled-veteran-owned businesses during the reporting period.

Minority/Female Workforce Hours

Through payroll certification, the SDA tracks the number of work hours by trade, broken down by minority and female workers, on Capital and Emergent projects across the State. The chart below demonstrates the number of work hours on active construction sites and the percentage breakdown by women and minorities. During this reporting period, the SDA logged more than 239,000 work-hours across all trades. Of those hours, more than 28 percent were performed by a minority workforce.

Number of Minority/Female Work-Hours by Trade

(April 1, 2022 - September 30, 2022)

Trade	Total Work-Hours	Minority Work-Hours	Minority Work-Hours Percentage	Female Work-Hours	Female Work-Hours Percentage
Asbestos Removal/Treatment	1,355	1,355	100%	0	0%
Bricklayer/Mason	17,418	9,959	57.18%	48	0.28%
Carpenter	40,987	7,455	18.19%	893	2.18%
Caulking & Waterproofing	2,792	2,552	91.4%	0	0
Dry Wall – All	4,612	3,398	73.68%	8	0.17%
Electrician	68,188	12,094	17.74%	893	1.31%
Elevator Constructor	914	0	0%	0	0

Trade	Total Work-Hours	Minority Work-Hours	Minority Work-Hours Percentage	Female Work-Hours	Female Work-Hours Percentage
Flooring/Tile Installation	6,433	1,113	17.30%	0	0
Glazier	3,872	16	0.41%	0	0
HVACR	12,842	364	2.83%	1,391	10.83%
Insulation – All	5,115	616	12.04%	0	0
Iron Worker	2,565	580	22.61%	0	0
Laborer	26,565	17,301	65.13%	0	0
Millwright	5	5	100.00%	0	0
Operating Engineer	4,285	552	12.88%	0	0
Painter	14,827	7615	51.36%	1,102	7.43%
Pipefitter	1,628	0	0	336	20.64%
Plumber	6,418	1,157	18.03%	0	0
Roofer	3,673	258	7.02%	0	0
Security/Intrusion Alarms	170	16	9.41%	0	0
Sheet Metal Worker	10,386	432	4.16%	95	0.91%
Sprinkler Fitter	3,920	684	17.45%	0	0
Structural Steel & Ornamental Iron Fabricator	69	0	0	0	0
Truck Driver	4	0	0	0	0
Window Treatment	24	0	0	0	0
TOTALS	239,067	67,522	28.24%	4,766	1.99%

SDA FINANCES

Budget Appropriation

In June 2023, the Governor signed the Fiscal Year 2024 Budget and Appropriations Act once again dedicating additional funding for school construction activities in both the Regular Operating and SDA Districts. This funding will significantly address capacity deficiencies previously identified and remedy facility conditions as well.

This most recent appropriation of funds included \$75 million to be allocated to every school district (SDA and ROD) for capital maintenance and emergent projects.

Funding

Since the inception of the State's construction program, the New Jersey State Legislature has authorized a total of \$14.825 billion in funding for SDA projects (\$10.8 billion for SDA Districts, and \$4.025 billion for RODs and vocational schools). Since the program's inception through the end of the reporting period (September 30, 2023), the amount of bonds issued to fund the program is approximately \$11.85 billion. There were no bond issuances during the reporting period, and there are no bond issuances expected in the next reporting period due to the recent funding allocated through the Budget and Appropriations Act.

As of September 30, 2023, SDA had approximately \$449 million in cash on hand, having disbursed over \$102 million during the reporting period. In September 2023, the SDA Board approved the Authority's 2022 financial statements, audited by Ernst & Young LLP. These can be found on the SDA's website at:

<https://www.njsda.gov/Public/AnnualAndOtherReports>.

RECOMMENDATIONS FOR CHANGE

Funding for Land Acquisition

In the last report, we discussed the need for municipal site planning for the identification and consideration of potential appropriate sites on which schools could be constructed in their master planning efforts. The SDA remains focused on the future land acquisition needs that would be required to advance school construction projects throughout the SDA Districts.

The Capital Plan projects approved in April and September of 2022 were able to advance due to the availability of either SDA or District-owned land appropriate to serve as school construction project sites. However, we know that significant school construction needs remain throughout the State. When SDA next receives additional funding for the program to advance capital construction projects, the acquisition of land would be required in many districts. At the present time, with few exceptions, readily available land suitable to serve as school facility project sites is lacking in the SDA Districts.

Therefore, the SDA would recommend a separate funding allocation that would enable the SDA to initiate land acquisition activities and perform early site preparation activities in areas where future school construction projects have been identified in the Statewide Strategic Plan. The process of identifying and securing appropriate sites for future school construction can take several years. It would be advantageous for the SDA to have a funding source to initiate these activities while it awaits additional funding for projects so that land will be owned and available for the advancement of projects more expeditiously.