

Frequently Asked Questions

Q. What types of projects qualify for Facility Hardship Program funding?

A district is eligible for Facility Hardship Program funding to repair, replace, or construct School Buildings or related required components that are causing an imminent health and safety threat to students and/or staff. Imminent health and safety threats are issues that are outside of the district's control or otherwise caused by extraordinary circumstances. Projects solely to replace components that have reached the end of their useful life, perform routine maintenance or repair, issues resulting from the deferment of routine maintenance or repair, lack of current code compliance, or the addition of components that were not previously existing, do not meet the qualifying criteria of the program.

Factors to be considered by the State Allocation Board (SAB) to determine program eligibility may include, but are not limited to, the following:

- Damage or loss as a result of a natural disaster, such as a fire, flood, or earthquake.
- Proximity to a major freeway, airport, electrical facility, high power transmission lines, dam, pipeline, or industrial facility.
- Adverse air quality.
- Structural deficiency to a school building.
- Hazardous conditions such as methane, lead, or asbestos mitigation.
- Unsafe water supply.
- Site conditions such as faulting, toxic soil, or liquefaction.

The imminent threat to health and safety must be clearly identified in a report from a qualified industry specialist, and an appropriate governmental agency must review and concur with the findings of the industry specialist's report.

Facility Hardship Program

Q. When can I submit a Facility Hardship Program application?

Applications must be submitted to the Office of Public School Construction (OPSC) within 12-months of Division of the State Architect (DSA) approval of the plans and specifications for the project or 6 months from project completion if the project does not require DSA approval.

Q. What is the State/District matching share percentage for Facility Hardship Program projects?

A Facility Hardship Program application is treated identically to a New Construction project (when the application qualifies for Replacement funding) or a Modernization (when the application qualifies for Rehabilitation funding). In the same manner, Replacement applications are funded on a 50/50 state and local match basis, while Rehabilitation applications are funded on a 60/40 state and local match basis. The only exception is when a district obtains financial hardship status; then the project may receive up to 100 percent state funding. Districts may contact the Financial Hardship Team to determine whether a project meets the requirements to qualify for Financial Hardship assistance.

The Directory of Services contains direct contact information for all OPSC staff, including the Facility Hardship Team and Financial Hardship Team, and it can now be accessed under the Resources section of [OPSC Online](#), available after logging in. If you have questions or are not already working with a team member, please contact OPSC's Communications Team at OPSCCommunications@dgs.ca.gov or at (916) 376-1771. Your correspondence will then be forwarded to the appropriate team member for a timely response.

Q. Is the Office of Public School Construction (OPSC) accepting Facility Hardship Program applications?

Yes, OPSC is accepting applications for the Facility Hardship Program. Additionally, funding for this program is prioritized based on the nature of these projects being related to mitigating imminent health and safety threats.

Q. What documents do I need to submit to OPSC to apply for Facility Hardship Program funding?

- Industry Specialist's Report: Identification and substantiation of the imminent health and safety threat and the minimum work necessary to mitigate the threat.
- Governmental Concurrence: A letter from a governmental agency that has jurisdiction or expertise over the field in which the health and safety threat originates. The letter must concur with the industry specialist's report that there is an imminent health and safety threat and that the prescribed work is the minimum work necessary to mitigate the issue.
- A completed *Facility Hardship Cost Estimate* (Form SAB 58-01): A detailed cost estimate that contains the costs associated with the minimum work to mitigate the health and safety threat.
- Cost/Benefit Analysis, if applicable: If the application is for a school building, the district must submit a cost/benefit analysis that demonstrates that the minimum work to mitigate the health and safety threat and remain in the school building exceeds 50 percent of the Current Replacement Cost.
- A completed Application for Funding (Form SAB 50-04)
- DSA Plan Approval Letter or documentation from DSA verifying that the project is exempt from their approval process.
- CDE Plan Approval Letter or documentation from CDE verifying that the project is exempt from their approval process.
- Career and Technical Education Advisory Committee (CTEAC) Letter

- Site Diagram that specifically lists or marks the building(s) affected.
- Photos of the affected area (optional but recommended)
- If seeking Replacement funding, a gross inventory of all School Buildings on the project site that indicates current usage, square footage, and facility types.
- If seeking Replacement funding and performing site development work, a detailed site development worksheet. A template worksheet is available under the Resources section of [OPSC Online](#), available after logging in.

Q. What is a Conceptual Approval?

A Conceptual Approval is a preliminary approval by the State Allocation Board (SAB) prior to having DSA approved plans for the project. Conceptual approvals provide a way for the district to learn whether or not a project qualifies for funding under the Facility Hardship Program prior to having their plans approved by DSA.

To apply for Conceptual Approval, the district must submit all of the documents listed above, except plan approval letters from DSA and CDE. While the district does not need to submit DSA-approved plans, some measurable documentation will be required to verify the district's Form SAB 58-01 and/or square footage of the project.

The Directory of Services contains direct contact information for all OPSC staff, including the Facility Hardship Team, and it can now be accessed under the Resources section of [OPSC Online](#), available after logging in. If you have questions or are not already working with a team member, please contact OPSC's Communications Team at OPSCCommunications@dgs.ca.gov or at (916) 376-1771. Your correspondence will then be forwarded to the appropriate team member for a timely response.

Q. If the SAB approves my Conceptual Application, are Facility Hardship funds reserved for my project?

No funds are reserved at the time of a Conceptual

Approval. Conceptual Approval is not a mandatory step in the funding process but allows a school district and its stakeholders to receive acknowledgement from the SAB that the project meets program requirements. Conceptual Approval shows that a project is eligible to apply for funding if bond authority is available and all other application requirements have been completed.

Q. My district has a facility hardship but does not have funds available to have the reports prepared or to have plans designed. Is there any funding available for these costs?

In Part II of the Form SAB 58-01, a certain amount of funding is provided to cover costs associated with preparing the industry specialist's report. Costs beyond the funding provided for this purpose are eligible expenditures. The district may reimburse itself for those costs after the receipt of Facility Hardship Program funds. Additionally, a district that is also eligible for Financial Hardship Program funding may apply for a conceptual approval and for Facility Hardship Design funding concurrently. The advance release of funds is intended to assist districts with the costs associated with developing plans for the project. Please note that the processing of any request for funding is subject to the availability of State funds. If the School district is planning to apply for Financial Hardship assistance, it should contact the Financial Hardship Team prior to the expenditure of any funding. This is to ensure proper documentation is retained so that any potential Financial Hardship funding is not jeopardized.

Q. How long is the Facility Hardship approval process for Conceptual Approval or for funding when bond authority is available?

Many factors are involved when making a facility hardship determination. These are typically complex issues which require an in-depth, detailed analysis; however, these requests do receive a very high priority by OPSC and, due to the health and safety concern, are processed as quickly as possible. OPSC's Facility Hardship Team and the district's OPSC Project Manager will work closely with the district, its architect and other personnel to expedite the request. Time is required for

analysis, the site visit, SAB publication timelines, and other essential steps. At the earliest, Facility Hardship applications are generally scheduled for an SAB meeting 90 to 120 days following OPSC's receipt of the application, depending on workload and the availability of essential documentation.

Q. The district has a health and safety concern and wishes to demolish a building as soon as possible. Can this be done prior to a Facility Hardship approval?

The district must exercise caution in the timing of a building's demolition. OPSC is especially interested in visiting a potential facility hardship site to view the health and safety concern but will also make every effort to facilitate a timely resolution of the district's facility hardship request. It is equally important for the district to have the appropriate State agency, such as the DSA, visit the site prior to demolition. If the threat is due to the presence mold, OPSC must conduct a site visit to view the damage prior to remediation. The site visit may be conducted either in-person or virtually. If the remediation is done prior to a site visit, the application will be ineligible for funding.

If health and safety concerns, construction timelines, or other factors necessitate an expedient demolition of a building, and the essential site visits have been conducted, the district may choose to proceed with demolition prior to SAB approval, but with the understanding that there is no guarantee of approval or subsequent funding and that the district moves forward at its own risk. The district must also meet the submittal timeline requirements, which is that applications must be submitted to OPSC within 12-months of DSA approval or 6 months from project completion if the project does not require DSA approval.

Q. If insurance proceeds or site sale proceeds are realized in the course of a Facility Hardship Program project, are these funds a factor in the district's contribution?

Yes. For standard Replacement projects, 50 percent of the amount collectable by the district will be reduced from the Facility Hardship grant. For Rehabilitation projects, 60 percent of the amount collectable by the district will be reduced

from the Facility Hardship grant. For Financial Hardship projects, up to 100 percent of the amount collectable by the district will be reduced from the Facility Hardship grant.

Q. While undergoing a Modernization project, the district discovered extensive dry rot and termite damage that has severely compromised the structural integrity of the building. It appears that costs to mitigate this problem will be excessive and will dramatically increase the costs of the originally planned modernization work. Is there a possibility that Rehabilitation funds could be made available for this portion of the project?

Yes. In some cases, there may be a possibility of supplemental funding through a Facility Hardship Program application if the structural condition is such that it meets the requirements for Rehabilitation, as defined in SFP Regulation Section 1859.82.1(c). Any potential Facility Hardship funding that is provided will be based on the minimum work necessary to mitigate the imminent health and safety threat only and must not include work associated with the Modernization project. If the project is for a school building, a cost-benefit analysis will be necessary to determine if the district is eligible for either Rehabilitation funding or Replacement funding. However, if the project is for a component of a school building or school site condition (e.g., HVAC, heater, boiler, walkway, sewer, etc.), then no cost-benefit analysis will be necessary. If funds are available at that time of processing the Facility Hardship Program application, the district will receive an approval that will be tracked separately from its Modernization application.

Q. We need to provide interim housing during the project. Can I get additional funding for interim housing?

Districts may expend Facility Hardship funds on interim housing. However, projects are not provided any additional grants for this purpose.

Q. What is the order in which projects are funded?

The Facility Hardship Program, which includes the Seismic Mitigation Program (SMP), is a health and safety mitigation program. As such, applications

seeking Facility Hardship Program and SMP funding are placed at the top of the SFP Workload List and are given priority for processing depending on availability of State funds. These applications are then funded in order of received date amongst all other Facility Hardship Program applications.