State of California
State Allocation Board
School Facility Program

This Resolution of the State Allocation Board (hereafter referred to as the "Board") is applicable to the appropriate sections of the Education Code and is described and filed in the office of the Executive Officer and will be made available to all interested parties as the Resolution pertains to the documents attached hereto. Said documents were acted upon by the Board at its meeting on June 5, 2017.

WHEREAS, the Board has previously approved or determined to be approvable a number of projects for construction or modernization eligibility of facilities for school districts and is making apportionments and/or unfunded approvals for the grant amounts for projects that meet the Board's criteria for the apportionment of grants pursuant to Education Code Sections 17072.10, 17078.52, 17078.70, 17079 or 17074.10 or Board Regulations 1859.81.1 or 1859.83;

WHEREAS, Treasury Regulations Section 1.150-2 require the State (on whose behalf the Board is acting) to declare its reasonable intent to provide grant funding to school districts, in accordance with Board policy and law, for costs of the projects with proceeds of State bonds;

NOW THEREFORE, BE IT RESOLVED:

1. This Resolution is adopted by the Board for the purposes of establishing compliance with Treasury Regulations Section 1.150-2, and this Resolution does not bind the Board to make any additional apportionment, or bind the State to incur any indebtedness.

2. The Board anticipates that some or all of the school districts listed on the list of "Projects" referred to in this Resolution will pay certain capital expenditures in connection with some or all of the project costs prior to the issuance of bonds by the State to pay for the grants for the projects. The reimbursement of such costs is consistent with the State's budgetary and financial circumstances, and in accordance with Board policy, as no other funds or accounts of the State have been budgeted or are available to pay the costs of the projects on either a short-term or a long-term basis.

3. The Board, acting on behalf of the State, hereby declares that it is the State's official intent to use proceeds of general obligation bonds that may become available for such purpose, consistent with the requirements of law that are in effect at the time the funds are available, to provide grants in accordance with applicable laws and regulations.

4. This Resolution shall be continuously available for inspection by the general public during normal business hours at the offices of the Board at 707 3rd Street, West Sacramento, California, commencing within one week after the date of enactment of this Resolution.

5. Any eligibility determination does not constitute a commitment of future funding by the Board.

I, the undersigned, duly authorized as the Executive Officer of the State Allocation Board, do hereby certify the foregoing to be true and correct, and that this Resolution was adopted at a meeting of said Board on June 5, 2017 at Sacramento, California.

Lisa Silverman
Executive Officer
State Allocation Board

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 5, 2017

SCHOOL FACILITY PROGRAM UNFUNDED APPROVALS
(Lack of AB 55 Loans)

PURPOSE OF REPORT

To present to the State Allocation Board (Board) a list of School Facility Program (SFP) applications for unfunded approval.

DESCRIPTION

At the January 2017 Board meeting, the Board elected to provide an increase adjustment of 4.42 percent to SFP projects for calendar year 2017. The projects listed on the Attachment reflect the Board's action of the adoption of the 4.42 percent increase based on the RS Means Construction Cost Index. In addition, the project applications represent SFP New Construction, Modernization, Charter School, and Overcrowded Relief Grant projects in date order of a complete application being received by the Office of Public School Construction (OPSC).

AUTHORITY

SFP Regulation Section 1859.2 defines an Unfunded List (Lack of AB 55 Loans) as an information list of unfunded projects that was created due to the State's inability to provide interim financing from the Pooled Money Investment Account (AB 55 loans) to fund school construction projects as declared in the Department of Finance Budget Letter #33 issued on December 18, 2008.

SFP Regulation Section 1859.95 states:

"When the Board has no funds to apportion …, the Board will also accept and process applications for apportionment for purposes of developing an Unfunded List based on the date the application is ready for Apportionment, with the exception of New Construction funding applications that utilize eligibility generated by the Alternative Enrollment Projection.

An application for funding included on an Unfunded List is eligible for reimbursement subject to adjustments in the New Construction Grants amount pursuant to Section 1859.77."

BACKGROUND

At its March 11, 2009 meeting, the Board requested that Staff continue to process applications to the Board for unfunded approval, up to the bonding authority. The Attachment reflects applications being presented for unfunded approval, including SFP modernization and new construction projects in date order of a complete application being received by the OPSC. The list also includes health and safety facility hardship applications for funding that have been processed and are ready for approval regardless of received date. The unfunded approval of the applications as reflected on the Attachment does not constitute a guarantee of future funding.

RECOMMENDATIONS

1. Approve the SFP applications as presented on the Attachment.

2. Provide that these unfunded approvals do not constitute a guarantee of future funding.

ATTACHMENT
UNFUNDED APPROVALS
(Lack of AB 55 Loans)
State Allocation Board Meeting, June 5, 2017

County	District	School Site	Application Number	Received Date	Grant Amount
LOS ANGELES	LOS ANGELES UNIFIED	CHARTER ACADEMY MIDDLE SCHOOL	54/64733-00-064	9/28/2016	$11,527,378.00
SANTA BARBARA	SANTA BARBARA UNIFIED	SANTA BARBARA SENIOR HIGH	51/76786-00-001	12/22/2016	$6,353,166.00
LOS ANGELES	LOS ANGELES UNIFIED	OCEAN CHARTER SCHOOL	54/64733-00-073	3/3/2017	$28,521,085.20

Charter: $40,048,463.20

Facility Hardship: $6,353,166.00

Total: $46,401,629.20

SAB Meeting: **June 5, 2017**

Charter School Facilities Program
New Construction Adjusted Grant

SCHOOL DISTRICT DATA

Application No	54/64733-00-064	**County**	Los Angeles
School District	Los Angeles Unified	**Charter School**	Charter Academy Middle School
		School Name	Charter Academy Middle School

PROJECT DATA

Type of Project:		Middle School
Pupils Assigned	**K-6:**	100
	7-8:	200
	9-12:	
	Non-Severe:	
	Severe:	
Application Filing Basis:		Charter
Number of Classrooms in This Proj		12
Master Plan Acres:		
Existing Acres:		
Proposed Acres:		1.3
Recommended Acres:		8.1

PRELIMINARY GRANT DATA

Charter School Base Grant	$	3,523,200.00
Fire Alarm		5,400.00
Automatic Sprinkler		66,300.00
Multi-Level Constr. 12 CRs.		422,784.00
Site Acquisition		1,717,521.00
Service-Site		246,499.00
Off-Site		518,683.00
Utilities		16,175.00
General Site		264,556.00
Urban Security/Impacted Site		2,336,023.00
Total State Project Share (50%)		9,117,141.00
CSFA Lease-Payment Amount		9,117,141.00
Charter School Cash Contribution		0.00
Total Project Cost	$	**18,234,282.00**

PROJECT FINANCING

State Share		
This Project	$	9,117,141.00
Charter School Share		
CSFA Lease Amount		9,117,141.00
Cash Contribution		
Total Project Cost	$	**18,234,282.00**

HISTORY OF PROJECT COST AND APPORTIONMENT

	Fund Code	Proposition		Preliminary Apportionment	Preliminary Apportionment This Action		Authorized This Action		Unfunded Approval This Action
State Share									
Charter School Grant	**957-540**	**1D**	$	5,480,159.00	(5,480,159.00)	$	5,763,689.00	$	5,763,689.00
Charter School Grant	**057-540**	**1D**		3,353,452.00	(3,353,452.00)		3,353,452.00		
Charter School Share									
CSFA Lease Amount	**957-540**	**1D**		5,480,159.00	(5,480,159.00)		5,763,689.00		5,763,689.00
CSFA Lease Amount	**057-540**	**1D**		2,360,887.10	(2,360,887.10)		2,360,887.10		
CSFA Lease Amount	**047-510**	**47**		992,564.90	(992,564.90)		992,564.90		
Cash Contribution									
Total Project Cost			$	**17,667,222.00**	**(17,667,222.00)**	$	**18,234,282.00**	$	**11,527,378.00**

Funding Sources: Proposition 1D Bonds/2006-Nov.; Proposition 47 Bonds/2002-Nov.
Pursuant to the Board's action on March 11, 2009, this application has been approved and placed on the Unfunded List.
This approval does not constitute a guarantee or commitment of future State funding.

Senate Bill 854, Chapter 28, Statutes of 2014 repealed Labor Code (LC) Section 1771.3 which required school districts and charter schools to provide payment to Department of Industrial Relations (DIR) for prevailing wage monitoring. As a result, school districts and charter schools awarding a construction contract on or after June 20, 2014 are not mandated to provide payment for DIR monitoring and enforcement of prevailing wage requirements. Projects with an initial public works contract awarded on or after June 20, 2014 are not eligible to receive an additional grant for prevailing wage monitoring; however, school districts and charter schools are still required to notify DIR within five days of initial contract award pursuant to LC Section 1773.3(a)(1).

The Applicant shall ensure that it is in compliance with all applicable laws, regulations and certifications it made on the program forms.

The Applicant previously received $6,706,904.00 for advance design and site acquisition costs.

SCHOOL DISTRICT DATA

Application No: 51/76786-00-001
School District: Santa Barbara Unified
County: Santa Barbara
School Name: Santa Barbara Senior High

PROJECT DATA

Type of Project:	High School
K-6:	
7-8:	
9-12:	
Non-Severe:	
Severe:	
Application Filing Basis:	Site Specific
Number of Classrooms:	
Master Acres:	60.8
Existing Acres:	37.43
Proposed Acres:	
Recommended Acres:	52.6
Facility Hardship (a):	Yes
Financial Hardship Requested:	No
Alternative Education School:	No
Addition to Existing Site:	No

ADJUSTED GRANT DATA

Fire Detection Alarm		**$**	5,422.00
Service Site			5,107,102.00
Off-Site			79,071.00
Utilities			15,215.00
Fac. Hardship Toilets	1,108 Sq. Ft.		361,208.00
Fac. Hardship Other	4,314 Sq. Ft.		785,148.00
Total State Share (50%)			6,353,166.00
District Share (50%)			6,353,166.00
Total Project Cost		**$**	**12,706,332.00**

PROJECT FINANCING

State Share		
This Project	**$**	6,353,166.00
District Share		
Cash Contribution		6,353,166.00
Financial Hardship		
Total Project Cost	**$**	**12,706,332.00**

HISTORY OF PROJECT COST AND APPORTIONMENT

	Fund Code	Proposition	Previously Authorized	Authorized This Action	Unfunded Approval This Action
State Share					
New Construction/Add. Grant	**957-505**	**1D**	**$**	**$** 6,353,166.00	**$** 6,353,166.00
District Share					
Cash Contribution				6,353,166.00	
Total			**$**	**$ 12,706,332.00**	**$ 6,353,166.00**

Funding Source: Proposition 1D Bonds/2006-Nov.
Pursuant to the Board's action on March 11, 2009, this application has been approved and placed on the Unfunded List.
This approval does not constitute a guarantee or commitment of future State funding.

Senate Bill 854, Chapter 28, Statutes of 2014, repealed Labor Code (LC) Section 1771.3 which required school districts to provide payment to Department of Industrial Relations (DIR) for prevailing wage monitoring. As a result, school districts awarding a construction contract on or after June 20, 2014 are not mandated to provide payment for DIR monitoring and enforcement of prevailing wage requirements. Projects with an initial public works project awarded on or after June 20, 2014 are not eligible to receive an additional grant for prevailing wage monitoring; however, school districts are still required to notify DIR within five days of initial contract award pursuant to LC Section 1773.3(a)(1).

The District shall ensure that it is in compliance with all applicable laws, regulations and certifications it made on the program forms.

Provide that the State portion of any and all project savings realized from the funding of this Seismic Mitigation Program project will be returned to the State.

STATE ALLOCATION BOARD
APPROVAL ❖ ❖ ❖ June 5, 2017

SAB Meeting: **June 5, 2017**

Charter School Facilities Program
New Construction Adjusted Grant

SCHOOL DISTRICT DATA

Application No	54/64733-00-073	**County**	Los Angeles
School District	Los Angeles Unified	**Charter School**	Ocean Charter School
		School Name	Ocean Charter School

PROJECT DATA

Type of Project:		Middle School
Pupils Assigned	**K-6:**	324
	7-8:	96
	9-12:	
	Non-Severe:	
	Severe:	
Application Filing Basis:		Charter
Number of Classrooms in This Proj		19
Master Plan Acres:		13.9
Existing Acres:		
Proposed Acres:		2.15
Recommended Acres:		13.9

PRELIMINARY GRANT DATA

New Construction Base Grant	$	4,725,120.00
Fire Alarm		5,940.00
Sprinkler		81,480.00
Multi-Level Constr. 19 CRs		567,014.00
Site Acquisition		10,415,808.00
Service-Site		5,063,195.00
Off-Site		1,366,947.00
Utilities		17,009.00
General Site		361,630.00
Urban/Security/Impacted Site		3,160,491.00
Total State Project Share (50%)		25,764,634.00
CSFA Lease-Payment Amount		10,300,000.00
Charter School Cash Contribution		15,464,634.00
Total Project Cost	$	**51,529,268.00**

PROJECT FINANCING

State Share		
This Project	$	25,764,634.00
Charter School Share		
CSFA Lease Amount		10,300,000.00
Cash Contribution		15,464,634.00
Total Project Cost	$	**51,529,268.00**

HISTORY OF PROJECT COST AND APPORTIONMENT

	Fund Code	Proposition	Preliminary Apportionment	Preliminary Apportionment This Action	Authorized This Action	Unfunded Approval This Action
State Share						
Charter School Grant	**957-540**	**1D**	$ 3,064,611.60	$ (3,064,611.60)	$ 17,826,717.60	$ 17,826,717.60
Charter School Grant	**947-510**	**47**	3,251,358.00	(3,251,358.00)	4,166,142.00	4,166,142.00
Charter School Grant	**057-540**	**1D**	3,771,774.40	(3,771,774.40)	3,771,774.40	
Charter School Share						
CSFA Lease Amount	**957-540**	**1D**	2,814,611.60	(2,814,611.60)	2,362,083.60	2,362,083.60
CSFA Lease Amount	**947-510**	**47**	3,251,358.00	(3,251,358.00)	4,166,142.00	4,166,142.00
CSFA Lease Amount	**057-540**	**1D**	3,771,774.40	(3,771,774.40)	3,771,774.40	
Cash Contribution					15,464,634.00	
Total Project Cost			$ **19,925,488.00**	$ **(19,925,488.00)**	$ **51,529,268.00**	$ **28,521,085.20***

Funding Sources: Proposition 1D Bonds/2006-Nov.; Proposition 47 Bonds/2002-Nov.

Pursuant to the Board's action on March 11, 2009, this application has been approved and placed on the Unfunded List.
This approval does not constitute a guarantee or commitment of future State funding.

Senate Bill 854, Chapter 28, Statutes of 2014 repealed Labor Code (LC) Section 1771.3 which required school districts and charter schools to provide payment to Department of Industrial Relations (DIR) for prevailing wage monitoring. As a result, school districts and charter schools awarding a construction contract on or after June 20, 2014 are not mandated to provide payment for DIR monitoring and enforcement of prevailing wage requirements. Projects with an initial public works contract awarded on or after June 20, 2014 are not eligible to receive an additional grant for prevailing wage monitoring; however, school districts and charter schools are still required to notify DIR within five days of initial contract award pursuant to LC Section 1773.3(a)(1).

The Applicant shall ensure that it is in compliance with all applicable laws, regulations and certifications it made on the program forms.

*The Applicant previously received $7,543,548.80 for advance design and site acquisition costs.

SCHOOL DISTRICT DATA

Application Number:……..50/75564-00-003 School District:…..……Oakdale Joint Unified

County:……..……....Stanislaus School Name:…..……Oakdale High

Financial Hardship……....No

PURPOSE OF REPORT

To recommend accounting revisions to close out a completed project.

DESCRIPTION

A review of expenditures reported by the District has been made and the revisions indicated are necessary to close out this completed project. The District incurred additional eligible expenditures per SFP Regulation Sections 1859.74 and 1859.106 and may receive additional site acquisition, relocation assistance, and site other funding in the amount of $69,876. In addition, the District was over-funded for hazardous waste and Department of Toxic Substance Control (DTSC) in the amount of $15,982. The District has concurred with these findings and is eligible for additional funding in the amount of $53,894.

Detail of Final Cost & Financing

Budget Item	Currently Approved	Required Change	Revised Approval
SFP New Construction	$ 3,158,638	$ 0	$ 3,158,638
SFP Site Acquisition	3,418,726	7,500	3,426,226
SFP Site Relocation	173,388	62,076	235,464
SFP Site Other	136,749	300	137,049
SFP Service Site	306,458	0	306,458
SFP Offsite	6,722	0	6,722
SFP Utilities	61,761	0	61,761
SFP Site DTSC Fee	20,206	(5,980)	14,226
SFP Site Hazardous Removal	214,808	(10,002)	204,806
SFP Fire Detection/Alarm	6,939	0	6,939
SFP Energy	64,436	0	64,436
Labor Compliance Program	23,075	0	23,075
Total State Apportionment	$ 7,591,906	$ 53,894	$ 7,645,800
Financing			
District Contribution	$ 7,591,906	$ 53,895	$ 7,645,801
State (SFP)	7,591,906	53,894	7,645,800
Total Project Costs	$ 15,183,812	$ 107,789	$ 15,291,601

RECOMMENDATIONS

1. Approve an increase of $107,789 in the total project cost from $15,183,812 to $15,291,601.
2. Approve an increase of $53,895 in the District Contribution from $7,591,906 to $7,645,801.
3. Approve an increase of $53,894 in the State Apportionment [Bonds/2002-Nov.; 047-500] from $7,591,906 to $7,645,800.

STATE ALLOCATION BOARD
APPROVAL ❖ ❖ ❖ June 5, 2017

SCHOOL DISTRICT DATA

Application Number:……..53/64733-00-335 School District:…..……Los Angeles Unified

County:…….……..……Los Angeles School Name:……Valley Region Elementary #8

Financial Hardship……No

PURPOSE OF REPORT

To recommend accounting revisions to close out a completed project.

DESCRIPTION

A review of expenditures reported by the District has been made and the revisions indicated are necessary to close out this completed project. Per SFP Regulation Sections 1859.74 and 1859.106, the District incurred additional eligible expenditures and may receive additional hazardous waste funding in the amount of $6,041. The District was also over-funded for Department of Toxic Substances Control (DTSC) in the amount of $2,436. The District has concurred with these findings and is eligible for an additional apportionment in the amount of $1,802.

Detail of Final Cost & Financing

Budget Item	Currently Approved	Required Change	Revised Approval
SFP New Construction	$ 6,408,275	$ 0	$ 6,408,275
SFP Multi Level Construction	768,993	0	768,993
SFP Site Acquistion	2,250,000	0	2,250,000
SFP Site Relocation	45,541	0	45,541
SFP Site Other	90,000	0	90,000
SFP Service Site	1,662,657	0	1,662,657
SFP General Site	490,843	0	490,843
SFP Offsite	97,870	0	97,870
SFP Utilities	120,948	0	120,948
SFP Urban Security	3,150,552	0	3,150,552
SFP Site DTSC Fee	7,634	(1,218)	6,416
SFP Site Hazardous Removal	63,544	3,020	66,564
SFP Fire Detection/Alarm	7,250	0	7,250
SFP Fire Sprinklers	108,025	0	108,025
SFP High Performance	145,468	0	145,468
SFP Labor Compliance Program	63,436	0	63,436
Total State Apportionment	$ 15,481,036	$ 1,802	$ 15,482,838
Financing			
District Contribution	$ 15,481,036	$ 1,803	$ 15,482,839
State (SFP)	15,481,036	1,802	15,482,838
Total Project Costs	$ 30,962,072	$ 3,605	$ 30,965,677

RECOMMENDATIONS

1. Approve an increase of $3,605 in the total project cost from $30,962,072 to $30,965,677.
2. Approve an increase of $1,803 in the District Contribution from $15,481,036 to $15,482,839.
3. Approve an increase of $1,802 in the State Apportionment [Bonds/2002-Nov.; 047-500] from $15,481,036 to $15,482,838.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 5, 2017

ADDITIONAL GRANT FOR GENERAL SITE DEVELOPMENT

PURPOSE OF REPORT

To seek approval from the State Allocation Board (Board) to extend the General Site Development grant for one year.

DESCRIPTION

The regulations authorizing the General Site Development grant will expire on January 1, 2018. This item provides the Board the option to extend the authority to provide the grant until January 1, 2019.

AUTHORITY

Education Code 17070.35 states:
(a) In addition to all other powers and duties as are granted to the board by this chapter, other statutes, or the California Constitution, the board shall do all of the following:

(1) Adopt rules and regulations, pursuant to the rulemaking provisions of the Administrative Procedure Act, Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, for the administration of this chapter. However, the board shall have no authority to set the level of the fees of any architect, structural engineer, or other design professional on any project. The initial regulations adopted pursuant to this chapter shall be adopted as emergency regulations, and the circumstances related to the initial adoption are hereby deemed to constitute an emergency for this purpose. The initial regulations adopted pursuant to this chapter shall be adopted by November 4, 1998. If the initial regulations are not adopted by that date, the board shall report to the Legislature by that date, explaining the reasons for the delay.

BACKGROUND

When an applicant applies for School Facility Program (SFP) New Construction funding, supplemental site grants such as Service Site Development, Off-Site Development, Utilities, and General Site Development, may be requested. A description of what is included in each of these grant categories follows.

Service Site Development prepares the site for building or infrastructure construction and is performed within school property lines. This includes items such as site demolition, rough grading, soil compaction, drainage and eligible erosion control.

Utility costs are associated with installation of water, sewer, gas, electricity, and communication lines necessary to serve the master-planned capacity of the site.

General Site Development includes, but is not limited to; finish grading, on-site hard surfaced areas for foot traffic, driveways, walkways, outdoor instructional play facilities, permanent playground equipment, athletic fields, and landscaping.

BACKGROUND (Cont.)

In December 2005, the Board requested that the Office of Public School Construction (OPSC) create a committee to look at the adequacy of new construction grants. Specifically, the Board asked that the committee address two issues: the equity of the SFP new construction base grant compared to the equivalent allowances provided under the Lease Purchase Program (LPP) when the State converted programs in 1998; and, if the grants are sufficient to build a complete new school.

In response, OPSC assembled the Grant Adequacy Ad Hoc Committee (Committee), which included representatives from several school districts, architectural, construction and construction management firms, consultants, the California Building Industry Association, the Department of Finance, the California Department of Education, and OPSC staff. The Committee took a two-step approach to the Board's request and its first step concentrated on determining if the SFP new construction base grant was equitable at the time of conversion from the LPP.

The report back to the Board in April 2006 identified that additional analysis was warranted to fully explore the complexities of the funding model and how the additional grants may make up for differences seen when comparing the SFP base grant to the LPP base grants. However, during the course of the analysis the Committee also determined that it was unable to definitively conclude whether the general site allowance was included in the SFP base grant. The Board requested that OPSC return the following month to present a proposal and recommendations regarding general site additional grants.

In May 2006 an item was presented to the Board for consideration of adding an additional grant for general site development. In the report, OPSC staff stated that "if general site development costs *were* factored into the development of the new construction base grant, then the new construction base grant does not take into account the size of the site." Because larger sites would incur more costs related to general site development, it was considered a reasonable conclusion that the general site costs were not fully factored into the development of the SFP new construction base grant. The Board adopted a temporary general site grant until a complete analysis of the new construction base grant could be completed.

At the May 28, 2008 meeting, Staff presented an item to seek direction on applications that were received by OPSC during the period of time where the regulations were expired from January 1, 2008 to March 2, 2008. Staff recommended that the Board apportion the projects with the General Site Development grant included. Staff cited the December 2007 meeting where the Board indicated that "it wanted the general site development allowance to be seamless with no gaps in funding." The Board approved Staff's recommendation.

SFP Regulation Section 1859.76(d) implementing this additional grant was effective on September 5, 2006 with a suspension date of "no later than January 1, 2008, unless otherwise extended by the amendments as adopted by the Board."

Subsequent Extensions
At the December 2007 meeting, the Board made its first extension of the General Site Development Grant. Since then the Board has approved single year extensions every year with one exception; in July 2011, the Board approved a two-year extension.

STAFF ANALYSIS/STATEMENTS

Approval of an extension to the General Site Development grant regulation would prevent a lapse in regulatory authority and would continue to allow applications to be processed with the grant, provided that the regulation extension is approved by the Board, filed with the Office of Administrative Law (OAL) and in effect before the regulations expire. Funding applications received after January 1, 2019 would not be able to request this supplemental grant without the extension.

Summary
Staff recommends extending the General Site Development grant one year to sunset on January 1, 2019.

RECOMMENDATIONS

1. Adopt the proposed regulations as shown in the Attachment, which extends the General Site Development grant for one year, January 1, 2019.

2. Authorize the Executive Officer to file the proposed regulations with the OAL.

ATTACHMENT

SCHOOL FACILITY PROGRAM REGULATORY AMENDMENTS

Section 1859.76. New Construction Additional Grant for Site Development Costs.

In addition to any other funding authorized by these Regulations, the Board shall provide funding equal to 50 percent of the following approved site development and applicable design costs:

…

(d) General Site Development costs within school property lines for an addition to an existing school site project wherein additional acreage is acquired, with the exception of existing school site acreage that is leased pursuant to Section 1859.22, or a new school project, determined as follows:

(1) $19,200 per Useable Acre as approved by the CDE. This sum may be increased by the percentage identified in Section 1859.83(b). The per acre amount shown above shall be adjusted annually in the manner prescribed in Section 1859.71.

(2) 6 percent of the State and district share for Elementary School Pupils and Middle School Pupils and 3.75 percent of the State and district share for High School Pupils of the New Construction Grant. For purposes of this calculation, the percentage amount for Severely Disabled Individuals with Exceptional Needs and Non-Severely Disabled Individuals with Exceptional Needs pupils shall be based on the type of project selected by the district on the Form SAB 50-04.

(3) 6 percent of the State and district share for Elementary School Pupils and Middle School Pupils and 3.75 percent of the State and district share for High School Pupils of the funding provided by Sections 1859.71.2, 1859.72, 1859.73, 1859.73.2, 1859.82, 1859.83(a), (b) and (c) and 1859.125(a)(1) through (a)(2).

Subsection (d) of this section shall be suspended no later than January 1, ~~2018~~2019, unless otherwise extended by amendments as adopted by the Board.

….

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 5, 2017

MULTIPURPOSE ROOM/GYMNASIUM HYBRID USE OF GRANTS REQUESTS

PURPOSE OF REPORT

To present proposed regulation amendments for Use of Grants requests to fund construction of a Multipurpose Room (MPR)/Gymnasium Hybrid pursuant to School Facility Program (SFP) Regulation Section 1859.77.3.

DESCRIPTION

At the September 2012 meeting, the State Allocation Board (Board) approved amendments to the SFP Regulations to provide square footage funding allowances specifically for MPR/Gym Hybrid facilities for districts making a Use of Grants request. Staff recently discovered that a portion of the Board-approved regulatory amendments related to square footage allowances for hybrid facilities were omitted from the rulemaking process. Therefore, Staff is presenting the omitted portion for the Board's re-approval.

AUTHORITY

Education Code 17070.35 states:
(a) In addition to all other powers and duties as are granted to the board by this chapter, other statutes, or the California Constitution, the board shall do all of the following:

(1) Adopt rules and regulations, pursuant to the rulemaking provisions of the Administrative Procedure Act, Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, for the administration of this chapter. However, the board shall have no authority to set the level of the fees of any architect, structural engineer, or other design professional on any project. The initial regulations adopted pursuant to this chapter shall be adopted as emergency regulations, and the circumstances related to the initial adoption are hereby deemed to constitute an emergency for this purpose. The initial regulations adopted pursuant to this chapter shall be adopted by November 4, 1998. If the initial regulations are not adopted by that date, the board shall report to the Legislature by that date, explaining the reasons for the delay.

STAFF ANALYSIS/STATEMENTS

In September 2012, the Board adopted regulatory amendments to SFP Regulation Section 1859.77.3 that expanded school districts' existing options for using new construction pupil grants to construct ancillary facilities to include an MPR/Gymnasium hybrid facility. With no public comment received, the proposed regulations became effective on March 12, 2013. However, due to an administrative oversight the regulations submitted to the Office of Administrative Law (OAL) did not include the per pupil square footage allowances necessary to calculate the maximum number of new construction grants that may be used to fund construction of an MPR/Gym hybrid facility.

STAFF ANALYSIS/STATEMENTS (cont.)

Staff contacted OAL to determine the best method of correcting this oversight. Based on the circumstances, OAL advised Staff to resubmit the regulatory amendments to the Board for re-approval prior to processing the amendments through the Administrative Procedures Act. Therefore, Staff has prepared the attached regulatory amendments to include the per pupil square footages and associated changes that were part of the Board's original approval as Attachment A. For reference, the original Board item from September 2012 is included as Attachment B.

RECOMMENDATIONS

1. Adopt the proposed regulatory amendments as shown on Attachment A.

2. Authorize the Executive Officer to file the regulations with the Office of Administrative Law.

ATTACHMENT A

Section 1859.77.3. Use of New Construction Grant Funds for Projects Accepted by the DSA after January 22, 2003.

New Construction Grant funds and any other funds provided by these Regulations shall be expended as set forth in Education Code Section 17072.35; and may also be utilized for the cost incurred by the district for the development and implementation of remedial action plan approved by the DTSC pursuant to Education Code Section 17213.

Authorization for use of New Construction Grants for which the final plans and specifications for the project were accepted by the DSA after January 22, 2003 may be requested as follows:

(a) A district may request new construction grants that exceed the capacity of the project based on loading standards pursuant to Education Code Section 17071.25(a)(2) and any loading standards adopted by the SAB by these regulations if the project is to construct a multipurpose, gymnasium, Multipurpose/Gymnasium Hybrid, and/or library, or for an Alternative Education school to construct a multipurpose/gymnasium, library, counseling offices, and/or conference rooms, at an existing site that does not have an existing or adequate facility of the type being requested when all of the following is met:

(1) The district must adopt a school board resolution that has been discussed at a public hearing at a regularly scheduled meeting of the district's governing board on a date preceding the application filing that includes the following:

(A) An acknowledgement that funds for the purposes of housing the excess pupils are being diverted to another project.

(B) An acknowledgement that the State has satisfied its obligation, pursuant to Section 1859.50, to house the pupils receiving grants in the project.

(C) A plan outlined in the resolution that identifies how the district has housed or will house the pupils receiving grants in the project in school buildings as defined in Education Code Section 17368. The plan must certify one of the following methods:

1. The district will construct or acquire facilities for housing the pupils with funding not otherwise available to the SFP as a district match within five years of project approval by the SAB, and the district must identify the source of the funds; or
2. The district will utilize higher district loading standards providing the loading standards are within the approved district's teacher contract and do not exceed 33:1 per classroom.

(2) The existing school site was not constructed under the SFP.

(3) The proposed project includes no more than eight classrooms.

(4) Grants requests, above 100 percent of the number of pupils to be housed, based on Special Day Class pupil eligibility are only permitted under this subsection (a) when building a Special Day Class facility.

(5) For purposes of this Section, a Multipurpose/Gymnasium Hybrid is considered to be both a multipurpose and a gymnasium. A school site with a middle school and/or high school pupils is eligible for one multipurpose and one gymnasium; therefore, if a school site has an adequate multipurpose and an adequate gymnasium, it is not eligible for a Multipurpose/Gymnasium Hybrid under this Section.

(6) For purposes of this section to determine if an existing facility is inadequate, the existing square footage is less than 60 percent of the square footage necessary for the current CBEDS for the site plus the Net School Building Capacity of the proposed project as calculated pursuant to Section 1859.82(b), except for Alternative Education Schools. For Alternative Education Schools, refer to the following:

ATTACHMENT A

ALTERNATIVE EDUCATION			
Support Facility	Existing Site Plus Proposed Project Contain 1 or 2 Classrooms	Existing Site Plus Proposed Project Contain 3 to 10 Classrooms *	Existing Site Plus Proposed Project Contain 11 or More Classrooms*
Multipurpose Facility or Gymnasium (includes food service)	2,500 sq. ft.	6.3 sq. ft. per pupil minimum 4,000 sq. ft.	6.3 sq. ft. per pupil minimum 7,200 sq. ft., maximum of 18, 000 sq. ft.
Counseling Offices, and/or Conference Rooms	1,000 sq. ft. Combined Total	1,000 sq. ft.	1,000 sq. ft.
Library/Media Space		4.3 sq. ft. per pupil plus 600 sq. ft.	4.3 sq. ft. per pupil plus 600 sq. ft.

*The proposed project cannot include more than eight classrooms.

(7) The maximum excess pupil amount being requested for this type of use of grants request, is calculated by the following:

(A) Multiply the current CBEDS for the site plus the Net School Building Capacity for the proposed project by the square footage for the type of facility being requested, as follows: ~~pursuant to Section 1859.82(b), except for Alternative Education Schools. For Alternative Education Schools, refer to the chart above.~~

1. For Alternative Education Schools, refer to the chart above.
2. For a multipurpose room, gymnasium, and/or library, refer to the chart in Section 1859.82(b).
3. For a Multipurpose/Gym Hybrid:

a. For school sites with middle school pupils, use 15.2 square feet per pupil, with a minimum of 8,056 square feet and a maximum of 18,848 square feet.

b. For school sites with high school pupils, use 18.6 square feet per pupil, with a minimum of 10,193 square feet and a maximum of 21, 874 square feet.

(B) Multiply the product in (a)~~(6)~~(7)(A) above by the per square foot grant amount of $154. This per square foot grant amount will be adjusted in the manner prescribed in Section 1859.71.~~for multipurpose, gymnasium or library facilities pursuant to Section 1859.82(b); utilize the same per square foot grant amount for the Alternative Education school facilities as shown in Section 1859.82(b).~~

(C) Divide the product in (a)~~(6)~~(7)(B) above by the New Construction Grant amount for the project grade level, rounded up to the nearest whole number.

(b) A district may request new construction grant eligibility determined at a different grade level than the proposed project that does not exceed the capacity of the project, unless the project includes a request as indicated in Section 1859.77.3(a), based on loading standards pursuant to Education Code Section 17071.25(a)(2) and any loading standards adopted by the SAB by these regulations when all of the following is met:

(1) The district must adopt a school board resolution that has been discussed at a public hearing at a regularly scheduled meeting of the district's governing board on a date preceding the application filing that include the following:

(A) An acknowledgement that funds for the purposes of housing the excess pupils are being diverted to another project.

(B) An acknowledgement that the State has satisfied its obligation, pursuant to Section 1859.50, to house the pupils receiving grants in the project.

(C) A plan outlined in the resolution that identifies how the district has housed or will house the pupils receiving grants in the project in school buildings as defined in Education Code Section 17368. The plan must certify one of the following methods:

…

Note: Authority cited: Sections 17070.35 and 17072.13, Education Code.

Reference: Sections 17072.13 and 17072.35, Education Code.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, September 19, 2012

MULTIPURPOSE ROOM/GYMNASIUM
HYBRID USE OF GRANTS REQUESTS

PURPOSE OF REPORT

To present proposed regulations for Use of Grants (UOG) requests to fund construction of a Multipurpose Room (MPR)/Gymnasium Hybrid pursuant to School Facility Program (SFP) Regulation Section 1859.77.3.

DESCRIPTION

At the February 2012 meeting, the State Allocation Board (Board) directed Staff to bring a discussion to the State Allocation Board Implementation Committee related to the unique challenges faced by K-8 school districts, such as expansion of existing ancillary facilities to include two or more facilities within the same building structure.

Having discussed the issue at the June, July and August Board Implementation Committee meetings, Staff proposes amending the SFP Regulations (Attachment A) to provide square footage funding allowances specifically for MPR/Gym Hybrid facilities for districts making a UOG request.

AUTHORITY

See Attachment B.

BACKGROUND

UOG Funding Requests

Under the SFP, a school district's eligibility for new construction State funding is determined by a formula that projects the number of unhoused pupils and assigns available new construction pupil grants. These grants are used to construct new classrooms and other building necessary to house and facilitate projected new students or to relieve classroom overcrowding.

Pursuant to SFP Regulation Section 1859.77.3, school districts meeting specific requirements may also use these new construction pupil grants to construct an MPR, gymnasium, library, counseling offices and/or conference rooms instead of using them to fund new classrooms. As written, these regulations provide criteria to determine what types of facilities may be funded for schools serving elementary, middle, or high school students, and a formula to determine whether the square footage of an existing facility exceeds the threshold to qualify for State funding under the UOG option. The formula also identifies the maximum number of new construction grants that may be used to fund construction of these ancillary facilities instead of classrooms. However, the regulations did not anticipate hybrid facilities located within the same structure and sharing a portion of the square footage.

(Continued on Page Two)

BACKGROUND (cont.)

Facilities Eligible for the UOG Option

For the purpose of developing funding eligibility, the facility size is calculated using the chart in SFP Regulation Section 1859.77.3 for Alternative Education projects, and Section 1859.82 for all other projects. Eligible facilities under the UOG option only include:

- MPR
- Gymnasium (for High Schools and Middle Schools only)
- Library/Media Center
- Counseling and/or Conference Rooms (Alternative Education only)

School Board Resolution

Before a school district submits an application containing a UOG request to the Office of Public School Construction (OPSC), the district must adopt a school board resolution containing the following:

- An acknowledgement that funds for the purpose of housing the excess pupils are being diverted to another project.
- An acknowledgement that the State has satisfied its obligation to house the pupils receiving grants in the project, pursuant to SFP Regulation Section 1859.50.
- A plan outlined in the resolution that identifies how the district has housed or will house the pupils receiving grants in the project in school buildings, as defined in Education Code Section 17368. The plan must certify one of the following methods:
  - The district will construct or acquire facilities for housing the pupils with funding not otherwise available to the SFP as a district match, within five years of project approval by the Board, and the district must identify the source of the funds; or
  - The district will utilize higher district loading standards provided the loading standards are within the approved district's teacher contract, and do not exceed 33 students per classroom.

STAFF ANALYSIS/STATEMENTS

The proposed regulations were discussed at the June, July and August 2012 Board Implementation Committee meetings. The Implementation Committee reached a consensus on the proposed regulatory changes.

Hybrids for MPR/Gym for Middle School and High Schools

It appears that this issue is unlikely to occur for facilities other than MPR/Gym Hybrid buildings. A building that contains both gym space and library space, for example, could easily be calculated as separate facilities because they would serve clearly separate functions, and be separated by a wall. However, the floor space in an MPR may already be used for indoor physical education, so the addition of extra space to create full gym function would typically be considered an expansion to the MPR as opposed to building a gym.

(Continued on Page Three)

STAFF ANALYSIS/STATEMENTS (cont.)

K-6 sites are not eligible for a separate gym, so this issue would not impact elementary schools. However, it could occur at middle schools, high schools, or schools that combine grade levels.

At the June 2012 Board Implementation Committee meeting, Committee members and stakeholders indicated that some districts are moving to different grade level combinations besides K-8, making this a potential issue at school sites other than K-8. Therefore, the proposed regulation amendments would provide square footage amounts for MPR/Gym Hybrids for school sites with high school pupils and/or middle school pupils.

Proposed Square Footage for MPR/Gym Hybrid

The square footage amounts currently in SFP Regulations are based on square footage amounts provided for similar facilities for the Lease-Purchase Program (LPP). The proposed square footage amounts for an MPR/Gym Hybrid are a combination of (1) the square footages in the current regulations for a gymnasium, (2) the amount of square footage allowed for food service or kitchen under the LPP, and (3) the amount of square footage allowed for MPR mechanical/electrical under the LPP (food service would have mechanical and electrical needs beyond what would be required in a gymnasium).

Middle School MPR/Gym Hybrid	
Gymnasium	12.9 square feet
Food Service	2.0 square feet
Mechanical/Electrical	0.3 square feet
Proposed Total MPR/Gymnasium Hybrid square footage per pupil	15.2 square feet

High School MPR/Gym Hybrid	
Gymnasium	15.3 square feet
Food Service	3.0 square feet
Mechanical/Electrical	0.3 square feet
Proposed Total MPR/Gymnasium Hybrid square footage per pupil	18.6 square feet

The proposed minimum and maximum square footage amounts were calculated based on the number of pupils that would be required to meet the minimum and maximum square footage amounts for a gymnasium under current SFP regulations. This method was used to calculate the proposed minimum and maximum square feet for both middle school and high school hybrids, and is consistent with current regulations.

School sites with students at the middle school or high school levels would be eligible to have an MPR and a Gym, or an MPR/Gym Hybrid. The MPR/Gym Hybrid would be the equivalent of having both the MPR and Gym facilities.

Current UOG regulations refer to SFP Regulation Section 1859.82(b) for the per-square-foot funding amount, which is currently $154. This is the 2012 per square foot amount for non-toilet facilities, including

(Continued on Page Four)

STAFF ANALYSIS/STATEMENTS (cont.)

multipurpose rooms and gymnasiums. Instead of continuing to reference an additional SFP regulation section, Staff proposes to include this amount directly in the UOG regulation to simplify the regulation. If the Board approves the next annual Class B Construction Cost Index (CCI) adjustment before the proposed regulations are approved by the Office of Administration Law (OAL), Staff will notify the OAL to increase the per square foot amount to be consistent with the square footage amount identified elsewhere in the SFP regulations.

The CDE discussed the issue with architects and school districts prior to the August Implementation Committee meeting, and then provided input to the OPSC on square footage amounts for the components of an MPR/Gym Hybrid. The CDE provided three examples of MPR/Gym Hybrids, including the square footage amount and number of pupils to be served. When comparing the proposed regulations to the CDE's data, the square footage amounts are comparable. Therefore, the proposed amounts are consistent with the intent of the regulations and with what some school districts are building for this type of facility.

Method to Determine UOG Project Eligibility under Proposed Regulations

Under existing regulations, districts may request funding under the UOG option for a new ancillary facility only if there is no existing facility of that type, or if the existing facility is less than 60 percent of the square footage allowance. Under the proposed regulations, the MPR/Gym Hybrid is considered the equivalent of both an MPR and a gym. Districts may convert an existing MPR or gym into an MPR/Gym Hybrid, as long as the end result is that the site has no more than one adequate MPR and one adequate gym.

At the Implementation Committee meetings, several members of the committee and the public expressed concern regarding the 60 percent threshold requirement. Specifically, that any facility that is less than the per pupil square foot regulatory allowance should be eligible for the UOG funding option. Staff does not propose changes to the 60 percent threshold calculation at this time.

RECOMMENDATIONS

1. Adopt the proposed regulations as shown on Attachment A and begin the regulatory process.

2. Authorize the Executive Officer to file the regulations with the Office of Administrative Law.

3. If the proposed regulations are not in effect by December 31, 2012, then the CCI adjustment for 2013 will be applied to the square foot amount in the proposed regulations.

This Item was approved by the State Allocation Board on September 19, 2012.

ATTACHMENT A

SCHOOL FACILITY PROGRAM REGULATORY AMENDMENTS

Section 1859.2. Definitions.

...

"Multipurpose/Gymnasium Hybrid" means a single facility that is comprised of both a multipurpose room and a gymnasium that share common space for purposes of Section 1859.77.3. The facility must be identified as a Multipurpose/Gymnasium Hybrid by the California Department of Education.

...

Section 1859.77.3. Use of New Construction Grant Funds for Projects Accepted by the DSA after January 22, 2003.

New Construction Grant funds and any other funds provided by these Regulations shall be expended as set forth in Education Code Section 17072.35; and may also be utilized for the cost incurred by the district for the development and implementation of remedial action plan approved by the DTSC pursuant to Education Code Section 17213.

Authorization for use of New Construction Grants for which the final plans and specifications for the project were accepted by the DSA after January 22, 2003 may be requested as follows:

(a) A district may request new construction grants that exceed the capacity of the project based on loading standards pursuant to Education Code Section 17071.25(a)(2) and any loading standards adopted by the SAB by these regulations if the project is to construct a multipurpose, gymnasium, Multipurpose/Gymnasium Hybrid, and/or library, or for an Alternative Education school to construct a multipurpose/gymnasium, library, counseling offices, and/or conference rooms, at an existing site that does not have an existing or adequate facility of the type being requested when all of the following is met:

(1) The district must adopt a school board resolution that has been discussed at a public hearing at a regularly scheduled meeting of the district's governing board on a date preceding the application filing that includes the following:

(A) An acknowledgement that funds for the purposes of housing the excess pupils are being diverted to another project.

(B) An acknowledgement that the State has satisfied its obligation, pursuant to Section 1859.50, to house the pupils receiving grants in the project.

(C) A plan outlined in the resolution that identifies how the district has housed or will house the pupils receiving grants in the project in school buildings as defined in Education Code Section 17368. The plan must certify one of the following methods:

1. The district will construct or acquire facilities for housing the pupils with funding not otherwise available to the SFP as a district match within five years of project approval by the SAB, and the district must identify the source of the funds; or

2. The district will utilize higher district loading standards providing the loading standards are within the approved district's teacher contract and do not exceed 33:1 per classroom.

(2) The existing school site was not constructed under the SFP.

(3) The proposed project includes no more than eight classrooms.

(4) Grants requests, above 100 percent of the number of pupils to be housed, based on Special Day Class pupil eligibility are only permitted under this subsection (a) when building a Special Day Class facility.

(5) For purposes of this section, a Multipurpose/Gymnasium Hybrid is considered to be both a multipurpose and a gymnasium. A school site with middle school and/or high school pupils is eligible for one multipurpose and one gymnasium; therefore, if a school site has an adequate multipurpose and an adequate gymnasium, it is not eligible for a Multipurpose/Gymnasium Hybrid under this section.

~~(5)~~(6) For purposes of this section to determine if an existing facility is inadequate, the existing square footage is less than 60 percent of the square footage necessary for the current CBEDS for the site plus the Net School Building Capacity of the proposed project as calculated pursuant to Section 1859.82(b), except for Alternative Education Schools. For Alternative Education Schools, refer to the following:

ALTERNATIVE EDUCATION			
Support Facility	Existing Site Plus Proposed Project Contain 1 or 2 Classrooms	Existing Site Plus Proposed Project Contain 3 to 10 Classrooms *	Existing Site Plus Proposed Project Contain 11 or More Classrooms*
Multipurpose Facility or Gymnasium (includes food service)	2,500 sq. ft.	6.3 sq. ft. per pupil minimum 4,000 sq. ft.	6.3 sq. ft. per pupil minimum 7,200 sq. ft., maximum of 18,000 sq. ft.
Counseling Offices, and/or Conference Rooms	1,000 sq. ft. Combined Total	1,000 sq. ft.	1,000 sq. ft.
Library/Media Space		4.3 sq. ft. per pupil plus 600 sq. ft.	4.3 sq. ft. per pupil plus 600 sq. ft.

* The proposed project cannot include more than eight classrooms.

~~(6)~~ (7) The maximum excess pupil amount being requested for this type of use of grants request, is calculated by the following:

(A) Multiply the current CBEDS for the site plus the Net School Building Capacity for the proposed project by the square footage for the type of facility being requested, as follows: ~~pursuant to Section 1859.82(b), except for Alternative Education Schools.~~

1. For Alternative Education Schools, refer to the chart above.
2. For a multipurpose room, gymnasium, and/or library, refer to the chart in Section 1859.82(b).
3. For a Multipurpose/Gymnasium Hybrid:

a. For school sites with middle school pupils, use 15.2 square feet per pupil, with a minimum of 8,056 square feet and a maximum of 18,848 square feet.

b. For school sites with high school pupils, use 18.6 square feet per pupil, with a minimum of 10,193 square feet and a maximum of 21,874 square feet.

(B) Multiply the product in (a)~~(6)~~(7)(A) above by the per square foot grant amount of $154. ~~for multipurpose, gymnasium or library facilities pursuant to Section 1859.82(b); utilize the same per square foot grant amount for the Alternative Education school facilities as shown in Section 1859.82(b).~~ This per square foot grant amount will be adjusted in the manner prescribed in Section 1859.71.

(C) Divide the product in (a)~~(6)~~(7)(B) above by the New Construction Grant amount for the project grade level, rounded up to the nearest whole number.

...

ATTACHMENT B

AUTHORITY

Education Code Section 17070.35. Board's Duties

(a) In addition to all other powers and duties as are granted to the board by this chapter, other statutes, or the California Constitution, the board shall do all of the following:

(1) Adopt rules and regulations, pursuant to the rulemaking provisions of the Administrative Procedure Act, Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, for the administration of this chapter. However, the board shall have no authority to set the level of the fees of any architect, structural engineer, or other design professional on any project. The initial regulations adopted pursuant to this chapter shall be adopted as emergency regulations, and the circumstances related to the initial adoption are hereby deemed to constitute an emergency for this purpose. The initial regulations adopted pursuant to this chapter shall be adopted by November 4, 1998. If the initial regulations are not adopted by that date, the board shall report to the Legislature by that date, explaining the reasons for the delay.

(2) Establish and publish any procedures and policies in connection with the administration of this chapter as it deems necessary.

(3) Determine the eligibility of school districts to receive apportionments under this chapter.

(4) Apportion funds to eligible school districts under this chapter.

(b) The board shall review and amend its regulations as necessary to adjust its administration of this chapter to conform with the act that amended this section to add this subdivision. Regulations adopted pursuant to this subdivision shall be adopted by November 5, 2002, and shall be adopted as emergency regulations in accordance with the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The adoption of any emergency regulation pursuant to this subdivision filed with the Office of Administrative Law shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare. Notwithstanding subdivision (e) of Section 11346.1 of the Government Code, any emergency regulation adopted pursuant to this section shall remain in effect for no more than 365 days unless the board has complied with Sections 11346.2 to 11348, inclusive, of the Government Code.

Education Code Section 17072.35. Use of new construction grant funds

17072.35. A grant for new construction may be used for any and all costs necessary to adequately house new pupils in any approved project, and those costs may only include the cost of design, engineering, testing, inspection, plan checking, construction management, site acquisition and development, evaluation and response action costs relating to hazardous substances at a new or existing schoolsite, demolition, construction, acquisition and installation of portable classrooms, landscaping, necessary utility costs, utility connections and other fees, equipment including telecommunication equipment to increase school security, furnishings, and the upgrading of electrical systems or the wiring or cabling of classrooms in order to accommodate educational technology. A grant for new construction may also be used to acquire an existing government or privately owned building, or a privately financed school building, and for the necessary costs of converting the government or privately owned building for public school use. A grant for new construction may also be used for the costs of designs and materials that promote the efficient use of energy and water, the maximum use of natural lighting and indoor air quality, the use of recycled materials and materials that emit a minimum of toxic substances, the use of acoustics conducive to teaching and learning, and other characteristics of high performance schools.

Section 1859.77.3. Use of New Construction Grant Funds for Projects Accepted by the DSA after January 22, 2003.

New Construction Grant funds and any other funds provided by these Regulations shall be expended as set forth in Education Code Section 17072.35; and may also be utilized for the cost incurred by the district for the development and implementation of remedial action plan approved by the DTSC pursuant to Education Code Section 17213.

Authorization for use of New Construction Grants for which the final plans and specifications for the project were accepted by the DSA after January 22, 2003 may be requested as follows:

(a) A district may request new construction grants that exceed the capacity of the project based on loading standards pursuant to Education Code Section 17071.25(a)(2) and any loading standards adopted by the SAB by these regulations if the project is to construct a multipurpose, gymnasium, and/or library, or for an Alternative Education school to construct a multipurpose/gymnasium, library, counseling offices, and/or conference rooms, at an existing site that does not have an existing or adequate facility of the type being requested when all of the following is met:

(1) The district must adopt a school board resolution that has been discussed at a public hearing at a regularly scheduled meeting of the district's governing board on a date preceding the application filing that includes the following:

(A) An acknowledgement that funds for the purposes of housing the excess pupils are being diverted to another project.

(B) An acknowledgement that the State has satisfied its obligation, pursuant to Section 1859.50, to house the pupils receiving grants in the project.

(C) A plan outlined in the resolution that identifies how the district has housed or will house the pupils receiving grants in the project in school buildings as defined in Education Code Section 17368. The plan must certify one of the following methods:

1. The district will construct or acquire facilities for housing the pupils with funding not otherwise available to the SFP as a district match within five years of project approval by the SAB, and the district must identify the source of the funds; or

2. The district will utilize higher district loading standards providing the loading standards are within the approved district's teacher contract and do not exceed 33:1 per classroom.

(2) The existing school site was not constructed under the SFP.

(3) The proposed project includes no more than eight classrooms.

(4) Grants requests, above 100 percent of the number of pupils to be housed, based on Special Day Class pupil eligibility are only permitted under this subsection (a) when building a Special Day Class facility.

(5) For purposes of this section to determine if an existing facility is inadequate, the existing square footage is less than 60 percent of the square footage necessary for the current CBEDS for the site plus the Net School Building Capacity of the proposed project as calculated pursuant to Section 1859.82(b), except for Alternative Education Schools. For Alternative Education Schools, refer to the following:

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Support Facility	Existing Site Plus Proposed Project Contain 1 or 2 Classrooms	Existing Site Plus Proposed Project Contain 3 to 10 Classrooms *	Existing Site Plus Proposed Project Contain 11 or More Classrooms*
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Counseling Offices, and/or Conference Rooms	1,000 sq. ft. Combined Total	1,000 sq. ft.	1,000 sq. ft.
Library/Media Space		4.3 sq. ft. per pupil plus 600 sq. ft.	4.3 sq. ft. per pupil plus 600 sq. ft.

* The proposed project cannot include more than eight classrooms.

(6) The maximum excess pupil amount being requested for this type of use of grants request, is calculated by the following:

(A) Multiply the current CBEDS for the site plus the Net School Building Capacity for the proposed project by the square footage for the type of facility being requested, pursuant to Section 1859.82(b), except for Alternative Education Schools. For Alternative Education Schools, refer to the chart above.

(B) Multiply the product in (a)(6)(A) above by the per square foot grant amount for multipurpose, gymnasium or library facilities pursuant to Section 1859.82(b); utilize the same per square foot grant amount for the Alternative Education school facilities as shown in Section 1859.82(b).

(C) Divide the product in (a)(6)(B) above by the New Construction Grant amount for the project grade level, rounded up to the nearest whole number.

(b) A district may request new construction grant eligibility determined at a different grade level than the proposed project that does not exceed the capacity of the project, unless the project includes a request as indicated in Section 1859.77.3(a), based on loading standards pursuant to Education Code Section 17071.25(a)(2) and any loading standards adopted by the SAB by these regulations when all of the following is met:

(1) The district must adopt a school board resolution that has been discussed at a public hearing at a regularly scheduled meeting of the district's governing board on a date preceding the application filing that include the following:

(A) An acknowledgement that funds for the purposes of housing the excess pupils are being diverted to another project.

(B) An acknowledgement that the State has satisfied its obligation, pursuant to Section 1859.50, to house the pupils receiving grants in the project.

(C) A plan outlined in the resolution that identifies how the district has housed or will house the pupils receiving grants in the project in school buildings as defined in Education Code Section 17368. The plan must certify one of the following methods:

1. The district will construct or acquire facilities for housing the pupils with funding not otherwise available to the SFP as a district match within five years of project approval by the SAB, and the district must identify the source of the funds; or
2. The district will utilize higher district loading standards providing the loading standards are within the approved district's teacher contract and do not exceed 33:1 per classroom; or
3. The pupils requested from a different grade level will be housed in classrooms at an existing school in the district which will have its grade level changed, to the grade level requested, at the completion of the proposed SFP project.

(2) Only New Construction Grant eligibility for grades Kindergarten through 12 can be requested pursuant to this subsection (b), and the district must use its New Construction Grant eligibility, pursuant to subsection (b), in the following order:

(A) At the grade level of the proposed project, if available.

(B) At the lowest grade level other than the proposed project, if available.

(C) At the next highest grade level other than the proposed project.

(c) A district may request new construction eligibility based on the SFP Regulation Section 1859.77.2 or 1859.77.3, as appropriate, in place as of the date of a local bond election provided that clear language was included in the local bond that specifically identified the proposed project, and provided that the project meets all laws and regulations of the SFP.

If a district wishes to amend its Approved Application to include or increase its use of grants request after the submittal to the OPSC, the district must request in writing that the Approved Application be withdrawn and removed from the OPSC workload list. The resubmitted application will receive a new processing date by the OPSC.

The New Construction Grant amount provided shall be determined based on the grant amount provided in Education Code Section 17072.10 for the grade level that generated the eligibility and any New Construction Additional Grant or New Construction Excessive Cost Hardship Grant the district qualifies for as provided by these regulations.

Note: Authority cited: Sections 17070.35 and 17072.13, Education Code.

Reference: Sections 17072.13 and 17072.35, Education Code.

Section 1859.82. Facility Hardship.

...

Facility	*Elementary School Pupils*	*Middle School Pupils*	*High School Pupils*
Multi-Purpose (includes food service)	5.3 sq. ft. per pupil minimum 4,000 sq. ft.	5.3 sq. ft. per pupil minimum 5,000 sq. ft.	6.3 sq. ft. per pupil minimum 8,200 sq. ft.
Toilet	3 sq. ft. per pupil minimum 300 sq. ft.	4 sq. ft. per pupil minimum 300 sq. ft.	5 sq. ft. per pupil minimum 300 sq. ft.
Gymnasium (includes shower/locker)	N/A	12.9 sq. ft. per pupil minimum 6,828 sq. ft. maximum 16,000 sq. ft.	15.3 sq. ft. per pupil minimum 8,380 sq. ft. maximum 18,000 sq. ft.
School Administration	3 sq. ft. per pupil minimum 600 sq. ft.	3 sq. ft. per pupil minimum 600 sq. ft.	4 sq. ft. per pupil minimum 800 sq. ft.
Library/Media Center	2.3 sq. ft. per pupil plus 600 sq. ft.	3.3 sq. ft. per pupil plus 600 sq. ft.	4.3 sq. ft. per pupil plus 600 sq. ft.

...

Non-Conforming Buildings

(Continued Use)

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 5, 2017

EXEMPTION FOR INDEPENDENT STUDY FACILITIES

PURPOSE OF REPORT

To present the Hesperia Unified School District's (District) request, as shown on the Attachment, for an exemption from the definition of "school buildings" for certain facilities used for independent study.

DESCRIPTION

The District operates an independent study program at a facility that is not located at a regular school site and is requesting an exemption from the definition of "School building," as described in Education Code (EC) Section 17283, for the facility.

EC Section 17289 authorizes any school district or county office of education to request an exemption from the State Allocation Board (Board) for a building or structure or portion of a building or structure used for independent study from the definition of "school buildings." These buildings do not have to meet the Field Act requirements but must comply with local health and safety standards.

The District has certified that it has satisfied the legal requirements under EC Section 17289 for the exemption.

AUTHORITY

EC Section 17283 states: " "School building" as used in this article means and includes any building used, or designed to be used, for elementary or secondary school purposes and constructed, reconstructed, altered, or added to, by the state or any city or city and county, or by any political subdivision or by any school district of any kind within the state, or by any regional occupational center or program created by or authorized to act by an agreement under joint exercise of power, or by the United States government, or any agency thereof."

EC Section 17289 states "In order to provide alternative, community-based educational opportunities through independent study, any school district or county office of education may request an exemption from the State Allocation Board for a building or structure, or portion of a building or structure, from the definition of "school buildings" within the meaning of Section 17283. The exemptions may be granted for no longer than two years and exemptions are renewable. An exemption may only be granted if the school district or county office of education demonstrates to the satisfaction of the State Allocation Board all of the following:

(a) The building or structure, or portion of building or structure, satisfies all of the following:
(1) It is not located on a regular schoolsite.
(2) It complies with all applicable local building standards and all relevant local health and safety standards in the community in which it is located.
(3) It is used for independent study.
(4) It serves fewer than 25 pupils enrolled in kindergarten or any of the grades 1 to 12, inclusive, at any one time in the building or structure, or in a portion of a building or structure where the remainder of the building or structure is not used for instructional purposes.
(b) The use of the building or structure is critical to providing an effective alternative, community-based program.
(c) The use of other buildings or structures that would meet seismic safety standards for school facilities is not practical."

STAFF ANALYSIS/STATEMENTS

The District has provided certification that it has met the criteria as stated in EC Section 17289. An exemption has been requested for two years.

RECOMMENDATION

Approve the District's request for an exemption from the definition of "school buildings" for the site listed on the Attachment from June 22, 2017 through June 21, 2019.

ATTACHMENT

EXEMPTION FOR INDEPENDENT STUDY FACILITIES

Hesperia Unified School District
91/75044-00-000

Site	I.D. No.
15776 Main Street Hesperia, CA 92345	36-75044

Emergency Repair Program

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 5, 2017

EMERGENCY REPAIR PROGRAM GRANT ADJUSTMENTS - SAVINGS

PURPOSE OF REPORT

To reduce grant apportionments for the attached listing of Emergency Repair Program (ERP) projects.

DESCRIPTION

The Local Educational Agencies (LEAs) listed on the Attachment have submitted the required *Expenditure Reports* (Form SAB 61-04) that indicate expenditures are less than the ERP funded grant (savings). In addition, any interest earned on the reported savings has been verified.

The Attachment includes seven ERP applications that require adjustments, for which the districts have submitted a check with the total amount to be returned.

AUTHORITY

California Code of Regulations (CCR) Title 2, Section 1859.330, states in part, that when expenditures have been determined to be less than the ERP funded grant, the apportionment for ERP funding should be reduced (adjusted) by the amount of the savings and any interest earned.

CCR Title 2, Section 1859.324.1(a), states in part, that when adjustments to apportionments are established, collection procedures must be initiated.

RECOMMENDATIONS

Reduce the grant apportionments by the savings and interest earned for the ERP applications listed on Attachment.

ATTACHMENT
EMERGENCY REPAIR PROGRAM - Grant Fund Adjustments - Accepting Payments of Savings
State Allocation Board Meeting - June 5, 2017

County	Local Educational Agency (LEA)	Site	Application Number	State Apportionment	Expenditures	Savings	Interest	Total funds to be returned to the state	Adjusted Apportionment
Sacramento	Sacramento City Unified	Tahoe Elementary	61/67439-00-0189	$ 161,722.00	$ 149,077.64	$ 12,644.36	$ 879.86	$ 13,524.22	$ 149,077.64
Sacramento	Sacramento City Unified	Burbank (Luther) High	61/67439-00-0199	$ 2,961,279.00	$ 2,909,740.93	$ 51,538.07	$ 14,175.75	$ 65,713.82	$ 2,909,740.93
Sacramento	Sacramento City Unified	Burbank (Luther) High	61/67439-00-0233	$ 227,585.00	$ 214,693.63	$ 12,891.37	$ 1,130.48	$ 14,021.85	$ 214,693.63
Sacramento	Sacramento City Unified	Pacific Elementary	61/67439-00-0237	$ 1,316,518.00	$ 1,253,399.56	$ 63,118.44	$ 7,251.69	$ 70,370.13	$ 1,253,399.56
Sacramento	Sacramento City Unified	Fruit Ridge Elementary	61/67439-00-0241	$ 237,900.00	$ 186,509.10	$ 51,390.90	$ 1,365.27	$ 52,756.17	$ 186,509.10
Riverside	Moreno Valley Unified	Landmark Middle	61/67124-00-0082	$ 441,121.00	$ 382,722.50	$ 58,398.50	$ 1,403.38	$ 59,801.88	$ 382,722.50
Riverside	Moreno Valley Unified	Sunnymead Middle	61/67124-00-0095	$ 1,774,424.00	$ 1,775,502.37	$ (1,078.37)	$ 7,213.85	$ 6,135.48	$ 1,774,424.00
				Totals	**$ 6,871,645.73**	**$ 249,981.64**	**$ 33,420.28**	**$ 282,323.55**	

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, June 5, 2017

EMERGENCY REPAIR PROGRAM FUNDING

PURPOSE OF REPORT

To present Emergency Repair Program (ERP) funding applications for Apportionment.

DESCRIPTION

As of April 24, 2017, the State Allocation Board (Board) had apportioned $794.1 million for funded projects. The Office of Public School Construction (OPSC) has received savings from previously funded projects. This item recommends the Board to approve Apportionments for the next applications in line.

AUTHORITY

ERP Regulation Section 1859.322. Emergency Repair Program Project Funding Order.

The Board shall make apportionments on a monthly basis for Grants in the order of receipt of an Accepted Application and for Grant Adjustments in the order of receipt of a complete Form SAB 61-04, as follows:
(a) If sufficient funding is available to provide funding to all applications presented that month, all applications will receive an Apportionment of the eligible costs.
(b) If funding is insufficient in any given month:
(1) Grants will be provided to each application on a prorated basis with the balance placed on the Unfunded List, unless the proration will result in funding less than 25 percent of the eligible project costs. The proration shall be determined by dividing the total funds available by the total eligible costs of all applications Ready for Apportionment. All Grant Adjustments will be placed on the Unfunded List.
(2) If the proration, as determined in (1) above, will be less than 25 percent of the eligible project costs, the Board shall provide Grant funding at 100 percent of the eligible project costs of the Grants based on date order received until funds are no longer available and the remaining Grant applications shall be placed on the Unfunded List. All Grant Adjustments will be placed on the Unfunded List.
(3) The Board will continue to accept and process applications for the purpose of developing an Unfunded List based on the order of receipt of the Accepted Applications.

When funds become available, projects on the Unfunded List will be apportioned in the order of date received. From available funds, Grants will be funded first and Grant Adjustments will be funded second. After an Apportionment has been made by the Board, funds will be released automatically by the OPSC. If local funds have been expended, the Apportionment must be used by the LEA [Local Educational Agency] to reimburse the special reserve fund and the original source of funds used to make the LEA expenditures for the ERP project.

Once all ERP funds have been depleted, any applications that have received a prorated Apportionment, a Grant, or a Grant Adjustment will be deemed a full and final Apportionment, any applications remaining fully unfunded on the Unfunded List will be returned to the LEA, and the Unfunded List shall be dissolved.

STAFF ANALYSIS

ERP Regulation Section 1859.322 requires the Board to make apportionments on a monthly basis and provides for an unfunded list to be generated when there is insufficient funding in any given month. ERP Regulation Section 1859.322(b) further requires that if funding is insufficient in any given month Grants will be provided to each application on a prorated basis, unless the proration will result in funding less than 25 percent of the eligible project costs, with the balance placed on an Unfunded List. ERP Regulations further stipulate that when funds become available, projects on the Unfunded List, which includes applications that have been funded with prorated amounts, will be apportioned funds in the order of date received.

The requested funding for the next day in line greatly exceeds the available settlement authority and the Board is unable to provide at least 25 percent of the requested funding to all projects received that day. East Side Union High School District (ESUHSD) has prioritized their applications to use the remaining available settlement authority. ESUHSD's remaining unfunded projects will stay on the Unfunded List and OPSC will recommend funding them if savings from the ERP are returned.

RECOMMENDATION

Apportion $2,104,922 in ERP funds for 13 applications listed on the Attachment from Fund 3082-000.

ATTACHMENT
EMERGENCY REPAIR PROGRAM
State Allocation Board Meeting, June 5, 2017

County	Local Educational Agency (LEA)	Site	Application Number	Types of Projects	Apport. Type*	Apportionment	Admin Filing Fees (Included in total)
Alameda	Hayward Unified	Lorin A. Eden Elementary	61/61192-00-0005	Roofing($213,049); Roofing($286,332);	g	$499,381.00	$ 5,000
				Hayward Unified Total State Apportionments		**$499,381.00**	
Contra Costa	Pittsburg Unified	Parkside Elementary	61/61788-00-0119	Wall Systems($53,043);	g	$53,043.00	$ 1,040
				Pittsburg Unified Total State Apportionments		**$53,043.00**	
Riverside	San Jacinto Unified	Monte Vista Middle	61/67249-00-0026	Roofing($59,699); Electrical($6,942);	e-r	$66,641.00	
Riverside	San Jacinto Unified	North Mountain Middle	61/67249-00-0027	Windows/Doors/Gates($2,166); Windows/Doors/Gates($163); Paving($64,500);	e-r	$66,829.00	
Riverside	San Jacinto Unified	San Jacinto Elementary	61/67249-00-0028	Electrical($1,699); Electrical($6,475); Paving($2,875); Flooring Systems($4,595);	e-r	$15,644.00	
Riverside	San Jacinto Unified	Hyatt Elementary	61/67249-00-0029	Plumbing($15,650);	e-r	$15,650.00	
Riverside	San Jacinto Unified	Hyatt Elementary	61/67249-00-0030	Windows/Doors/Gates($1,299); Windows/Doors/Gates($413); Playground Equipment($390,723); Electrical($6,943);	e-r	$399,378.00	
				San Jacinto Unified Total State Apportionments		**$564,142.00**	
San Diego	San Diego Unified	Morse Senior High	61/68338-00-0293	Flooring Systems($33,814); Structural Damage($19,726); HVAC($10,820); Bleachers($8,203); Windows/Doors/Gates($7,815); Paving($3,762); Ceiling System($2,465); Graffiti Removal($2,205); Electrical($1,630); Hazardous Materials($750); Plumbing($548); Refrigerator/Freezer($283);	e-r	$92,021.00	

ATTACHMENT
EMERGENCY REPAIR PROGRAM
State Allocation Board Meeting, June 5, 2017

County	Local Educational Agency (LEA)	Site	Application Number	Types of Projects	Apport. Type*	Apportionment	Admin Filing Fees (Included in total)
San Diego	San Diego Unified	Horton Elementary	61/68338-00-0294	Accessibility($3,756); Graffiti Removal($3,640); Windows/Doors/Gates($2,603); Electrical($1,864); Paving($1,412); Plumbing($1,262); Flooring Systems($816); Fire Detection/Alarm and/or Sprinkler System($720); Roofing($231); Siding/Fences($231);	e-r	$16,535.00	
				San Diego Unified Total State Apportionments		**$108,556.00**	
Sonoma	Petaluma City Schools	McKinley Elementary	61/70854-00-0005	Kitchen Equipment($9,306);	e-r	$9,306.00	$ 182
Sonoma	Petaluma City Schools	McDowell Elementary	61/70854-00-0006	Kitchen Equipment($9,309);	e-r	$9,309.00	$ 183
				Petaluma City Schools Total State Apportionments		**$18,615.00**	
Tulare	Terra Bella Union Elementary	Smith (Carl) Middle	61/72199-00-0002	Paving($54,405);	g	$54,405.00	$ 881
Tulare	Terra Bella Union Elementary	Terra Bella Elementary	61/72199-00-0003	Paving($806,780);	g	$806,780.00	$ 5,000
				Terra Bella Union Elementary Total State Apportionments		**$861,185.00**	
				GRAND TOTAL		**$ 2,104,922**	

Facility Hardship / Rehabilitation Program

SCHOOL DISTRICT DATA

School District: …….....LANCASTER ELEMENTARY	County:……...LOS ANGELES
Application Number,:…….…….58/64667-00-001	School Name:….....JOSHUA ELEMENTARY
Total District Enrollment:…….…….…15,213	Project Grade Level:……...……..……..…….…..K-6
Financial Hardship:……..……..……..……..……NO	

PURPOSE OF REPORT

Type of Request	State Allocation Board (Board) approval for placement on the Unfunded List (Lack of AB 55 Loans) for a School Facility Program (SFP) Facility Hardship Seismic Mitigation Program (SMP) rehabilitation project.
Total Project Cost	$646,944
Cost to the State	$323,472

DESCRIPTION

Description of Health and Safety Threat	Administration Building A and Classroom Building C at Joshua Elementary located in Lancaster, California are categorized as the Most Vulnerable Category 2 Building Type. In November, 2015, a licensed structural engineer prepared structural evaluations for these buildings, identifying critical deficiencies in the buildings' wall, floor, and roof systems. The Division of the State Architect (DSA) concurred with the presence of the threat of a local or global collapse of the facilities in the event of seismic activity, as outlined in the structural engineer's reports.
Scope of Project	The scope of the project includes structural repairs to the wall, floor and roof systems.
Status of School Site	Administration Building A and Classroom Building C have been vacated and students and staff are currently housed in portable classrooms.

QUALIFYING CRITERIA

Government/State Level Concurrence	DSA approved Administration Building A and Classroom Building C for SMP eligibility, evaluated and approved the seismic mitigation work, and issued plan approval.
Site Visit Completed by Staff	Staff has accepted reports by the industry specialist and DSA approval in lieu of a site visit.
Staff Supports the District's Request	Yes

AUTHORITY

See Attachment A.

RECOMMENDATIONS

1. Approve the District's request for placement on the Unfunded List (Lack of AB 55 Loans) for SMP rehabilitation funding for Administration Building A and Classroom Building C on the Joshua Elementary site, pursuant to the SFP Regulation Section 1859.82, as provided on Attachment B.

2. Provide that the State portion of any and all savings which may be realized from the funding of this SMP project must be returned to the State.

ATTACHMENT A

AUTHORITY

Education Code (EC) Section 17075.10(a) states:

> A school district may apply for hardship assistance in cases of extraordinary circumstances. Extraordinary circumstances may include, but are not limited to, the need to repair, reconstruct, or replace the most vulnerable school facilities that are identified as a Category 2 building, as defined in the report submitted pursuant to Section 17317, determined by the department to pose an unacceptable risk of injury to its occupants in the event of a seismic event.

EC Section 17075.10(b)(2) states:

> Funds for the purpose of seismic mitigation work or facility replacement pursuant to this section shall be allocated by the board on a 50-percent state share basis from funds reserved for that purpose in any bond approved by the voters after January 1, 2006. If the board determines that the seismic mitigation work of a school building would require funding that is greater than 50 percent of the funds required to construct a new facility, the school district shall be eligible for funding to construct a new facility under this chapter.

SFP Regulation Section 1859.82 states, "A district is eligible for facility hardship funding to replace or construct new classrooms and related facilities if the district demonstrates there is an unmet need for pupil housing or the condition of the facilities, or the lack of facilities, is a threat to the health and safety of the pupils."

SFP Regulation Section 1859.82(a)(1) provides for Facility Hardship grant funding when, "The facilities are needed to ensure the health and safety of the pupils if the district can demonstrate to the satisfaction of the Board that the health and safety of the pupils is at risk. Factors to be considered by the Board shall include…seismic mitigation of the Most Vulnerable Category 2 Buildings as verified by the DSA…."

SFP Regulation Section 1859.82(a)(1)(A) states:

> If the request is for replacement facilities, a cost/benefit analysis must be prepared by the district and submitted to the OPSC that indicates the total costs to remain in the classroom or related facility and mitigate the problem is at least 50 percent of the Current Replacement Cost of the classroom or related facility. The cost/benefit analysis may include applicable site development costs as outlined in Section 1859.76. The cost/benefit analysis shall not include increased costs associated with high performance related costs or components, with the exception of those high performance components that were pre-existing in the classroom or related facility. If the cost to remain in the classroom or related facility is less than 50 percent of the Current Replacement Cost, the district may qualify for either grant below, as applicable:
>
> 1. Modernization Excessive Cost Hardship Grant for Rehabilitation Costs pursuant to Section 1859.83(e), or
> 2. A grant not to exceed 50 percent of the cost estimate that has been reviewed and approved by the OPSC and approved by the board for seismic rehabilitation.

SFP Regulation Section 1859.82(a)(1)(B) states:

> If the request is for replacement facilities that included structural and/or seismic deficiencies, the cost/benefit analysis must also include a report from a licensed design professional identifying the minimum work necessary to obtain DSA approval. The report must contain a detailed cost estimate of the repairs. The cost/benefit analysis shall not include increased costs associated with high performance related costs or components, with the exception of those high performance components that were pre-existing in the classroom or related facility. The report and cost estimate shall be subject to review by the OPSC for conformance with the Saylor Current Construction Cost Publication and, at the OPSC's discretion, the DSA. For seismic deficiencies of the Most Vulnerable Category 2 Buildings, the report and the cost estimate for the minimum work necessary must be reviewed by the DSA.

ATTACHMENT A

AUTHORITY (CONT.)

SFP Regulation Section 1859.82(a)(1)(C) states:

The seismic mitigation projects must meet all of the following requirements:

1. The construction contract was executed on or after May 20, 2006;
2. The project funding provided shall be for the minimum work necessary to obtain DSA approval;
3. The building is designed for occupancy by students and staff; and
4. The DSA concurs with a report by a structural engineer, which identifies structural deficiencies that pose an unacceptable risk of injury to its occupants in a seismic event. If the unacceptable risk of injury is due to the presence of faulting, liquefaction or landslide, these hazards must be documented by a geologic hazards report prepared by an engineering geologist in accordance with California Building Code, Part 2, Chapter 18, section 1803A and with the concurrence of the California Geological Survey.

The structural engineer's report shall conform to the guidelines prepared by the DSA, in accordance with Education Code Section 17310.

SFP Regulation Section 1859.82 further states:

A district may request a determination of eligibility for facility hardship funding in advance of project funding.

(c) A district seeking replaced facilities as a result of either (a) or (b) above must submit Form SAB 50-04 for the replaced facilities:

(1) Within 18 months if the replacement facilities will be located on the same site.

(2) Within 24 months if the replacement facilities will be located on a replacement site.

If an Approved Application for the replaced facility is not accepted within the time periods identified in (c)(1) or (c)(2) above, the Board shall re-review the criteria submitted by the district for replacement of the facility prior to apportionment of the replaced facility.

SAB Meeting: **June 5, 2017** **Seismic Mitigation Program - Adjusted Grant Approval**

SCHOOL DISTRICT DATA

Application No:	58/64667-00-001	**County:**	Los Angeles
School District:	Lancaster Elementary	**School Name:**	Joshua Elementary

PROJECT DATA

Type of Project:	Elementary School	**Application Filing Basis:**	Site Specific
Pupils Assigned Under 50 Yrs: K-6:			
7-8:			
9-12:			
Non-Severe:			
Severe:			
Financial Hardship Requested:	No	**Recommended Acres:**	17
Alternative Education School:	No	**Existing Acres:**	12

ADJUSTED GRANT DATA

Seismic Rehabilitation	$ 323,472
Total State Share (50%)	323,472
District Share (50%)	323,472
Total Project Cost	$ **646,944**

PROJECT FINANCING

State Share	
This Project	$ 323,472
District Share	
Cash Contribution	323,472
Total Project Cost	$ **646,944**

HISTORY OF PROJECT COST AND APPORTIONMENT

	Fund Code	Proposition	Previously Authorized	Authorized This Action	Unfunded Approval This Action
State Share					
New Construction/Additional Grant	**957-505**	**1D**	$	$ 323,472	$ 323,472
District Share					
Cash Contribution				323,472	
Total			$	$ **646,944**	$ **323,472**

Funding Source: Proposition 1D Bonds/2006-Nov.

Pursuant to the Board's action on March 11, 2009, this application has been approved and placed on the Unfunded List.
This approval does not constitute a guarantee or commitment of future State funding.

The District shall ensure that it is in compliance with all applicable laws, regulations and certifications it made on the program forms.

Provide that the State portion of any and all project savings realized from the funding of this Seismic Mitigation Program project must be returned to the State.

Senate Bill 854, Chapter 28, Statutes of 2014, repealed Labor Code (LC) Section 1771.3 which required school districts to provide payment to Department of Industrial Relations (DIR) for prevailing wage monitoring. As a result, school districts awarding a construction contract on or after June 20, 2014 are not mandated to provide payment for DIR monitoring and enforcement of prevailing wage requirements.
Projects with an initial public works project awarded on or after June 20, 2014 are not eligible to receive an additional grant for prevailing wage monitoring; however, school districts are still required to notify DIR within five days of initial contract award pursuant to LC Section 1773.3(a)(1).

STATE ALLOCATION BOARD
APPROVAL ❖ ❖ ❖ June 5, 2017

SCHOOL DISTRICT DATA

School District: ……WEST CONTRA COSTA UNIFIED County:…….…….....CONTRA COSTA

Application Number:……..…….…..…..58/61796-00-008 School Name:….....….....HELMS JUNIOR HIGH

Total District Enrollment:……...…….…….…....31,267 Project Grade Level:……...……..……....7-8

Financial Hardship:……..……..……..……..……NO

PURPOSE OF REPORT

Type of Request	State Allocation Board (Board) approval for placement on the Unfunded List (Lack of AB 55 Loans) for a School Facility Program (SFP) Facility Hardship Seismic Mitigation Program (SMP) Rehabilitation project.
Estimated Total Project Cost	$ 10,682,040
Estimated Cost to the State	$ 5,341,020

DESCRIPTION

Description of Health and Safety Threat	The Gymnasium, main classroom, and shop buildings at Helms Junior High School in San Pablo, California were constructed in 1949. All of these buildings are of the Most Vulnerable Category 2 Building type. The Division of the State Architect (DSA) has concurred with the presence of the threat of a local or global collapse of the facility in the event of seismic activity, as outlined in the Eligibility Evaluation Reports filed by the District's structural engineer.
Scope of Project	This project consists of rehabilitation work with seismic upgrades to the existing buildings and associated access compliance for the path of travel. The combined total area of the gymnasium, main classroom, and shop buildings is approximately 145,288 square feet and includes classrooms, shops, a cafeteria, a library, and administrative space. The total cost for the minimum work required to rehabilitate the buildings is less than 50 percent of the cost to replace them, therefore the District is requesting funding for the estimated costs of rehabilitation.
Status of School Site	The school remained open throughout construction as the work was done in phases and interim housing was used. The work was completed in 2009.

QUALIFYING CRITERIA

Government/State Level Concurrence	DSA approved the Gymnasium, main classroom, and shop buildings for SMP eligibility and also evaluated and approved the planned seismic mitigation work.
Site Visit Completed by Staff	Staff has accepted reports by the industry specialist and DSA approval in lieu of a site visit.
Staff Supports the District's Request	Yes

AUTHORITY

See Attachment A.

RECOMMENDATIONS

1. Approve the District's request for placement on the Unfunded List (Lack of AB 55 Loans) for SMP Rehabilitation funding for the Gymnasium, main classroom, and shop buildings at the Helms Junior High School site, pursuant to the SFP Regulation Section 1859.82, as provided on Attachment B.

2. Provide that the State portion of any and all savings which may be realized from the funding of this SMP project must be returned to the State.

ATTACHMENT A

AUTHORITY

Education Code (EC) Section 17075.10(a) states:

> A school district may apply for hardship assistance in cases of extraordinary circumstances. Extraordinary circumstances may include, but are not limited to, the need to repair, reconstruct, or replace the most vulnerable school facilities that are identified as a Category 2 building, as defined in the report submitted pursuant to Section 17317, determined by the department to pose an unacceptable risk of injury to its occupants in the event of a seismic event.

EC Section 17075.10(b)(2) states:

> Funds for the purpose of seismic mitigation work or facility replacement pursuant to this section shall be allocated by the board on a 50-percent state share basis from funds reserved for that purpose in any bond approved by the voters after January 1, 2006. If the board determines that the seismic mitigation work of a school building would require funding that is greater than 50 percent of the funds required to construct a new facility, the school district shall be eligible for funding to construct a new facility under this chapter.

SFP Regulation Section 1859.82 states, "A district is eligible for facility hardship funding to replace or construct new classrooms and related facilities if the district demonstrates there is an unmet need for pupil housing or the condition of the facilities, or the lack of facilities, is a threat to the health and safety of the pupils."

SFP Regulation Section 1859.82(a)(1) provides for Facility Hardship grant funding when, "The facilities are needed to ensure the health and safety of the pupils if the district can demonstrate to the satisfaction of the Board that the health and safety of the pupils is at risk. Factors to be considered by the Board shall include…seismic mitigation of the Most Vulnerable Category 2 Buildings as verified by the DSA…."

SFP Regulation Section 1859.82(a)(1)(A) states:

> If the request is for replacement facilities, a cost/benefit analysis must be prepared by the district and submitted to the OPSC that indicates the total costs to remain in the classroom or related facility and mitigate the problem is at least 50 percent of the Current Replacement Cost of the classroom or related facility. The cost/benefit analysis may include applicable site development costs as outlined in Section 1859.76. The cost/benefit analysis shall not include increased costs associated with high performance related costs or components, with the exception of those high performance components that were pre-existing in the classroom or related facility. If the cost to remain in the classroom or related facility is less than 50 percent of the Current Replacement Cost, the district may qualify for either grant below, as applicable:
> 1. Modernization Excessive Cost Hardship Grant for Rehabilitation Costs pursuant to Section 1859.83(e), or
> 2. A grant not to exceed 50 percent of the cost estimate that has been reviewed and approved by the OPSC and approved by the board for seismic rehabilitation.

SFP Regulation Section 1859.82(a)(1)(B) states:

> If the request is for replacement facilities that included structural and/or seismic deficiencies, the cost/benefit analysis must also include a report from a licensed design professional identifying the minimum work necessary to obtain DSA approval. The report must contain a detailed cost estimate of the repairs. The cost/benefit analysis shall not include increased costs associated with high performance related costs or components, with the exception of those high performance components that were pre-existing in the classroom or related facility. The report and cost estimate shall be subject to review by the OPSC for conformance with the Saylor Current Construction Cost Publication and, at the OPSC's discretion, the DSA. For seismic deficiencies of the Most Vulnerable Category 2 Buildings, the report and the cost estimate for the minimum work necessary must be reviewed by the DSA.

ATTACHMENT A

AUTHORITY (CONT.)

SFP Regulation Section 1859.82(a)(1)(C) states:

The seismic mitigation projects must meet all of the following requirements:

1. The construction contract was executed on or after May 20, 2006;
2. The project funding provided shall be for the minimum work necessary to obtain DSA approval;
3. The building is designed for occupancy by students and staff; and
4. The DSA concurs with a report by a structural engineer, which identifies structural deficiencies that pose an unacceptable risk of injury to its occupants in a seismic event. If the unacceptable risk of injury is due to the presence of faulting, liquefaction or landslide, these hazards must be documented by a geologic hazards report prepared by an engineering geologist in accordance with California Building Code, Part 2, Chapter 18, section 1803A and with the concurrence of the California Geological Survey.

The structural engineer's report shall conform to the guidelines prepared by the DSA, in accordance with Education Code Section 17310.

SFP Regulation Section 1859.82 further states:

A district may request a determination of eligibility for facility hardship funding in advance of project funding.

(c) A district seeking replaced facilities as a result of either (a) or (b) above must submit Form SAB 50-04 for the replaced facilities:

(1) Within 18 months if the replacement facilities will be located on the same site.

(2) Within 24 months if the replacement facilities will be located on a replacement site.

If an Approved Application for the replaced facility is not accepted within the time periods identified in (c)(1) or (c)(2) above, the Board shall re-review the criteria submitted by the district for replacement of the facility prior to apportionment of the replaced facility.

SAB Meeting: **June 5, 2017** **Seismic Mitigation Program - Adjusted Grant Approval**

SCHOOL DISTRICT DATA

Application No:	58/61796-00-008	**County:**	Contra Costa
School District:	West Contra Costa Unified	**School Name:**	Helms Junior High

PROJECT DATA

Type of Project:	Middle School	**Application Filing Basis:**	Site Specific
Pupils Assigned Under 50 Yrs: K-6:			
7-8:			
9-12:			
Non-Severe:			
Severe:			
Financial Hardship Requested:	No	**Recommended Acres:**	14
Alternative Education School:	No	**Existing Acres:**	15.4

ADJUSTED GRANT DATA

Seismic Rehabilitation	$ 5,341,020.00
Total State Share (50%)	5,341,020.00
District Share (50%)	5,341,020.00
Total Project Cost	$ **10,682,040.00**

PROJECT FINANCING

State Share	
This Project	$ 5,341,020.00
District Share	
Cash Contribution	5,341,020.00
Financial Hardship	
Total Project Cost	$ **10,682,040.00**

HISTORY OF PROJECT COST AND APPORTIONMENT

	Fund Code	Proposition	Previously Authorized	Authorized This Action	Unfunded Approval This Action
State Share					
New Construction/Additional Grant	**957-505**	**1D**	$	$ 5,341,020.00	$ 5,341,020.00
District Share					
Cash Contribution				5,341,020.00	
Total			$	$ **10,682,040.00**	$ **5,341,020.00**

Funding Source: Proposition 1D Bonds/2006-Nov.

Pursuant to the Board's action on March 11, 2009, this application has been approved and placed on the Unfunded List. This approval does not constitute a guarantee or commitment of future State funding.

The District shall ensure that it is in compliance with all applicable laws, regulations and certifications it made on the program forms.

Provide that the State portion of any and all project savings realized from the funding of this Seismic Mitigation Program project must be returned to the State.

Senate Bill 854, Chapter 28, Statutes of 2014, repealed Labor Code (LC) Section 1771.3 which required school districts to provide payment to Department of Industrial Relations (DIR) for prevailing wage monitoring. As a result, school districts awarding a construction contract on or after June 20, 2014 are not mandated to provide payment for DIR monitoring and enforcement of prevailing wage requirements. Projects with an initial public works project awarded on or after June 20, 2014 are not eligible to receive an additional grant for prevailing wage monitoring; however, school districts are still required to notify DIR within five days of initial contract award pursuant to LC Section 1773.3(a)(1).