

OUR VIEW

PUBLIC EDUCATION

New partners for school buildings

The Hawaii School Facilities Authority was created in 2020 to clear the way for more efficient and cost-effective construction of school buildings, projects long mired in bureaucratic delays within the existing state structure.

Despite the starts and stops of the years since the authority's founding, the SFA still has reason to hope for greater improvement than what taxpayers have seen to date.

One avenue for progress that deserves full consideration is a proposal, now housed in Senate Bill 2024, to start a pilot program that tests a public-private partnership approach.

The bill would enable the SFA to enter partnerships with private developers in constructing three new schools in areas coping with rapid growth and classroom overcrowding. As always, there are hurdles to overcome for these projects, but this has worked in other places and the lessons to be learned will make it worthwhile.

Some of the strongest advocacy for the bill comes from public charter school community leaders, who say establishing facilities for these schools ranks among their greatest challenges.

Riki Fujitani, the authority's executive director, told members of the House Finance Committee that there are encouraging models of this approach in other states. One such example is in Maryland, where the Prince George's County Public Schools delivered six new public schools through a long-term public-private partnership (P3) scheme that packaged design, construction, financing and maintenance into a single performance-based agreement.

The Maryland district still must use public funds for structured payments over time, but "the approach provided faster delivery, predictable costs, and long-term accountability for facility upkeep, Fujitani added in his written testimony. "This illustrates the type of model Hawai'i can evaluate through this pilot program."

The cost savings could be impressive, judging by the limited experience of charter schools here, said David Miyashiro, executive director of HawaiiKidsCAN, part of the nonprofit education advocacy group 50CAN.

Kihei Charter School, serving more than 650 students, was developed for about \$18.6 million, Miyashiro said, compared to \$440 million for Kulanihako'i High School, \$160 million for East Kapolei Elementary School and \$700 million for East Kapolei High School.

Hawaii has among the highest school construction costs in the nation, due to familiar expense levels covering shipping, labor, strict building codes and regulatory costs. Miyashiro added that private partners have "skin in the game" for finding cost efficiencies.

There is concern about some of the proposed changes, to be sure. For example, United Public Workers, which represents maintenance workers among other blue-collar employees in public schools, is worried that the bill would allow maintenance to be part of a development deal, with the public-work tasks contracted out privately.

In addition, Schools Superintendent Keith Hayashi noted that schools on state-owned property can require Department of Education approval or trigger other regulations.

Even if these provision becomes barriers for development of conventional schools or charter schools converted from DOE campuses, SB 2024 could provide a good testing ground for development innovations as a pilot for three startup charter schools.

And when the SFA reports on the progress of deals as scheduled in the 2027 Legislature, that could illuminate cost-saving methods that could apply broadly to schools statewide.

This would be a learning experience, one that ultimately would benefit students — which is what counts.