

STATE ALLOCATION BOARD

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Date: May 22, 2006

To: Interested Parties

Subject: **NOTICE OF THE STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE MEETING**

Notice is hereby provided that the State Allocation Board Implementation Committee will hold a meeting on Friday, June 2, 2006 (9:30 am - 3:30 pm) at the Legislative Office Building, 1020 N Street, Room 100, Sacramento.

The Implementation Committee's proposed agenda is as follows:

1. Continued discussion on proceeds from the sale of a site funded in whole or part with State funds as requested by the State Allocation Board at its March 22, 2006 meeting.
2. Discussion on proposed regulatory amendments to the new construction additional grant for site development costs to incorporate a general site development grant.

Any interested person may present public testimony or comments at this meeting regarding the issues scheduled for discussion. Any public input regarding unscheduled issues should be presented in writing, which may then be scheduled for a future meeting. For additional information, please contact Ms. Deah Johnson at (916) 445-3159.

A handwritten signature in cursive script that reads "Mavonne Garrity".

MAVONNE GARRITY, Chairperson
State Allocation Board Implementation Committee

MG:dj

**STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE**

**Pending Items List
June 2, 2006**

A. Future Items

- Supplemental Funding for Accessibility Requirements on Modernization Projects
Discussion on proposed changes to the grant provided under Regulation Section 1859.83(f) regarding the excessive cost hardship grant for handicap access and fire code requirements.

- Assembly Bill 127, Chapter 35, Statutes of 2006 (Nunez and Perata)
Discussion on the implementation of new programs and revisions to existing programs as a result of this new legislation.

- Alternative Education Loading Standards and Funding
Discussion on the loading standards and adequacy of the funding provided for continuation high, community day, and county community day schools under the School Facility Program.

B. Suspended Items

None

STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE MEETING
June 2, 2006

School Facility Program:
Additional Grant For General Site Development

PURPOSE

To present proposed School Facility Program (SFP) regulation changes providing a new construction additional grant for general site development.

BACKGROUND

A report was presented at the April 2006 State Allocation Board (SAB) meeting on the status of the Grant Adequacy Ad Hoc Committee's (Committee) ongoing analysis of the adequacy of the SFP new construction grants to build complete schools. As part of the analysis, Staff was directed to determine if the general site allowance was included in the SFP new construction base grant amount. General site work 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. The preliminary analysis indicates there are deficiencies between the LPP and SFP funding methods; therefore, it is reasonable to conclude that the general site was not considered in the base grant allowance. During the discussion of this report, the SAB directed Staff to develop proposals on an additional grant for general site development. At the May 2006 SAB meeting, Staff presented several options for consideration. The SAB directed the OPSC to develop regulations to include an additional allowance for general site development for all new schools and additions to existing sites wherein additional acreage is acquired. In addition, the general site additional grant would sunset no later than January 1, 2008, providing Staff time to complete a full analysis of the impact of the general site grant, the increase to the new construction base grant proposed in Assembly Bill 127, and the total SFP funding model.

AUTHORITY

Education Code Section 17072.12 states that the Board may provide funding for assistance in site development and acquisition. The SAB's Legal Counsel has opined that "because the SFP does not define site development, the Board may adopt regulations to define and clarify the types and amounts of site development assistance that can be provided."

DISCUSSION

Under the Lease-Purchase Program (LPP), site development allowances were provided for costs associated with service site, offsite, utility service, and general site development based on information submitted by the architect of record. LPP new construction projects were provided funding for general site development work equal to eight percent of the building cost allowance for elementary and middle school projects, and five percent of the building cost allowance for high school projects. In addition, \$15,000 per new acre was also provided. Currently, the SFP provides additional grants for site development costs including service site, offsite and utility service on new construction projects, but not general site development.

The proposed regulation changes (Attachment) would provide an additional general site grant for new school projects and addition projects wherein new acreage is acquired. Staff is proposing that to provide the same level of funding for general site development under the SFP as the LPP, a six percent increase to the new construction base grant for elementary and middle school and a 3.75 percent increase for high school projects would be necessary. This has been vetted at the Committee. These figures differ from the LPP as those percentages were applied to only the building cost allowance which represented the amount of funding a district would receive for hard construction costs. Since the SFP

new construction base grant is intended to pay for both hard and soft costs, the general site increases should not be applied to the entire new construction base grant. School districts have been reporting on average 75 percent of the total SFP project cost expenditures are related to hard construction costs; therefore, 75 percent of the percentages available under the LPP would provide an equitable amount of general site development funding under the SFP. Under these proposed amendments, the additional SFP funding available for fire code requirements, multi-level construction, replacement facilities, facility hardship, new school allowance, geographic, and small size projects would also receive a six or 3.75 percent increase for general site. In addition, districts will receive \$19,200 per new acre acquired which will be adjusted annually based on the change in the Class B Construction Cost Index. This amount has been determined using the \$15,000 per acre provided under the LPP adjusted to the August 1998 construction cost index which is the cost basis for all grants described in regulation.

Further analysis of the potential impact of the Kindergarten-University Public Education Facilities Bond Act of 2006 together with the proposed general site increase needs to be completed. Therefore, an amendment has been added to the regulations to suspend the general site grant provisions no later than January 1, 2008, until the full analysis of the impact is completed.

RECOMMENDATION

Present the proposed regulations as submitted to the SAB at its June 2006 meeting.

ATTACHMENT

PROPOSED AMENDMENTS TO THE SCHOOL FACILITY PROGRAM REGULATIONS State Allocation Board Meeting, June 28, 2006

Amend Regulation Section 1859.2 as follows:

...

Section 1859.2. Definitions.

For the purpose of these regulations, the terms set forth below shall have the following meanings, subject to the provisions of the Act:

"Academic Achievement" means to improve one's ability to engage in academic endeavors and to accomplish study in core curriculum areas such as reading, writing, mathematics, fine arts, science, vocational education, technology, history or social science.

"Act" means the Leroy F. Greene School Facilities Act of 1998.

"Adjacent" means the HSAs that will make up the Super HSA are adjoining, touching, or share a common geographical boundary.

"Alternative District Owned Site" means a district owned site that is deemed available for the project by the California Department of Education.

"Alternative Education" means community day, county community, county community day, and continuation high schools.

"Alternative Enrollment Projection" means a calculation of projected enrollment by eligible school districts as authorized by Education Code Section 17071.75(a)(1).

"Application" means a request pursuant to the Act to receive an eligibility determination and/or funding for a school project.

"Apportionment" shall have the meaning set forth in Education Code Section 17070.15(a).

"Approved Application(s)" means a district has submitted the application and all documents to the Office of Public School Construction that are required to be submitted with the application as identified in the General Information Section of Forms SAB 50-01, *Enrollment Certification/Projection*, (Revised 03/05); SAB 50-02, *Existing School Building Capacity*; SAB 50-03, *Eligibility Determination*, (Revised 06/04); and SAB 50-04, *Application for Funding*, as appropriate, and the Office of Public School Construction has completed and accepted a preliminary approval review pursuant to Education Code Section 17072.25(a).

"Approved Application for Joint-Use Funding" means a district has submitted an *Application for Joint-Use Funding*, Form SAB 50-07, including all required supporting documents as identified in the General Information Section of that Form, to the OPSC and the OPSC has accepted the application for processing.

"Attendance Area" shall have the meaning set forth in Education Code Section 17070.15(b).

"Authority" shall have the meaning set forth in Education Code Section 17078.52(d)(1).

"Board" means the State Allocation Board as established by Section 15490 of the Government Code.

"CBEDS Report" means the enrollment information provided through the California Basic Educational Data System (CBEDS) by school districts to the CDE.

"California Department of Education" (CDE) means the offices within that department that have responsibility for school facilities matters.

"CDE Source School List" means a list developed and published by the CDE that identifies districts and Critically Overcrowded Schools pursuant to Education Code Section 17078.18(c).

"CEC" means the California Energy Resources, Conservation and Development Commission.

"Certification" means the act of affirmatively representing, asserting or verifying circumstances, data or information as required by the Act or this subgroup.

"Charter School" shall mean a school established pursuant to Education Code, Title 2, Division 4, Part 26.8, Section 47600, et seq.

"Charter School Facility Account" means the fund for new construction Charter School projects authorized by Sections 100620(a)(1)(A) and 100820(a)(1)(A).

"Charter School General Location" shall mean a three mile radius from the present or proposed location of the Charter School project as identified in the chartering agreement.

"Childcare" means any program that is operated less than 24-hours per day, in which non-medical, licensed care and supervision are provided to children in a group setting.

"Class B Construction Cost Index" is a construction factor index for structures made of reinforced concrete or steel frames, concrete floors, and roofs, and accepted and used by the Board.

"Classroom" means a teaching station that has the same meaning as the term used in Education Code Section 17071.25(a)(1).

"Classroom-Based Instruction" shall have the meaning set forth in Education Code Section 47612.5(e)(1).

"Classroom Provided" means a classroom acquired by lease, lease-purchase, or purchase for which a contract has been signed for the construction or acquisition of the classroom.

"Committee" shall have the meaning set forth in Education Code Section 17070.15(e).

"Comprehensive High School" means a high school that serves grades 7-12 or 9-12 that offers a variety of curricula, including common courses that emphasize academic achievement and traditional subjects that all students are required to take.

"County Fund" shall have the meaning set forth in Education Code Section 17070.15(j).

"Critically Overcrowded School (COS)" means a school that has a pupil population density greater than 115 pupils per useable acre in grades Kindergarten through six, or a pupil population density greater than 90 pupils per useable acre in grades seven through twelve based on the 2001 CBEDS enrollment.

"Current Replacement Cost" means \$346.60 per square foot for Toilet Facilities and \$192.60 per square foot for all other spaces. The amounts shown will be adjusted annually in the manner prescribed in Section 1859.71.

"Date of Occupancy" means the date the grant deed is recorded with the County Recorder's Office.

"Department" shall have the meaning set forth in Education Code Section 17070.15(d).

"District Representative" means a member of a school district staff or other agent authorized to serve as "District Representative" to execute and file an application with the Board on behalf of the district and/or act as liaison between the Board and the district.

"Division of the State Architect (DSA)" means the State office within the Department of General Services that reviews school building plans and specifications for structural, fire safety and access compliance.

"Elementary School Pupil" means a student housed in a school serving Kindergarten through sixth grade, or any combination of Kindergarten through sixth grade.

"Encumbered for Specific Purposes" means a commitment of funds by the school district to meet a legally binding obligation.

"Energy Audit" means an energy analysis and report which sets forth the utility savings that could be generated if the proposed project was designed, constructed, and equipped with energy efficiency and renewable technologies that would make the proposed project exceed the minimum building energy-efficiency standards mandated for new public buildings pursuant to the applicable California Building Standards Code.

"Energy Efficiency Account" means the funds set aside by the Board for purposes of Education Code Section 17077.35.

"EnergyPro 3.1" means a computer program approved by the CEC that calculates energy efficiency standards.

"Environmental Hardship" means the State funding for site acquisition as authorized by Section 1859.75.1.

"Excessive Cost Hardship Grant" means the funding provided by Section 1859.83.

"Executive Officer" means the individual appointed by the Governor to direct the Office of Public School Construction, and who concurrently serves as Executive Officer to the Board.

"Existing School Building Capacity" means the district's total capacity to house pupils as calculated pursuant to Sections 1859.30 through 1859.33.

"Existing School Site" ~~for purposes of Joint Use~~, means real property that has a public school with any grades K-12 and that has at minimum administration and classroom facilities for any grades K-12 and has been assigned a county district school (CDS) code, which meets the criteria of Regulation Section 1859.23.

"Extra Cost" means the added costs to complete a Type II Joint-Use Project as determined in Section 1859.125.1.

"Facility" means all or a portion of any real property, site improvements, utilities and/or buildings or other improvements contained in the project.

"Facility Hardship" means new or replacement facilities authorized by Section 1859.82 (a) or (b).

"Field Act Facility" means a school building meeting the requirements contained in Education Code Section 17280, et seq.

"Final Apportionment" means an apportionment made pursuant to Education Code Section 17070.15 by submittal of an application pursuant to Section 1859.21.

"Final Apportionment Unfunded List" means a list of projects where the entire Final Apportionment request was not converted to a Final Apportionment.

"Final Charter School Apportionment" shall mean a Preliminary Charter School Apportionment that has been converted to a Final Charter School Apportionment in accordance with Section 1859.165.

"Financial Hardship" means State funding for all or a portion of the district's matching share required by Section 1859.77.1 or 1859.79.

"Financially Sound" shall have the meaning set forth in Education Code Section 17078.52(d)(4) and Title 4, California Business Regulations commencing with Section 10151, et seq.

"Form SAB 50-01" means the *Enrollment Certification/Projection*, Form SAB 50-01 (Revised 03/05), which is incorporated by reference.

"Form SAB 50-02" means the *Existing School Building Capacity*, Form SAB 50-02 (Revised 09/02), which is incorporated by reference.

"Form SAB 50-03" means the *Eligibility Determination*, Form SAB 50-03 (Revised 06/04), which is incorporated by reference.

"Form SAB 50-04" means the *Application For Funding*, Form SAB 50-04 (Revised ~~07/05~~ 06/06), which is incorporated by reference.

"Form SAB 50-05" means the *Fund Release Authorization*, Form SAB 50-05 (Revised 02/05), which is incorporated by reference.

"Form SAB 50-06" means the *Expenditure Report*, Form SAB 50-06 (Revised 09/02), which is incorporated by reference.

"Form SAB 50-07" means the *Application For Joint-Use Funding*, Form SAB 50-07 (Revised 01/05), which is incorporated by reference.

"Form SAB 50-08" means the *Application For Preliminary Apportionment*, Form SAB 50-08 (Revised 09/04), which is incorporated by reference.

"Form SAB 50-09" means the *Application for Charter School Preliminary Apportionment*, Form SAB 50-09 (Revised ~~04/05~~ 06/06), which is incorporated by reference.

"Fund" shall have the meaning set forth in Education Code Section 17070.15(i).

"General Location" means the proposed location of a new school as set forth in Education Code Section 17078.22 and Section 1859.142.

"General Site Development" means on-site hard surfaced areas for foot traffic, driveways, walks, parking, curbs and gutters; outdoor instructional play facilities such as turfed or paved play areas, permanent playground equipment, outdoor places of assembly, tennis/handball courts, running tracks and baseball, football and soccer fields; applicable landscaping of building frontages and outdoor facilities noted above.

"Governmental Agency" shall include but is not limited to a public entity as defined in Government Code Section 7260(a) including California federally recognized or historically established tribal governments.

"Hazardous Material/Waste Removal Fund" shall mean the fund established pursuant to Section 1859.163.3, in order to set aside funding at the time Preliminary Charter School Apportionments are approved by the Board for hazardous material waste removal that will be provided at the Final Charter School Apportionment when actual costs are known.

"High School Attendance Area (HSAA)" means an attendance area that serves a currently operated high school, other than a continuation school or a community school.

"High School District" means a school district that serves any combination of grades seven through twelve exclusively.

"High School Pupil" means a student in a school serving ninth through twelfth grade or any combination of ninth through twelfth grade.

"Higher Education" means an entity that is a public community college; a public college; a public university; or a non-profit/accrued organization of higher education.

"In Escrow, Governmental Entities" means the approval and signature of instrument(s) that will convey a specified school parcel or site from the public/government entity including the federal government for a determinable sum, and for a determinable date of acquisition which may be based on the district's receipt of funding from the State.

"In Escrow, Non-Governmental Entities" means the deposit of signed instrument(s) and/or funds with instructions with a title company or escrow agent to carry out the provisions of an agreement or contract to acquire a specified school parcel or site for a determinable sum, and for a determinable date of acquisition which may be based on the district's receipt of funding from the State.

"Inadequate" means, for purposes of Joint-Use Projects, the square footage of the existing facility is less than 60 percent of the square footage entitlement shown in the Chart in Section 1859.124.1.

"Independent Audit" means an examination and report of the district's accounts by a certified public accounting firm.

"Individual with Exceptional Needs" shall have the meaning set forth in Education Code Section 56026 as further defined and classified in 34 Code of Federal Regulations Part 300.5.

"Instrument" means a written, legally enforceable agreement, approved and signed by all parties to the escrow, for the conveyance to the district of real estate for a specified parcel or site, that includes a compensation clause and either a purchase option agreement, a purchase agreement, promissory note, lease agreement, installment sales contract, gift, or other real estate conveyance valid in the State of California for property conveyed from a public/government entity, including the federal government.

"Interim Housing" means the rental or lease of classrooms used to house pupils temporarily displaced as a result of the modernization of classroom facilities.

"Joint-Use Project" means a project approved by the Board pursuant to Education Code Sections 17050, 17051, or 17077.40.

"Joint-Use Partner(s)" means an entity or entities that has entered into a joint-use agreement pursuant to the provisions of Education Code Section 17077.42.

"Labor Compliance Program (LCP)" shall be as described in subdivision (b) of Labor Code Section 1771.5 and approved by the Department of Industrial Relations.

"Large Charter School" shall be defined as a school in which the enrollment is greater than 351 pupils, based on the latest available CBEDS report or if a CBEDS report is unavailable, the registration list for the Charter School may be used.

"Large New Construction Project" means a funding application request for at least 200 New Construction Grants which will be used to construct a new Comprehensive High School or an addition to a Comprehensive High School.

"Large Modernization Project" means a funding application request for Modernization Grant(s) that exceed 50 percent of the current CBEDS enrollment of a Comprehensive High School that will be modernized.

"Lease-Purchase Program (LPP)" means the Leroy F. Greene State School Building Lease-Purchase Law of 1976, commencing with Education Code Section 17000.

"Low-income" shall be the percentage of pupils deemed to be eligible for free/reduced lunch as identified in the Free and Reduced Price Meals data on file at the CDE.

"Major Maintenance" shall have the meaning set forth in Education Code Section 17070.77(b).

"Material Inaccuracy" means any falsely certified eligibility or funding application related information submitted by school districts, architects or other design professionals that allowed the school district an advantage in the funding process.

"Median Cost" means, for purposes of a Preliminary Apportionment, the middle number in a given sequence of property value numbers, or the average of the middle two property value numbers when the given sequence of property value numbers has an even number of numbers.

"Medium Charter School" shall be defined as a school with an enrollment of 176 pupils to 350 pupils, based on the latest available CBEDS report or if a CBEDS report is unavailable, the registration list for the Charter School may be used.

"Mello-Roos Bonds" means the bonds that are authorized under the provisions of the Mello-Roos Community Facilities Act of 1982, commencing with Government Code Section 53311.

"Middle School Pupil" means a student in a school serving sixth through eighth grade, or seventh and eighth grades.

"Modernization" shall have the meaning set forth in Education Code Section 17070.15(f) for purposes of projects subject to Subgroup 5.5, Article 2, commencing with Section 1859 or Education Code Section 17021 under the Lease-Purchase Program.

"Modernization Adjusted Grant" means the Modernization Grant, plus any other funding provided by these Regulations.

"Modernization Grant" means the funding provided pursuant to Education Code Section 17074.10(a) and Sections 1859.78, 1859.78.3, 1859.78.6, and 1859.78.8.

"Modernization Eligibility" means the result of the calculation contained in either Option A or B of the Form SAB 50-03.

"Multi-Track Year-Round Education (MTYRE)" means a school education program in which the students are divided into three or more groups on alternating tracks, with at least one group out of session, and the other groups in session during the same period.

"Net School Building Capacity" means the capacity of a school building to house pupils after excluding the pupils housed in a Classroom which was demolished and replaced in the project and, for schools operating on a multi-track year-round education calendar as defined in Education Code Section 42260(d)(1), after including the maximum enrollment attending the school at one time.

"New Construction Adjusted Grant" means the New Construction Grant, plus any other funding provided by these Regulations.

"New Construction Eligibility" means the result of the calculation determined in Education Code Section 17071.75.

"New Construction Grant" means the funding provided pursuant to Education Code Section 17072.10(a) and Sections 1859.71 and 1859.71.1.

"Nonclassroom-Based Instruction" shall have the meaning set forth in Education Code Section 47612.5(d)(1) and (e)(2).

"Non-Profit Entity" means an entity that is organized and operated for purposes of not making a profit under the provisions of the federal Internal Revenue Code Section 501(c)(3), or is organized as/operated by a nonprofit public benefit corporation, pursuant to State Corporations Code, Title 1, Division 2, Part 2, Section 5110, et seq.

"Non-Profit Organization" means an entity that is organized and operated for purposes of not making a profit under the provisions of the Revenue and Taxation Code.

"Non-Severely Disabled Individual with Exceptional Needs" means an individual with exceptional needs not defined in Education Code Section 56030.5 but included in 34 Code of Federal Regulations Part 300.5.

"Occupancy" means the point at which pupils occupy a classroom as evident by district documents such as the school board's adopted calendar, classroom attendance rosters, fire marshal approval of the classroom, etc.

"Office of Public School Construction (OPSC)" means the State office within the Department of General Services that assists the Board as necessary and administers the Act on behalf of the Director.

"Overcrowded School District" for purposes of determining preference points is any district that demonstrates eligibility in excess of two percent of their unhoused pupils.

"Permanent Area" means any area not included in a portable classroom.

"Permanent Classroom" means any classroom not meeting the definition of portable classroom.

"Phase C Approval" means the construction approval by the Board under the Lease-Purchase Program.

"Phase One Environmental Site Assessment (POESA)" shall have the meaning set forth in Education Code Section 17210(g).

"Phase P Approval" means the planning approval by the Board under the Lease-Purchase Program.

"Phase S Approval" means the site approval by the Board under the Lease-Purchase Program.

"Portable Classroom" shall have the meaning set forth in Education Code Section 17070.15(k).

"Preliminary Application" means the district has submitted Form SAB 50-08, including all documents that are required to be submitted with the application as identified in the General Instructions Section of that Form to the OPSC and the OPSC has accepted the application for processing.

"Preliminary Apportionment" means an apportionment made pursuant to Education Code Section 17078.10(c).

"Preliminary Charter School Application" means a district filing on behalf of a charter school or the charter school submitting directly on Form SAB 50-09, including all supporting documents as identified in the General Instructions Section of that Form submitted to the OPSC and the OPSC has accepted the application for processing.

"Preliminary Charter School Apportionment" means an apportionment made pursuant to Education Code Section 17078.52(d)(3).

"Preliminary Endangerment Assessment (PEA)" shall have the meaning set forth in Education Code Section 17210(h).

"Preliminary Plans" means a set of architectural drawings not approved by the DSA that provide a preliminary design.

"Priority One" shall have the meaning set forth in Education Code Section 17017.7(a)(1).

"Priority Two" shall have the meaning set forth in Education Code Section 17017.7(a)(2).

"Property" shall have the meaning set forth in Education Code Section 17070.15(g).

"Proposition 1A" means the Initiative Measure (Prop. 1A) enacted by passage at the November 4, 1998 general election.

"Proposition 39" means the Initiative Measure (Prop. 39) enacted by passage at the November 7, 2000 general election which amended Sections 15102, 15106, 35233, and 72533 and added Chapter 1.5 (commencing with Section 15264) to Part 10, of the Education Code, and added applicable sections of the California Constitution relating to passage of local school bonds with a 55 percent vote of the electorate at a primary or general election, a regularly scheduled local election, or a statewide special election.

"Proposition 47" means the Kindergarten-University Public Education Facilities Bond Act of 2002.

"Pupil" means a student enrolled in any grade Kindergarten through grade twelve.

"Qualifying Pupils" means enrollment in excess of 86 pupils per useable acre for Kindergarten through sixth grade or 68 pupils per useable acre for grades seven through twelve.

"Quarterly Basis" means a three-month period commencing on January 1, April 1, July 1 and October 1 of each calendar year.

"Ready for Apportionment" means a final review of an Approved Application has been completed by the OPSC and it has been determined that it meets all requirements of law for an apportionment or eligibility determination, and the OPSC will recommend approval to the Board.

"Reconfiguration" for the purposes of the Small High School Program means a project to create new Small High Schools, on an existing high school which can include limited new construction, as needed, pursuant to Education Code Section 17074.32, and the work shall be part of a current Modernization project and considered one project regardless of the number of new high school entities created.

"Reconfigure" for the purposes of the Joint-Use program means remodeling an existing school building within its current confines and/or the expansion of the square footage of the existing building and any necessary replacement of displaced classrooms or other minimum essential facilities.

"Region One" shall consist of the following counties: Alpine, Amador, Butte, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba.

"Region Two" shall consist of the following counties: Alameda, Calaveras, Fresno, Inyo, Kern, Kings, Madera, Mariposa, Merced, Mono, Monterey, San Benito, San Francisco, San Mateo, Santa Clara, Santa Cruz, Stanislaus, Tulare, and Tuolumne.

"Region Three" shall consist of the following counties: Los Angeles, San Bernardino, San Luis Obispo, Santa Barbara, and Ventura.

"Region Four" shall consist of the following counties: Imperial, Orange, Riverside, and San Diego.

"Rehabilitation Cost" means health and safety mitigation cost that is less than 50 percent of the current replacement cost of the facility.

"Relocation/DTSC Fee Fund" shall mean the fund established pursuant to Section 1859.163.3, in order to set aside funding at the time Preliminary Charter School Apportionments are approved by the Board for relocation expenses and/or DTSC fees that will be provided at the Final Charter School Apportionment when actual costs are known.

"Remedial Action Plan (RAP)" means a plan approved by the Department of Toxic Substances Control (DTSC) pursuant to Health and Safety Code Section 25356.1.

"Resource Specialist Program" means pupils that meet the definition of Non-Severely Disabled Individual with Exceptional Needs as defined in Section 1859.2 that are not enrolled in a special day class.

"Response Action (RA)" means the removal of hazardous materials and solid waste, the removal of hazardous substances, and other remedial actions in connection with hazardous substances at the site.

"Restricted Charter School Fund" means the funds in the 2002 (or 2004, as appropriate) Charter School Facility Account approved for a Preliminary Charter School Apportionment.

"Restricted Fund" means the funds in the 2002 (or 2004, as appropriate) Critically Overcrowded School Facilities Account approved for a Preliminary Apportionment(s).

"Rural Area" shall be a school with a locale code of six, seven or eight as classified by the National Center for Education Statistics (NCES).

"School Building Capacity" shall have the meaning set forth in Education Code Section 17070.15(l).

"School District" shall have the meaning set forth in Education Code Sections 17070.15(h) and 17073.25.

"School Facilities Improvement District" means a legal entity authorized by Education Code Section 15300, to generate school facilities funding.

"School Facility Program (SFP)" means either the new construction or modernization programs implemented under the Act, by these Subgroup 5.5 regulations.

"SFP New Construction Account" means the fund for new construction projects authorized by Sections 100620(a)(1) and 100820(a)(1).

"Secondary School Pupil" means a student in the seventh through the twelfth grade.

"Section" means a section in these Subgroup 5.5 regulations.

"Severely Disabled Individual with Exceptional Needs" means an individual with exceptional needs as defined in Education Code Section 56030.5.

"Small Charter School" shall be defined as a school with an enrollment of not more than 175 pupils, based on the latest available CBEDS report or if a CBEDS report is unavailable, the registration list for the Charter School may be used.

"Small High School" for purposes of the Small High School Program means a high school with an enrollment of 500 pupils or less.

"Small High School Program" means an Approved Application submitted pursuant to Education Code Section 17072.10(c) or 17074.32.

"Small School District" means a school district with districtwide enrollment reported in Part A, the continuation high pupils reported in Part B, and the special day class pupils reported in Part C on the latest Form SAB 50-01, used to determine or adjust the district's baseline eligibility pursuant to Sections 1859.50 and 1859.51 or submitted separately to the OPSC, that is 2,500 or less.

"Source School" means a Critically Overcrowded School included on the CDE Source School List that has Qualifying Pupils.

"Special Day Class" means a class that has pupils enrolled that are individuals with exceptional needs.

"Square Footage" means the enclosed area measured from the outside face of exterior structural walls of the building. For interior areas or portions of building areas, the enclosed area shall be measured from the centerline of the interior demising wall.

"Student Yield Factor" means the number of students each dwelling unit will generate for purposes of an enrollment augmentation.

"Substantial Enrollment Requirement (SER)" means a district that is operating on a Multi-Track Year-Round Education basis pursuant to Education Code Sections 17017.6 and 17017.7(c).

"Suburban Area" shall be a school with a locale code of either two, three, four, or five as classified by the NCES.

"Super High School Attendance Area (Super HSAA)" means two or more HSAs that are adjacent to each other.

"Teacher Education" means courses for credential programs or enhancement courses that are professional growth courses for elementary, secondary, higher education and special education instructors.

"Toilet Facilities" means restroom area, shower/locker area or physical therapy area for Individuals with Exceptional Needs.

"Type I Joint-Use Project" means a project that meets the criteria of Education Code Section 17077.40(b)(1).

"Type II Joint-Use Project" means a project that meets the criteria of Education Code Section 17077.40(b)(2).

"Unfunded List" means an information list of unfunded projects.

"Unrestricted Charter School Fund" means the funds in the 2002 (or 2004, as appropriate) Charter School Facility Account not approved for a Preliminary Charter School Apportionment(s).

"Unrestricted Fund" means the funds in the 2002 (or 2004, as appropriate) Critically Overcrowded School Facilities Account not approved for a Preliminary Apportionment(s).

"Urban Area" shall be as a school with a locale code of one as classified by the NCES.

"Useable Acres" means the gross acreage of a school site less any portion of the site publicly dedicated for off-site street improvements and any portion of the site not available for school purposes as determined by the CDE because of topological impediments or because of other unique circumstances.

Note: Authority cited: Sections 17070.35 and 17078.64, Education Code.

Reference: Sections 17009.5, 17017.6, 17017.7, 17021, 17047, 17050, 17051, 17070.15, 17070.51(a), 17070.71, 17070.77, 17071.10, 17071.25, 17071.30, 17071.33, 17071.35, 17071.40, 17071.75, 17071.76, 17072.10, 17072.12, 17072.18, 17072.33, 17073.25, 17074.10, 17074.30, 17074.32, 17075.10, 17075.15, 17077.40, 17077.42, 17077.45, 17078.52, 17078.56, 17280, and 56026, Education Code; Section 53311, Government Code; and Section 1771.5, Labor Code.

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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:

- (a) Service site development cost, within school property lines for:
 - (1) Site clearance including the removal of trees, brush, and debris.
 - (2) Demolition and removal of existing buildings and site improvements which lie in the footprint of a proposed building or proposed site development.
 - (3) Removal and rerouting of existing utility service which lie in the footprint of a proposed building or proposed site development.
 - (4) Rough grading including cut and fill, and leveling and terracing operations required in the design of the project.

- (5) Soil compaction adhering to common engineering practices and engineered fill that is required by a soils report that is available for review by the OPSC.
- (6) On-site drainage facilities including inlets below grade drainage facilities and retention basins.
- (7) Erosion control improvements such as plant material, temporary sprinkler systems, jute mesh and straw, due to embankments having a slope of at least two to one and a vertical height greater than six feet.
- (8) Outside stairways, handicap ramps and retaining walls due to embankments having a slope of at least two to one and a vertical height greater than six feet.
- (9) Relocation of existing portable buildings which lie in the footprint of a proposed building or proposed site development including the cost for set-up and utilities if the portable will be relocated on the same site. If the portable will be moved to another site, only the costs to move the portable to the new location.
- (10) Fire code requirements on site that are not a part of the building.
- (11) Funding for parking structures on a new construction project when all the following have been met:
 - (A) The new construction project will be located on site acreage that is less than 50 percent of the site size recommended by the CDE for the master planned project capacity.
 - (B) The number of parking stalls to be funded does not exceed 2.25 for each classroom constructed in an elementary or middle school project.
 - (C) The number of parking stalls to be funded does not exceed six for each high school classroom constructed in a high school project that will serve 9-12 pupils.
 - (D) The state grant does not exceed \$7,500 per parking stall. The amount shown shall be adjusted annually in the manner prescribed in Section 1859.71.
 - (E) The parking structure is any of the following:
 1. It is multilevel and has at least two floors of parking space.
 2. It is single level with site development above the single level parking space.
 3. It is single level that is subterranean or below ground level with site development above the single level parking space.
 4. It is single level with buildings above the single level parking space.
- (12) Removal and relocation of portable classrooms on a site eligible for replacement pursuant to Section 1859.82(a) that are available for housing pupils pursuant to Section 1859.35(a).
 - (b) Off-site development cost on up to two immediately adjacent sides of the site, for the following:
 - (1) Curbs, gutters and paving of streets not to exceed one-half the mandated local street code requirements. When the existing streets are to be widened inward toward the property line from the existing face of the curb, all new street improvements lying within the one-half of mandated street width adjacent to the project.
 - (2) Sidewalks mandated by local ordinances.
 - (3) Street lighting, planting areas, street signs, traffic signals, trees or other costs mandated by local ordinances.
 - (4) City and/or county or special district fees pursuant to active ordinances.
 - (5) Reasonable cost for storm drains to point of connection.
 - (6) Funding for safety paths for pedestrian use beyond two immediately adjacent sides of the site necessary for a safe route to the new school site when the following conditions are met:
 - (A) The school district governing board has made a finding at a public hearing that pedestrian safety concerns require improvements in the form of safety paths to provide access to the school site, and the Department of Education concurs with that finding.
 - (B) The improvements are limited to the work necessary to install concrete, asphalt, gravel or other paving necessary to provide the safe paths.
 - (C) The state grant does not exceed \$50,000.
 - (D) The improvements do not include any cost for the acquisition of land, easements or other rights-of-way.
 - (E) The SAB has determined that development of additional pedestrian paths is reasonable.
 - (c) Utility service costs associated with the CDE approved site size that are necessary to serve the master planned capacity of the site as follows:
 - (1) Water: Installation of water supply line(s) and connection fees from the utility company connection to the meter, meters not provided by the serving utility, or installation of a domestic water system (i.e. well, pump, tank).
 - (2) Sewage: Installation of main sewage disposal line from the utility company connection to the first building lateral and if applicable, connection fees. Installation of a sewage treatment/disposal system and a main disposal line from the treatment system to the nearest building lateral of the collection system.

- (3) Gas: Installation of main supply line and connection fees from utility company to meter and connection fee if applicable. Installation of meters not provided by the utility. Connection of a liquefied petroleum system (and tank) from the main supply line to the first building lateral.
- (4) Electric: Installation of service from the utility to the building switchboard. Primary electric service runs from the utility company's point of connection to the transformer. Secondary electric service runs from the transformer to the switchboard. Connection fee, transformer pads and protective devices.
- (5) Communication systems: Installation of service from the company to the nearest distribution center.
- (d) General Site Development costs within school property lines for a new school project or an addition to an Existing School Site project wherein additional acreage is acquired, determined as follows:
 - (1) \$19,200 per Useable Acre as approved by the CDE when funding is provided pursuant to Section 1859.74 or 1859.74.5. This sum may be increased pursuant to the provisions 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 for Elementary School Pupils and Middle School Pupils and 3.75 percent 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 for Elementary School Pupils and Middle School Pupils and 3.75 percent 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).

Subsection (d) of this section shall be suspended no later than January 1, 2008, unless otherwise extended by the Board.

The district must submit a detailed cost estimate for all requests for site development work and any justification documents that will support the work with the Form SAB 50-04.

The Board will approve reasonable and appropriate site development work which meet common engineering practices and industry standards that are consistent with the specific site conditions if the site development costs are consistent with the most current edition of the Saylor Current Construction Costs. The design professional must certify to the district that the site development work does not exceed the minimum requirements to develop the site to meet educational needs and/or standards.

General Site Development provided pursuant to 1879.76(d)(1), ~~s~~Service site and off-site development costs shall be reduced, on a prorated basis, by the percentage of the excess acreage of the site that exceeds the master plan site acreage approved by the CDE.

Note: Authority cited: Section 17070.35, Education Code.

Reference: Sections 17070.35, 17072.12 and 17072.35, Education Code.

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Section 1859.83. Excessive Cost Hardship Grant.

In addition to any other funding authorized by these Regulations, a district is eligible for funding as a result of unusual circumstances that created excessive project costs beyond the control of the district. The Excessive Cost Hardship Grant shall be based on any of the following:

- (a) Excessive Cost due to Geographic Location.

A district with a project that is located in a geographic area designated in the Geographic Percentage Chart below is eligible for the sum of the Excessive Cost Hardship Grant(s) determined by multiplying the indicated percentage factor shown in the Geographic Percentage Chart below by each of the following amounts:

- (1) The New Construction Grant and the Modernization Grant.
- (2) The funding provided by Sections 1859.71.2, 1859.71.3, 1859.72, 1859.73, 1859.73.2, 1859.76(d)(1) and (2), 1859.78.4, 1859.78.5, 1859.82(a) and (b), 1859.83(b), (c), (d) and (f) and 1859.125(a).

GEOGRAPHIC PERCENTAGE CHART

COUNTY	% FACTOR	DESCRIPTION
Alpine	5	The entire county.
Amador, Eastern Part	5	All of Amador County except the portion lying west of a line drawn five miles east of, and paralleling State Highway 49.
Butte, Eastern Part	5	All of Butte County except that portion lying west of a line drawn ten miles east of, and paralleling State Highway 99.
Calaveras, Eastern Part	5	All of Calaveras County except that portion lying west of State Highway 49.
Del Norte	5	The entire county.
El Dorado, Eastern Part	15	That portion lying east of a north-south line drawn 25 miles west of the Nevada State Line and north to the county line and south to State Highway 88.
El Dorado	5	El Dorado County except the eastern part and the following areas: <ul style="list-style-type: none"> • West of a line drawn six miles east of and paralleling State Highway 49. • Within five miles of either side of U.S. highway 50 from the western county line to a point on the eastern limit of the community of Pollock Pines. • West of a line drawn three miles easterly from and paralleling a certain county road described as the Pleasant Valley Road which connects the community of Aukum with Diamond Springs and with the city of Plymouth.
Fresno, Eastern Part	5	All of Fresno County lying east of a line drawn ten miles east of, and paralleling the west boundary of the Sierra National Forest.
Glenn, Western Part	5	All of Glenn County except that portion lying east of a line drawn ten miles west of, and paralleling Interstate Highway 5.
Humboldt, Redwood Highway	5	That portion of Humboldt County situated within five miles of the Redwood Highway (U.S. 101) except for that portion situated within ten miles of the Redwood Highway from the northern boundary of the community of Trinidad to the southern boundary of the community of Rio Dell.
Humboldt, State Highway 299 and Vicinity	5	That portion of Humboldt County situated within five miles of State Highway 299 and State route 96, except for those portions situated within ten miles of the Redwood Highway (U.S. 101) from the northern boundary of the community of Trinidad to the southern boundary of the community of Rio Dell.
Humboldt, Southeastern Part	15	That portion of Humboldt county adjacent to or east of, the road between Harris to Blocksburg to a point ten miles north of Blocksburg.
Humboldt, Residual Area	10	All areas of Humboldt County not classified in other cost groups except for that portion situated within ten miles of the Redwood Highway from the northern boundary of the community of Trinidad to the southern boundary of the community of Rio Dell.
Imperial	5	The entire county.
Inyo, Southeastern Part	20	That portion of Inyo County situated east of the western boundary of the Death Valley National Monument from the northern boundary of said national monument to the southern boundary of the county.
Inyo, Residual Area	5	All of Inyo County except the southeastern part described above.
Kern, Eastern Part	5	That portion of Kern County lying east of a north-south line drawn through the eastern boundary of the town of Tehachapi.
Lake	5	The entire county.
Lassen, Southern Part	10	That portion of Lassen County lying south of an east-west line drawn through a point ten miles north of Susanville.
Lassen,	15	All of Lassen County except the southern part described above.

COUNTY	% FACTOR	DESCRIPTION
Northern Part		
Los Angeles, Santa Catalina Island only	*	The entire Santa Catalina Island.
Madera, Central Part	5	That portion of Madera County lying between a line drawn ten miles west of, and paralleling the western boundary of the Sierra National Forest and a line drawn ten miles east of and paralleling the western boundary of the Sierra National Forest.
Madera, Eastern Part	5	All of Madera County except the western part and the central part described above.
Mariposa, Eastern Part	5	All of Mariposa County except that portion lying west of: <ul style="list-style-type: none"> • A line drawn five miles east of, and paralleling State Highway 49 from the northern county line to Mormon's Bar; and • A line drawn ten miles west of, and paralleling the western boundary of the Sierra National Forest from a point due east of Mormon's Bar to the southern county line.
Mendocino, Fort Bragg Area	10	Those portions of Mendocino County lying west of the Southern Redwood Highway Area, and south of the Ten Mile River.
Mendocino, Northern Redwood Highway Area	5	That portion of Mendocino County situated within five airline miles of the Redwood Highway (U.S. 101) from a point ten miles north of the Willits City Hall to the northern boundary of the county.
Mendocino, Residual Area	10	Those portions of Mendocino County not otherwise classified except that portion situated within ten airline miles of the Redwood Highway (U.S. 101) from a point ten miles north of the Willits City Hall to the southern boundary of the county. (Comprises the Northeastern part of the county and the coastal strip in the northwestern part).
Modoc	15	The entire county.
Mono	20	The entire county.
Monterey, Southern Part	5	All Monterey County except that portion lying north of an east-west line beginning on the coast two miles south of the City of Carmel and extending due east to the eastern boundary of the county.
Nevada	5	That portion of Nevada County not included in the Eastern Part.
Nevada, Eastern Part	15	That portion lying east of a north-south line drawn 25 miles west of the Nevada State Line and north to the county line and south to the county line.
Placer, Eastern Part	15	That portion lying east of a north-south line drawn 25 miles west of the Nevada State Line and north to the county line and south to the county line.
Placer, Northeastern Part	5	All of Placer County except the Eastern Part and the following: <ul style="list-style-type: none"> • Within five miles of either side of State Highway 65 from the southern boundary of the county and the northern limit of the community of Lincoln. • Five miles either side of Interstate 80 from the southern boundary of the county and the northern limit of the community of Penryn. • West of a line drawn five miles east of, and paralleling State Highway 49. • Within five miles of either side of Interstate 80 between the northern limit of the community of Penryn and the northern limit of the community of Colfax.
Plumas	5	The entire county.
Riverside, Eastern Part	20	That portion lying east of a north-south line drawn 50 miles west of the Arizona State Line and north to the county line and south to the county line.
Riverside, Central Part	5	That portion of Riverside County lying east of a north-south line drawn through the intersection of Interstate 10 and Fields Road extending from the southern county line of Riverside County, north to the southern county line of San Bernardino County to the Eastern Part of the County.

COUNTY	% FACTOR	DESCRIPTION
San Benito, Southern Part	5	All of San Benito County except that portion lying north of an east-west line drawn across the county from a point two miles south of the community of Paicines.
San Bernardino, Northeastern Part	5	That portion of San Bernardino County lying north and east of an east-west line drawn two miles north of Oro Grande, extending from the western boundary of the county to its intersection with the northerly extension of, and thence along a line drawn through the following points: A point five miles east of Victorville, the eastern edge of the communities of Running Springs and Camp Angelus then due south to the San Bernardino County line.
San Bernardino, Eastern Part	20	That portion lying east of a north-south line drawn 150 miles west of the Arizona State Line and north to the county line and south to the county line.
San Diego, Northeastern Part	10	That portion of San Diego County lying east of a north-south line drawn ten miles east of the community of Julian, said line extending from the northern boundary of the county to its intersection with an east-west line extending from the eastern boundary of the county to its intersection with the aforesaid north-south line, said east-west line being at its closest point, three miles due north of the community of Mount Laguna.
San Mateo, Southwestern Part	5	That portion of San Mateo County lying more than two miles westerly from the nearest point on Skyline Boulevard and south of an east-west line drawn through a point two miles north of the community of Montara.
Santa Cruz, Northwestern Part	5	That portion of the Santa Cruz County lying northerly and westerly from a line drawn from a point one mile north of Swanton on the coast through a point one mile north of Brookdale and situated more than two miles from the nearest point on the eastern boundary of the county.
Shasta, except Valley Area	5	All of Shasta County except that portion lying south of Shasta Lake and situated within ten miles of Interstate Highway 5.
Sierra	5	The entire county.
Siskiyou, Central Part	15	That portion of Siskiyou County situated within ten miles of U.S. Highway 97 from Grass Lake to the Oregon State Line.
Siskiyou, Salmon River	25	All of the drainage area of the Salmon River (including the North and South Forks) except that portion situated within the Somes Bar Area described below.
Siskiyou, Somes Bar Area	20	Those portions of the drainage areas of the Salmon and Klamath Rivers located within the boundaries of the Junction Elementary School District.
Siskiyou, Western Part	15	That portion of Siskiyou County lying westerly from a line drawn ten miles west of and parallel to Interstate 5, except the Somes Bar and Salmon River areas described above.
Siskiyou, Yreka and Residual Area	5	All of Siskiyou County except the Salmon River, Somes Bar and Western areas described above.
Sonoma, Northwestern Part	5	That portion of Sonoma County enclosed by a line following the northern boundary of the county from the Pacific Ocean to a point 15 miles inland, thence southerly to a point two miles west of the community of Los Lomas, thence southerly to a point on the coast two miles south of the community of Fort Ross, thence northerly along the coast line to the northern boundary of the county.
Tehama, Residual Area	5	All of Tehama County except those portions situated within ten miles west of Interstate Highway 5 from the north county line to the southern county line; within ten miles east of Interstate Highway 5 from the north county line southward to a point east of Red Bluff, thence within ten miles east of and paralleling State Highway 99 southward to the county line.
Trinity, Residual Area	15	All of Trinity County except the State Highway 299 area described below.

COUNTY	% FACTOR	DESCRIPTION
Trinity, State Highway 299	10	That portion of Trinity County situated within five miles of State Highway 299.
Tulare, Eastern Part	5	That portion of Tulare County lying east of a north-south line drawn through the western limits of the community of Silver City.
Tuolumne, Eastern Part	5	All of Tuolumne County except that portion lying west of State Highway 49.
Yuba, Northeastern Part	5	All of Yuba County except that portion lying west of a line drawn ten miles east of, and paralleling State Highway 65 and that portion lying south of a line drawn three miles north of, and paralleling State Highway 20.

*As specifically approved by the Board.

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Section 1859.163.1. Preliminary Charter School Apportionment Determination.

The Preliminary Charter School Apportionment shall be separated into two categories, items that may be identified as construction costs versus site acquisition costs.

(a) The Preliminary Charter School Apportionment for construction costs shall be equal to the lesser of the sum of (1) through (8) below or the amounts in the following chart:

Project Grade Level	Charter School Construction Cost Funding Cap	
	Non-Urban Ineligible for (a)(5) below	Urban Eligible for (a)(5) below
Elementary	\$5 million	\$6.6 million
Middle	\$7 million	\$9 million
High	\$10 million	\$12.9 million

The funding cap for a project containing a combination of grade levels shall be determined based on the pupil cap assigned pursuant to Section 1859.162.

- (1) The amounts shown below for each pupil included in a Preliminary Charter School Application:
 - (A) \$5,870 for each elementary school pupil.
 - (B) \$6,214 for each middle school pupil.
 - (C) \$8,116 for each high school pupil.
 - (D) \$18,703 for each pupil that is a Severely Disabled Individual with Exceptional Needs.
 - (E) \$12,509 for each pupil that is a Non-Severely Disabled Individual with Exceptional Needs.
- (2) An amount equal to 12 percent of the amount determined in (1) for multilevel construction, if requested by the Charter School.
- (3) An amount for site development cost determined, at the option of the Charter School, by one of the following:
 - (A) One-half of the Site Development Cost for the specific site as authorized by Section 1859.76.
 - (B) One-half of the Site Development Cost as authorized by Section 1859.76 using historical information in the Charter School General Location. Historical information that may be considered to determine this estimated cost may include prior SFP projects of the district or other districts in the Charter School General Location.
 - (C) \$70,000 multiplied by the proposed acres requested on the Form SAB 50-09.
 - (D) General Site Development costs within school property lines for a new school project or an addition to an Existing School Site project wherein additional acreage is acquired, determined as follows:
 1. \$19,200 per proposed acres requested on the Form SAB 50-09. This sum may be increased pursuant to the provisions 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 for Elementary School Pupils and Middle School Pupils and 3.75 percent for High School Pupils of the funding provided by Sections 1859.163.1(a)(1). 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 50-09.

3. 6 percent for Elementary School Pupils and Middle School Pupils and 3.75 percent for High School Pupils of the funding provided by Sections 1859.163.1(a)(2) and (4).
- (4) If the Preliminary Application request is for a small project that will house no more than 200 pupils, an amount pursuant to 1859.83(b)(1) or (b)(2), as appropriate.
- (5) An amount due to urban location, security requirements and impacted site equal to 15 percent of the amount determined in (1) and (4), plus 1.166 percent for each percentage decrease in the CDE recommended site size below 60 percent when the following criteria are met:
 - (A) The Charter School has requested an increase for multilevel construction pursuant to (2) above.
 - (B) The Useable Acres of the existing and/or proposed site are 60 percent or less of the CDE recommended site size for a traditional school determined by multiplying the sum of the pupil grants requested on Form SAB 50-09, and the current CBEDS enrollment on the site (if applicable) by .01775 for elementary school pupils, .021 for middle school pupils and .02472 for high school pupils. For purposes of this calculation, assign Severely Disabled Individuals with Exceptional Needs and Non-Severely Disabled Individuals with Exceptional Needs pupil grants requested on Form SAB 50-09, as either elementary, middle or high school pupils based on the type of project selected by the district on Form SAB 50-09.
 - (C) The value of the property as determined in Section 1859.163.2(a) is at least \$750,000 per Useable Acre. This criterion does not apply to an application for an addition to an existing school site.
- (6) An amount for the geographic location of the proposed project equal to the sum of the amounts determined in (1), (2), (3)(C), (3)(D)1. and 2., (4) and (5) multiplied by the indicated percentage factor in the Geographic Percentage Chart shown in Section 1859.83(a).
- (7) An amount to initiate and enforce a LCP as prescribed in Section 1859.71.4.
- (8) If the Charter School is paying its matching share through the form of lease payments, pursuant to Section 1859.168, the value of the lease as determined by the Authority attributable to the items in (1) through (6) above.
 - (b) The Preliminary Charter School Apportionment for site acquisition costs shall be:
 - (1) Equal to one-half of the site acquisition value determined in Section 1859.163.2(a) and (c).
 - (2) If the Charter School is paying its matching share through the form of lease payments, pursuant to Section 1859.168, the value of the lease as determined by the Authority attributable to (1) above.
 - (c) The total amount calculated in (a) above will be added to any amount calculated in (b) above, which will provide the Preliminary Charter School Apportionment amount.

Subsection (a)(3)(D) of this section shall be suspended no later than January 1, 2008, unless otherwise extended by the Board.

Note: Authority cited: Sections 17070.35 and 17078.64, Education Code.

Reference: Sections 17078.52 and 17078.56, Education Code.

APPLICATION FOR FUNDING SCHOOL FACILITY PROGRAM

SAB 50-04 (REV 01/06/06/06)

GENERAL INFORMATION

Once the Board has determined or adjusted the district's eligibility for either new construction or modernization funding, the district may file an application for funding by use of this form. The Board will only provide new construction funding if this form is submitted prior to the date of occupancy of any classrooms included in the construction contract. If the district has a pending reorganization election that will result in the loss of eligibility for the proposed project, the district may not file an application for funding until the Board has adjusted the district's new construction baseline eligibility as required in Section 1859.51. This may be accomplished by completion of Form SAB 50-01, Form SAB 50-02 and Form SAB 50-03.

For purposes of Education Code Section 17073.25, the California Department of Education (CDE) is permitted to file modernization applications on behalf of the California Schools for the Deaf and Blind.

Requests for funding may be made as follows:

1. A separate apportionment for site acquisition for a new construction project for environmental hardship pursuant to Section 1859.75.1. For purposes of this apportionment, the following documents must be submitted with this form (as appropriate):
 - Form SAB 50-01, Form SAB 50-02 and Form SAB 50-03 (if not previously submitted).
 - Contingent site approval letter from the CDE.
 - Preliminary appraisal of property.
 - Approval letter from the Department of Toxic Substances Control.
2. A separate apportionment for site acquisition and/or design costs for a new construction project pursuant to Section 1859.81.1. This apportionment is available only to districts that meet the financial hardship criteria in Section 1859.81. Districts may apply for a separate apportionment for the design and for site acquisition on the same project. For purposes of this apportionment, the following documents must be submitted with this form (as appropriate):
 - Form SAB 50-01, Form SAB 50-02, and Form SAB 50-03 (if not previously submitted).
 - Contingent site approval letter from the CDE (site apportionment only).
 - Preliminary appraisal of property (site apportionment only).
3. A separate apportionment for district-owned site acquisition cost pursuant to Section 1859.81.2. For purposes of this apportionment, the following documents must be submitted with this form (as appropriate):
 - Form SAB 50-01, Form SAB 50-02, and Form SAB 50-03 (if not previously submitted).
 - Site approval letter from the CDE.
 - Appraisal of district-owned site.
 - Cost benefit analysis as prescribed in Section 1859.74.6 or a copy of the Board finding that the non-school function on the district-owned site must be relocated.
4. A separate apportionment for design cost for a modernization project pursuant to Section 1859.81.1. This apportionment is available only to districts that meet the financial hardship criteria in Section 1859.81. For purposes of this apportionment, the Form SAB 50-03 must accompany this form (if not previously submitted).
5. A New Construction Adjusted Grant pursuant to Section 1859.70. If the funding request includes site acquisition, the proposed site must either be owned by the district, in escrow, or the district has filed condemnation proceedings and received an order of possession of the site. For purposes of this apportionment, the following documents must be submitted with this form (as appropriate):

- Form SAB 50-01, Form SAB 50-02 and Form SAB 50-03 (if not previously submitted).
- Site/plan approval letter from the CDE.
- Appraisal of property if requesting site acquisition funds.
- Plans and specifications (P&S) for the project that were approved by the DSA. Submittal of plans may be on CD-ROM or "Zip Drive" readable in AutoCAD 14. The specifications may be provided on a diskette that is IBM compatible.
- Cost estimate of proposed site development, if requesting site development funding.
- If this request is pursuant to Section 1859.77.2 and the district's housing plan is other than those listed in the certification section of this form, a copy of the school board resolution and the approved housing plan.
- If the site apportionment is requested pursuant to Regulation Section 1859.74.5, a cost benefit analysis as prescribed in Regulation Section 1859.74.6 or a copy of the Board finding that the non-school function on the district-owned site must be relocated.
- If this request is fully or partially based on eligibility derived from an Alternative Enrollment Projection, a justification of how the project relieves overcrowding, including but not limited to, the elimination of the use of Concept 6 calendars, four track year-round calendars, or bussing in excess of 40 minutes.

Modernization Adjusted Grant pursuant to Section 1859.70. For purposes of this apportionment, the following documents must be submitted with this form (as appropriate):

- Form SAB 50-03 (if not previously submitted).
- P&S for the project that were approved by the DSA.
- DSA approval letter for elevator to meet handicapped compliance, if funding is requested.
- Plan approval letter from the CDE.
- Districtwide enrollment data on Form SAB 50-01 when requesting project assistance (if not previously submitted).
- If the request includes funding for 50 year old permanent buildings pursuant to Section 1859.78.6, a site diagram identifying all buildings to be modernized in the project. The diagram must specify those buildings that are at least 50 years old.

Prior to acceptance of an application for funding that includes a financial hardship request, the district must have its financial hardship status "pre-approved" by the Office of Public School Construction (OPSC). To apply for a financial hardship "pre-approval", consult the OPSC Web site at www.opsc.dgs.ca.gov.

If the district is requesting New Construction funding after the initial baseline eligibility was approved by the Board and the district's current CBEDS enrollment reporting year is later than the enrollment reporting year used to determine the district's baseline eligibility or adjusted eligibility, the district must complete a new Form SAB 50-01 based on the current year CBEDS enrollment data, and submit it to the OPSC with this form. In addition, if the district's request is fully or partially based on eligibility derived from an Alternative Enrollment Projection, the district must update the Alternative Enrollment Projection to correspond with the CBEDS enrollment data for the current year. A small district with 2,500 or less enrollment as defined in Section 1859.2 will not have its eligibility reduced for a period of three years from the date the district's baseline eligibility was approved by the Board as a result of reduction in projected enrollment.

For a list of the documents that must be submitted in deorr for the OPSC to deem a funding request for new construction or modernization complete and ready for OPSC processing, consult the SFP handbook and other information located on the OPSC Web site at www.opsc.dgs.ca.gov.

For purposes of completing this form for a Final Charter School Apportionment, a charter school shall be treated as a school district.

SPECIFIC INSTRUCTIONS

The district must assign a Project Tracking Number (PTN) to this project. The same PTN is used by the OPSC, the DSA and the CDE for all project applications submitted to those agencies to track a particular project through the entire state application review process. If the district has already assigned a PTN to this project by prior submittal of the P&S to either the DSA or the CDE for approval, use that PTN for this application submittal. If no PTN has been previously assigned for this project, a PTN may be obtained from the OPSC Web site at www.opsc.dgs.ca.gov "PT Number Generator"

1. Type of Application

Check the appropriate box that indicates the type of School Facility Program (SFP) grant the district is requesting for purposes of new construction, modernization, a separate design and/or site apportionment, site apportionment as an environmental hardship or New Construction (Final Apportionment). If the application is for the modernization of school facilities and includes facilities that are eligible for an additional apportionment pursuant to Section 1859.78.8, include a site diagram with this application that specifies the age of each facility eligible for modernization. The diagram should also indicate the date of its original DSA plan approval and the date the facility received its prior modernization apportionment. If known include the project modernization number on the diagram. If the application is for modernization of a California School for the Deaf or Blind, the CDE shall check the box identified as Modernization of California Schools for the Deaf/Blind. If the request is for a separate design apportionment, the CDE shall check the appropriate box. If the eligibility for this project was established as a result of the need for new or replacement facilities pursuant to Section 1859.82 (a) and (b), or rehabilitation pursuant to Section 1859.83 (e), check the appropriate box.

If this request is for an addition to an existing site and advance funding for the evaluation and RA costs, check the appropriate box and refer to Section 1859.74.4.

If this request is to convert a Preliminary Apportionment or a Preliminary Charter School Apportionment to a Final Apportionment, check the New Construction (Final Apportionment or Final Charter School Apportionment) box.

If the district is requesting a separate site and/or design apportionment, complete boxes 2a, 3, 4, the site acquisition data in box 5 (d and e), and boxes 12, 13, 14, 15 and 21 only.

2. Type of Project

a. Select the type of project that best represents this application request and enter the total number of pupils assigned to the project for each grade group. Include pupils to be housed in a new or replacement school authorized by Section 1859.82 (a). The amount entered cannot exceed the district's baseline eligibility determined on Form SAB 50-03 and will be the basis for the amount of the new construction or modernization grants provided for the project.

If this request is for a Final Apportionment, the pupils assigned to the project must be at least 75 percent, but not more than 100 percent, of the pupils that received the Preliminary Apportionment. Refer to Section 1859.147.

- b. Check the box if the project is eligible for funding for 50 year or older permanent buildings and report, at the option of the district:
- The total number of eligible classrooms or the total eligible square footage building area at the site. Refer to Section 1859.78.6(b)(1)(A) or (b)(2)(A).
 - The total number of permanent classrooms or the total permanent square footage building area that is at least 50 years old and not been previously modernized with state funds. Refer to Section 1859.78.6(b)(1)(B) or (b)(2)(B).
 - Enter the greater percentage as calculated under Regulation Section 1859.78.6(b)(1)(C) or Regulation Section 1859.78.6(b)(2)(C).
 - If this project includes eligible 50 year or older pupil grants, enter the appropriate number assigned to the project for each grade group. The number of pupils entered cannot exceed the cumulative number of 50 year or older permanent buildings pupil grants requested for all modernization funding applications for the site as determined by using the percentage factor above.
- c. If this request includes pupil grants generated by an Alternative Enrollment Projection Method, enter the number of pupils by grade level.
- d. Indicate if this request is for funding of a 6–8 school and/or an Alternative Education School.
- e. Check the box(es) if the district requests and the project qualifies for additional funding for fire code requirements authorized in Sections 1859.71.2 or 1859.78.4.
- f. Check the applicable box if the district is requesting additional pupil grants assigned to the project that exceed the capacity of the project or if the pupils assigned represent eligibility determined at another grade level and check the appropriate box to indicate under which regulation the district is applying. The pupil capacity of the project may be determined by multiplying the classrooms reported in box 3 by 25 for K–6; 27 for 7–8, 9–12 grades; 13 for non-severe and 9 for severe.
- g. If the request is for replacement facilities pursuant to Section 1859.82 (a) or (b) on the same site, check the facility hardship box.

3. Number of Classrooms

Enter the:

- Number of classrooms as shown on the plans and specifications (P&S). If there was demolition at the site, report the net increase in the number of classrooms showing in the P&S.
- Master plan site size, as recommended by the California Department of Education.
- Recommended site size, as determined by the California Department of Education.
- Existing Useable Acres already owned at that location (if any).
- Proposed Useable Acres that was/will be purchased as part of the application (if any).

4. Financial Hardship Request

Check the box if the district is requesting financial hardship assistance because it is unable to meet its matching share requirement. Refer to Section 1859.81 for eligibility criteria. Districts requesting financial assistance must have received a pre-approval for financial hardship status by the OPSC. Consult the OPSC Web site at www.opsc.dgs.ca.gov for details and necessary documentation needed in order to determine eligibility.

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5. New Construction Additional Grant Request

Check the appropriate box(es) if the district requests an augmentation to the new construction grant for "additional" grants for the items listed or for replacement facilities pursuant to Section 1859.82 (a) and (b). Refer to Sections 1859.72 through 1859.76 and 1859.82 (a) and (b) for eligibility criteria. Enter the:

- Therapy area in square feet as provided in Section 1859.72.
- Multilevel classrooms in the P&S pursuant to Section 1859.73.
- Check the box if the district is requesting project assistance pursuant to Section 1859.73.1. If the district has not submitted a request for new construction baseline eligibility on a district-wide basis, it must submit a current Form SAB 50-01 based on district-wide enrollment data with this form.
- Indicate the site scenario that best represents the project request. If no RA is required, refer to Section 1859.74. If a RA is required on a site that is not leased or an addition to an existing site, refer to Section 1859.74.2. If RAs are required on a leased site or an addition to an existing site, refer to Sections 1859.74.3 or 1859.74.4, respectively. The limitation of 50 percent may be exceeded when unforeseen circumstances exist, the CDE determines that the site is the best available site, and substantiation that the costs are the minimum required to complete the evaluation and RA.

- Enter 50 percent of the actual cost.
- Enter 50 percent of the appraised value of the site. If the request is made pursuant to Regulation Section 1859.74.5, enter 50 percent of the appraised value.
- Enter 50 percent of the allowable relocation cost.
- Enter two percent of the lesser of the actual cost or appraised value of the site (minimum \$25,000).
- Enter 50 percent of the Department of Toxic Substances Control (DTSC) fee for review and approval of the phase one environmental site assessment and preliminary endangerment assessment reports. Refer to Sections 1859.74, 1859.74.1, 1859.74.5, 1859.75, 1859.75.1 and 1859.81.1.

A project that received site acquisition funds under the Lease-Purchase Program (LPP) as a priority two project is not eligible for site acquisition funds under the SFP. A district-owned site acquired with LPP, SFP or Proposition 1A funds is not eligible for funding under Regulation Section 1859.74.5.

- Enter 50 percent of the amount allowable for hazardous materials/waste removal and/or remediation for the site acquired pursuant to Sections 1859.74.2, 1859.74.3, 1859.74.4, 1859.75.1 or 1859.81.1. If an RA is required, check the box.
- Enter 50 percent of eligible service-site development, off-site development including pedestrian safety paths and utilities costs allowed pursuant to Section 1859.76. Attach cost estimates of the proposed site development work which shall be supported and justified in the P&S. All cost estimates shall reflect 100 percent of the proposed work.

[Check the box if the district is requesting an Additional Grant for General Site Development pursuant to Section 1859.76.](#)

- If the district is requesting replacement facilities on the same site, enter the square footage requested as provided in Section 1859.82 (a) or (b).

- Enter the square feet of eligible replacement area as provided by Section 1859.73.2.
- If the district is requesting an Additional Grant for Energy Efficiency pursuant to Section 1859.71.3, enter the percentage of energy efficiency that exceeds Title 24 requirements as prescribed in Section 1859.71.3 (a)(3).

6. Modernization Additional Grant Request

- Check the box if the district is requesting project assistance allowance pursuant to Section 1859.78.2. If the district has not submitted a request for new construction baseline eligibility on a district-wide basis, it must submit a current Form SAB 50-01 based on district-wide enrollment data with this form.
- If the district is requesting an Additional Grant for Energy Efficiency pursuant to Section 1859.78.5, enter the percentage of energy efficiency that exceeds Title 24 requirements as prescribed in Section 1859.78.5 (a)(3).
- Check the box if the district requests an additional grant for site development utility cost necessary for the modernization of 50 years or older permanent building(s). Enter 60 percent of the eligible costs allowable pursuant to Section 1859.78.7(a).

7. Excessive Cost Hardship Request

Check the appropriate box to request an augmentation to the New Construction or Modernization Grants for an excessive cost hardship for the items listed. Refer to Section 1859.83 for eligibility criteria. Requests for excessive cost grants for a new two-stop elevator(s) and for additional stops in a modernization project are allowed only if required by the Division of the State Architect (DSA). Attach copy of the DSA letter that requires that the elevator(s) be included in the project for handicapped access compliance.

If the request is for the excessive cost grant for a new Alternative Education school pursuant to Section 1859.83(c)(2) and the district wishes to request less than the maximum allowance, please submit a letter along with application indicating the desired amount.

If the request is for rehabilitation mitigation, report 80 percent or 60 percent (as appropriate) of health/safety rehabilitation mitigation cost for a modernization project as authorized by Section 1859.83 (e).

8. Project Priority Funding Order

Enter the priority order of this project in relation to other new construction applications submitted by the district on the same date. If applications are not received on the same date, the OPSC will assign a higher district priority to the application received first. Check the box(es) if the project meets the criteria outlined in Section 1859.92(c)(3),(4) and (6), as appropriate. This information is needed for purposes of priority points.

9. Prior Approval Under the LPP

If the project the district is requesting SFP grants for received a Phase P, S, or C approval under the LPP, report the application number of that project, regardless if the project actually received funding or was included on an "unfunded" list. Failure to report this information may delay the processing of the application by the OPSC.

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10. Prior Apportionment Under the SFP

If the project received a separate apportionment under the SFP for either site and/or design, or site environmental hardship, enter the application number of the project. Failure to report this information may delay the processing of the application by the OPSC.

11. Preliminary Apportionment to a Final Apportionment

If this request is to convert a Preliminary Apportionment to a Final Apportionment, enter the application number of the Preliminary Apportionment. Failure to report this information may delay the processing of the application by the OPSC.

12. Alternative Developer Fee

The district must report certain alternative fees collected pursuant to Government Code Section 65995.7, as of the date of application submittal to the OPSC. Refer to Section 1859.77 for details. Districts are advised that the OPSC may perform an audit of the developer fees collected prior to application approval by the Board.

13. Adjustment to Baseline Eligibility

Complete only for new construction projects.

Pursuant to Section 1859.51 certain adjustments to the district's new construction baseline eligibility must be made each time a district submits Form SAB 50-04, to the OPSC for SFP grants. These adjustments are made automatically by the OPSC based on information reported by the district on this form.

- Report all additional classroom(s) provided after the district submitted its request for determination of its new construction baseline eligibility for the grades shown. Refer to Section 1859.51.
- If the eligibility for this project was determined on a high school attendance area (HSAA) or Super HSAA pursuant to Section 1859.41, enter the number of pupils by grade level type that were included in the latest report by the CDE pursuant to Education Code Section 42268 that received operational grants in that HSAA or Super HSAA.

14. Pending Reorganization Election

Complete only for new construction projects. Indicate if there is a pending reorganization election that will result in a loss of eligibility for this project. If the answer is "yes", the district must complete Form SAB 50-01, Form SAB 50-02 and Form SAB 50-03, to adjust the district's new construction baseline eligibility as a result of the reorganization and submit them with this form.

15. Joint-Use Facility/Leased Property

Check the box if:

- The facilities to be constructed/modernized as part of this project will be for joint use by other governmental agencies.
- The new construction or modernization grants will be used for facilities located or to be located on leased property.

16. Project Progress Dates

Complete this section for new construction/modernization projects:

- Enter the date the initial construction contract was signed for this project. If a construction contract has not been executed, enter N/A.
- Enter the issue date for the Notice to Proceed for the construction phase of the project, or enter N/A if a Notice to Proceed has not been issued.

17. Labor Compliance Program

Indicate whether the district is subject to a Labor Compliance Program that has been approved by the Department of Industrial Relations pursuant to Labor Code Section 1771.7 by checking the appropriate box.

18. Construction Delivery Method

Check the box that best represents the construction delivery method that the district has or will use for this project, if known.

19. Architect of Record or Licensed Architect Certification

The architect of record or the licensed architect must complete this section.

20. Architect of Record or Design Professional Certification

The architect of record or the appropriate design professional must complete this section.

21. Certification

The district representative must complete this section. For additional information regarding district certifications, refer to the SFP handbook located on the OPSC web site at www.opsc.dgs.ca.gov.

**APPLICATION FOR FUNDING
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The school district named below applies to the State Allocation Board via the Office of Public School Construction for a grant under the provisions of Chapter 12.5, Part 10, Division 1, commencing with Section 17070.10, et seq., of the Education Code and the Regulations thereto.

SCHOOL DISTRICT		APPLICATION NUMBER
SCHOOL NAME		PROJECT TRACKING NUMBER
COUNTY	DISTRICT REPRESENTATIVE'S E-MAIL ADDRESS	HIGH SCHOOL ATTENDANCE AREA (HSAA) OR SUPER HSAA (IF APPLICABLE)

1. Type of Application—Check Only One

- New Construction
- New Construction (Final Apportionment)
- New Construction (Final Charter School Apportionment)
- Modernization
- Modernization of California Schools for Deaf/Blind

Separate Apportionment

- Site Only—New Construction [Section 1859.81.1]
- Site Only (District owned)—New Construction [Section 1859.81.2]
- Site Only—Environmental Hardship [Section 1859.75.1]
- Design Only—New Construction [Section 1859.81.1]
- Design Only—Modernization
- Design Only—Modernization of California Schools for Deaf/Blind
- Facility Hardship [Section 1859.82(a)]
- Facility Hardship [Section 1859.82(b)]
- Rehabilitation [Section 1859.83(e)]
- Advance Funding for Evaluation and RA

2. Type of Project

- a. Elementary School
- Middle School
- High School

Total Pupils Assigned:

K-6: _____

7-8: _____

9-12: _____

Non-Severe: _____

Severe: _____

- b. 50 Years or Older Building Funding (Modernization Only)

Total Eligible Classrooms/Square Footage: _____

Classroom/Square Footage at Least 50 Years Old: _____

Ratio of 50 Years Old Classrooms/Square Footage: _____ %

From 2a above, how many are 50 Year or Older Pupil Grants?

K-6: _____

7-8: _____

9-12: _____

Non-Severe: _____

Severe: _____

- c. Included in 2a above, how many pupils are generated by the Alternative Enrollment Projection? (New Construction Only)

K-6: _____

7-8: _____

9-12: _____

Non-Severe: _____

Severe: _____

- d. Is this a 6-8 school? Yes No

If you answered yes, how many K-6 pupils reported above are sixth graders? _____

- Is this an Alternative Education School? Yes No

- e. Automatic Fire Detection/Alarm System

Automatic Sprinkler System

- f. Is this a use of grant request pursuant to Section 1859.77.2? Yes No

Is this request pursuant to Section 1859.77.2(c)? Yes No

If yes, enter date of successful bond election: _____

- Is this a use of grant request pursuant to Section 1859.77.3? Yes No

Is this request pursuant to Section 1859.77.3(c)? Yes No

If yes, enter date of successful bond election: _____

- g. Facility Hardship (no pupils assigned)

3. Number of Classrooms:

Master Plan Acreage Site Size (Useable): _____

Recommended Site Size (Useable): _____

Existing Acres (Useable): _____

Proposed Acres (Useable): _____

4. Financial Hardship Request—Must Have Pre-Approval by OPSC

5. New Construction Additional Grant Request—New Construction Only

- a. Therapy: _____ Toilets (sq. ft.) _____
- Other (sq. ft.) _____

- b. Multilevel Construction (CRS): _____

- c. Project Assistance

- d. Site Acquisition:

- Leased Site
- Additional Acreage to Existing Site
- Addition to Existing Site

(1) 50 percent Actual Cost: \$ _____

(2) 50 percent Appraised Value: \$ _____

(3) 50 percent Relocation Cost: \$ _____

(4) 2 percent (min. \$25,000): \$ _____

(5) 50 percent DTSC Fee: \$ _____

- e. 50 percent hazardous waste removal: \$ _____

- Response Action (RA)

- f. Site Development

50 percent Service-Site: \$ _____

50 percent Off-Site: \$ _____

50 percent Utilities: \$ _____

General Site

**APPLICATION FOR FUNDING
SCHOOL FACILITY PROGRAM**

- g. Facility Hardship Section 1859.82(a) or (b)
 - Toilet (sq. ft.): _____
 - Other (sq. ft.): _____
- h. Replacement area
 - Toilet (sq. ft.): _____
 - Other (sq. ft.): _____
- i. Energy Efficiency: _____ %

6. Modernization Additional Grant Request—Modernization Only

- a. Project Assistance
- b. Energy Efficiency: _____ %
- c. Site Development—60 percent utilities: \$ _____

7. Excessive Cost Hardship Request

New Construction Only

- Geographic Percent Factor: _____ %
- New School Project [Section 1859.83(c)(1)]
- New School Project [Section 1859.83(c)(2)]
- Small Size Project
- Urban/Security/Impacted Site;
- If a new site, \$ _____ per Useable Acre [Section 1859.83(d)(2)(C)]

Modernization Only

- Rehabilitation/Mitigation [Section 1859.83(e)]: \$ _____
- Geographic Percent Factor: _____ %
- Handicapped Access/Fire Code (3 percent)
- Number of 2-Stop Elevators: _____
- Number of Additional Stops: _____
- Small Size Project
- Urban/Security/Impacted site

8. Project Priority Funding Order—New Construction Only

Priority order of this application in relation to other new construction applications submitted by the district at the same time: # _____

Project meets:

- Density requirement pursuant to Section 1859.92(c)(3).
- Stock plans requirement pursuant to Section 1859.92(c)(4).
- Energy efficiency requirement pursuant to Section 1859.92(c)(6).

9. Prior Approval Under the LPP

New Construction: 22/ _____

Modernization: 77/ _____

10. Prior Apportionment Under the SFP

Site/Design—New Construction: 50/ _____

Design—Modernization: 57/ _____

11. Preliminary Apportionment to Final Apportionment

Preliminary Apportionment Application Number: # _____

12. Alternative Developer Fee—New Construction Only

Alternative developer fee collected and reportable pursuant to Regulation Section 1859.77: \$ _____

13. Adjustment to Baseline Eligibility—New Construction Only

- a. Additional Classroom(s) provided:
 - K-6: _____
 - 7-8: _____
 - 9-12: _____
 - Non-Severe: _____
 - Severe: _____
- b. Operational Grant (HSAA) only:
 - K-6: _____
 - 7-8: _____
 - 9-12: _____
 - Non-Severe: _____
 - Severe: _____

14. Pending Reorganization Election—New Construction Only Yes No

15. Joint-Use Facility/Leased Property

- a. Joint-Use Facility
- b. Leased Property

16. Project Progress Dates

- a. Construction Contract signed on: _____
- b. Notice to Proceed issued on: _____

17. Labor Compliance Program

Will you be required to initiate and enforce a Labor Compliance Program pursuant to Labor Code Section 1771.7 for this project? Yes No

18. Construction Delivery Method

- Design-Bid-Build
- Design-Build
- Developer Built
- Lease Lease-Back
- Energy Performance Contract
- Other: _____

19. Architect of Record or Licensed Architect Certification

I certify as the architect of record for the project or as a licensed architect that:

- The P&S for this project were submitted to the OPSC by electronic medium (i.e., CD-ROM, zip disk or diskette) or as an alternative, if the request is for a modernization Grant, the P&S were submitted in hard copy to the OPSC.
- Any portion of the P&S requiring review and approval by the Division of the State Architect (DSA) were approved by the DSA on _____ (enter DSA approval date).
- Any portion of the P&S not requiring review and approval by the DSA meets the requirements of the California Code of Regulations, Title 24, including any handicapped access and fire code requirements.
- If the request is for a Modernization Grant, the P&S include the demolition of more classrooms than those to be constructed in the project, the difference is _____ classroom(s). (Indicate N/A if there are none.)
- If the request is for a Modernization Grant, the P&S include the construction of more classrooms than those to be demolished in the project, the difference is _____ classroom(s). (Indicate N/A if there are none.)

ARCHITECT OF RECORD OR LICENSED ARCHITECT (PRINT NAME)

_____ SIGNATURE	_____ DATE
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20. Architect of Record or Design Professional Certification

I certify as the architect of record for the project or the appropriate design professional, that:

- If the request is for a New Construction Grant, I have developed a cost estimate of the proposed project which indicates that the estimated construction cost of the work in the P&S including deferred items (if any) relating to the proposed project, is at least 60 percent of the total grant amount provided by the State and the district's matching share, less site acquisition costs. This cost estimate does not include site acquisition, planning, tests, inspection, or furniture and equipment and is available at the district for review by the OPSC.
- If the request is for a Modernization Grant, I have developed a cost estimate of the proposed project which indicates that the estimated construction cost of the work in the P&S, including deferred items and interim housing (if any) relating to the proposed project, is at least 60 percent of the total grant amount provided by the State and the district's matching share. This cost estimate does not include planning, tests, inspection or furniture and equipment and is available at the district for review by the OPSC.

ARCHITECT OF RECORD OR DESIGN PROFESSIONAL (PRINT NAME)

_____ SIGNATURE	_____ DATE
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21. Certification

I certify, as the District Representative, that the information reported on this form, with the exception of items 16 and 17, is true and correct and that:

- I am an authorized representative of the district as authorized by the governing board of the district; and,
- A resolution or other appropriate documentation supporting this application under Chapter 12.5, Part 10, Division 1, commencing with Section 17070.10, et. seq., of the Education Code was adopted by the school district's governing board or the designee of the Superintendent of Public Instruction on, _____; and,
- The district has established a "Restricted Maintenance Account" for exclusive purpose of providing ongoing and major maintenance of school buildings and has developed an ongoing and major maintenance plan that complies with and is implemented under the provisions of Education Code Section 17070.75 and 17070.77 (refer to Sections 1859.100 through 1859.102); and,
- Pursuant to Education Code Section 17070.755, the district has made a priority of the funds in the restricted maintenance account, established pursuant to Education Code Section 17070.75, to ensure that facilities are functional and meet local hygiene standards; and,
- The district has considered the feasibility of the joint use of land and facilities with other governmental agencies in order to minimize school facility costs; and,
- If this funding request is for the modernization of portable classrooms eligible for an additional apportionment pursuant to Education Code Section 17073.15, the district certifies that (check the applicable box below):
 - 1. The state modernization funds will be used to replace the portable classrooms and permanently remove the displaced portables from the classroom use within six months of the filing of the Notice of Completion for the project; or,
 - 2. It has provided documentation to the Office of Public School Construction which indicates that modernizing the portable classrooms eligible for an additional apportionment is better use of public resources than the replacement of these facilities.
- Facilities to be modernized have not been previously modernized with Lease-Purchase Program, Proposition 1A Funds or School Facility Program state funds; and,
- All contracts entered on or after November 4, 1998 for the service of any architect structural engineer or other design professional for any work under the project have been obtained pursuant to a competitive process that is consistent with the requirements of Chapter 10 (commencing with Section 4525) of Division 5, of Title 1, of the Government Code; and,
- If this request is for new construction funding, the district has received approval of the site and the plans from the CDE. Plan approval is not required if request is for separate design apportionment; and,
- If this request is for modernization funding, the district has received approval of the plans for the project from the CDE. Plan approval is not required if request is for separate design apportionment; and,
- The district has or will comply with the Public Contract Code regarding all laws governing the use of force account labor; and,
- This district has or will comply with Education Code Section 17076.11 regarding at least a 3 percent expenditure goal for disabled veteran business enterprises; and,

APPLICATION FOR FUNDING SCHOOL FACILITY PROGRAM

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- The district matching funds required pursuant to Sections 1859.77.1 or 1859.79 has either been expended by the district, deposited in the County School Facility Fund or will be expended by the district prior to the notice of completion for the project; and,
- The district has received the necessary approval of the plans and specifications from the Division of the State Architect unless the request is for a separate site and/or design apportionment; and,
- If the district is requesting site acquisition funds as part of this application, the district has complied with Sections 1859.74 through 1859.75.1 as appropriate; and,
- With the exception of an apportionment made pursuant to Section 1859.75.1, the district understands that the lack of substantial progress toward increasing the pupil capacity or renovation of its facilities within 18 months of receipt of any funding shall be cause for the rescission of the unexpended funds (refer to Section 1859.105); and,
- If the apportionment for this project was made pursuant to Section 1859.75.1, the district understands that the lack of substantial progress toward increasing the pupil capacity or renovation of its facilities within 12 months of receipt of any funding shall be cause for the rescission of the unexpended funds (refer to Section 1859.105.1); and,
- The district understands that funds not released within 18 months of apportionment shall be rescinded and the application shall be denied (refer to Section 1859.90); and,
- The statements set forth in this application and supporting documents are true and correct to the best of my knowledge and belief; and,
- All school facilities purchased or newly constructed under the project for use by pupils who are individuals with exceptional needs, as defined in Education Code Section 56026, shall be designed and located on the school site so as to maximize interaction between those individuals with exceptional needs and other pupils as appropriate to the needs of both; and,
- This form is an exact duplicate (verbatim) of the form provided by the OPSC. In the event a conflict should exist, the language in the OPSC form will prevail; and,
- The district understands that some or all of the State funding for the project must be returned to the State as a result of an audit pursuant to Sections 1859.105, 1859.105.1, 1859.106; and,
- The district has complied with the provisions of Sections 1859.76 and 1859.79.2 and that the portion of the project funded by the State does not contain work specifically prohibited in those Sections; and,
- If the SFP grants will be used for the construction or modernization of school facilities on leased land, the district has entered into a lease agreement for the leased property that meets the requirements of Section 1859.22; and,
- If the application contains a "Use of New Construction Grant" request, the district has adopted a school board resolution and housing plan at a public hearing at a regularly scheduled meeting of the governing board on _____ as specified in Sections 1859.77.2, or 1859.77.3, as appropriate. The district's approved housing plan is as indicated (check all that apply):
 - 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. [Applicable for Sections 1859.77.2(a) and (b) and 1859.77.3(a) and (b)]
 - 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. [Applicable for Sections 1859.77.2(a) and (b) and 1859.77.3(a) and (b)]
 - 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. [Applicable for Sections 1859.77.2(b) and 1859.77.3(b)]
- If the district requested additional funding for fire code requirements pursuant to Sections 1859.71.2 or 1859.78.4, the district will include the automatic fire detection/alarm system and/or automatic sprinkler system in the project prior to completion of the project; and
- If this request is for a Large New Construction Project or a Large Modernization Project, the district has consulted with the career technical advisory committee established pursuant to Education Code Section 8070 and it has considered the need for vocational and career technical facilities to adequately meet its program needs in accordance with Education Code Sections 51224, 51225.3(b) and 52336.1; and
- If the district is requesting an Additional Grant for Energy Efficiency pursuant to Sections 1859.71.3 or 1859.78.5, the increased costs for the energy efficiency components in the project exceeds the amount of funding otherwise available to the district; and
- If this application is submitted after January 1, 2004 for modernization funding, the district has considered the potential for the presence of lead-containing materials in the modernization project and will follow all relevant federal, state, and local standards for the management of any identified lead; and
- The district has or will initiate and enforce a Labor Compliance Program that has been approved by the Department of Industrial Relations, pursuant to Labor Code Section 1771.7, if the project is funded from Propositions 47 or 55 and the Notice to Proceed for the construction phase of the project is issued on or after April 1, 2003; and,
- Beginning with the 2005/2006 fiscal year, the district has complied with Education Code Section 17070.75(e) by establishing a facilities inspection system to ensure that each of its schools is maintained in good repair.

SIGNATURE OF DISTRICT REPRESENTATIVE

DATE

GENERAL INSTRUCTIONS

This Form is used to request a preliminary apportionment for the new construction of charter school facilities. This Form may be submitted by either a charter school directly or by a school district on behalf of a charter school, provided the school is within the geographical boundaries of the district. The apportionment will be a reservation of funds for the project to allow time to receive the necessary approvals from other State entities and shall be converted to a Final Charter School Apportionment based on Sections 1859.165 through 1859.166.1.

The charter school must assign a Project Tracking Number (PTN) to this project. The same PTN is used by the OPSC, the Division of the State Architect (DSA) and the California Department of Education (CDE) for all project applications submitted to those agencies, which assist those agencies to track a particular project through out the entire state application review process. If a PTN has already been assigned to this project by prior submittal of the plans and specifications to either the DSA or the CDE for approval, use that PTN for this application submittal. If no PTN has been previously assigned for this project, a PTN may be obtained from the Office of Public School Construction (OPSC) Web site at www.opsc.dgs.ca.gov "PT. Number Generator." (Obtain from school district.)

Prior to submitting this Form, the Board must determine or adjust the appropriate district's eligibility for new construction funding on the Form SAB 50-03. If the district that is providing eligibility to the charter school has a pending reorganization election that will result in the loss of eligibility for the proposed project, the district may not file this application until the Board has adjusted the district's new construction baseline eligibility as required in Section 1859.51. This may be accomplished by completion of Form SAB 50-01, Form SAB 50-02, and Form SAB 50-03. The following documents must be submitted with this Form (as appropriate):

- Form SAB 50-01, Form SAB 50-02 and Form SAB 50-03 (if not previously submitted by the school district).
- An Appraisal or Preliminary Appraisal of the property, or documentation supporting the Median Cost of the property, if requesting site acquisition funds. See Section 1859.163.2(a).
- Supporting documentation for relocation expenses and Department of Toxic Substance Control (DTSC) costs, if requesting amounts other than the 215 percent standard allowance. See Section 1859.163.2(b).

SPECIFIC INSTRUCTIONS

A preliminary application may be submitted by either a school district on behalf of a charter school or a charter school on its own behalf if the charter school has notified both the superintendent and the governing board of its intent to do do in writing at least 30 days prior to submission of the preliminary application. See Education Code Section 17078.53 (c)(1) and (2). The notice shall be sent by certified mail through the U.S. Postal Service and indicate to the school district the number of pupils the charter school intends to apply for. Please indicate method of filing by checking appropriate box. If the eligibility being requested from the school district is on a HSAA basis, the proposed project shall be constructed within the boundaries of that attendance area.

Prior to submitting a request for a preliminary apportionment the appropriate chartering entity must have either approved a charter petition or a material revision to a charter for the school in which the application references.

- A cost estimate for site development using the historical data of School Facility Program projects within the district or adjacent school districts within the General Location, if requesting amounts other than the standard allowance of \$70,000 per acre. See Section 1859.163.1(a)(3).

For purposes of determining an amount for site acquisition pursuant to Section 1859.164.2(b), the following documents must be submitted with this form (as appropriate):

- Contingent site approval letter from the CDE.
- Preliminary appraisal of property.

This request is available only to Charter Schools that have current financial soundness status from the California School Finance Authority. Charter Schools may apply for a separate amount for the design and for the site acquisition on the same project. Charter Schools may apply for a separate amount for the design of the project by submittal of Form SAB 50-05.

For a complete list of the application submittal guidelines, consult the OPSC Web site at www.opsc.dgs.ca.gov.

If the charter school or district is requesting a Preliminary Apportionment after the initial baseline eligibility was approved by the Board and the district's current California Basic Education Data System (CBEDS) enrollment reporting year is later than the enrollment reporting year used to determine the district's baseline eligibility or adjusted eligibility, the district must complete a new Form SAB 50-01, based on the current year CBEDS enrollment data, and submit it to the OPSC with this Form. The district must also update its eligibility by separation of Special Day Class from regular K-12 grade level pupils by submitting a revised Form SAB 50-02 and Form SAB 50-03, if it has not already done so. A Small School District with 2,500 or less enrollment as defined in Section 1859.2 will have its eligibility adjusted as provided in Section 1859.51(j).

1. Type of Application

Check the appropriate box that indicates the type of request the Charter School is applying for with this form. If the Charter School is requesting a determination of eligible site acquisition costs from a Preliminary Charter School Apportionment previously approved by the Board, complete boxes 2, 3 and the site acquisition data in 4b.

2. Type of Project

- a. Select the type of project that best represents this application request and enter the number of pupils assigned to the project for each grade group. Include pupils to be housed in an addition to an existing school or a new school project. The amount entered cannot exceed the lesser of district's available new construction baseline eligibility determined on

Form SAB 50-03, as adjusted by Section 1859.51 or the limits established in Section 1859.162(c). The amount entered will be the basis for the amount of the Preliminary Charter School Apportionment provided for the project.

- b. Enter the name of the school district where the charter school is physically located.
- c. Is this request an addition to an existing site? Yes or No. If yes, enter school name.

3. Number of Classrooms/Useable Acres

Enter the:

- Estimated number of classrooms in the proposed project.
- Existing Useable Acres (if addition to existing site).
- Estimated Proposed Useable Acres to be acquired for the project.

The proposed Useable Acres requested shall not exceed the net useable acres included in an appraisal, preliminary appraisal or multiplying the pupils assigned by 0.00888 for elementary school pupils, 0.0105 for middle school pupils and 0.01236 for high school pupils. Assign Severely Disabled and Non-severely Disabled Individuals with Exceptional Needs as either elementary, middle or high school pupils based upon the type of project selected in item 1. See Section 1859.74.1.

4. Increase in Preliminary Apportionment

Complete the appropriate Sections if the district is requesting an increase in the Preliminary Apportionment for the items listed. Refer to Sections 1859.163.1 and 1859.163.2.

- a. Check the box if the district request additional funding due to multilevel construction. See Section 1859.163.1(a)(2).
- b. Site Acquisition:
 - (1) Enter 50 percent of the appraised value or the preliminary appraised value or the Median Cost of the property. See Section 1859.163.2(a). If the purchase price of the site is being determined using the median cost of the Charter School General Location enter the nearest street intersection to the charter school site.
 - (2) To determine an allowance for relocation cost and DTSC cost, the charter school may request 15 percent of the property value determined above or specific or historic values of these costs. See Section 1859.163.2(b). If specific or historic values are reported, the charter school must submit appropriate documentation to support the amount reported.
 - (3) Enter 50 percent of the amount allowable for hazardous material/waste removal and/or remediation for the site acquired. This amount may not exceed the limit set in Section 1859.163.2(d).
- c. To determine an allowance for site development, the charter school may request \$70,000 per proposed Usable Acres or a specific or historic value of the estimated costs. See Section 1859.163.1(a)(3). If specific or historic estimated costs are used, the district must submit appropriate cost estimate of the proposed work conforming to Section 1859.76.

In addition, check the box if the district is requesting General Site Development pursuant to Section 1859.163.1.

- d. Check the box if this request is for a small size project. See Section 1859.163.1(a)(4).
- e. Check the box if the proposed project qualifies for an urban location allowance. See Section 1859.163.1(a)(5).
- f. Check the box if the proposed project is eligible for an increase due to geographic location. See Section 1859.163.1(a)(6).

5. Priority Order

Enter the priority order of this application in relation to other applications for Preliminary Charter School Apportionment submitted on the same date by the same applicant within the same school district.

6. Charter School Information

The information requested in (d) and (e) below can be obtained from the Charter School Information Listing posted on the OPSC's Web site.

- a. Enter the charter school enrollment currently being served by the applicant for the purpose of calculating if the Charter School is Small, Medium, or Large. See Section 1859.2.
- b. Indicate if the charter school operates as not for profit. If yes, must comply with the definition of Non-Profit Entity in Section 1859.2.
- c. Enter the locale code of the charter school as identified in the definitions for "Rural," "Suburban," or "Urban." See Section 1859.2.
- d. To determine if the charter school is low income, enter the percentage of pupils at the charter school participating in the Free/Reduced Lunch Program. See Section 1859.2 and 1859.164.1(a).
- e. If the charter school has submitted an additional application for this project under the requirements of Section 1859.162.1, enter the application number for that project.

7. Certification

The authorized representative for the charter school, or the school district representative on behalf of the charter school must complete this certification section.

- Part A – The authorized representative for the charter school, must complete this section if filing on its own behalf; or,
- Part B – The authorized school district representative must sign and date if filing on behalf of the charter school.

APPLICATION FOR CHARTER SCHOOL PRELIMINARY APPORTIONMENT
SCHOOL FACILITY PROGRAM

SAB 50-09 (REV 01/05 06/06)

The school district or charter school named below applies to the State Allocation Board via the Office of Public School Construction for a Preliminary Charter School Apportionment under the provisions of Chapter 12.5, Part 10, Division 1, Article 12, commencing with Section 17078.50, et seq, of the Education Code and the Regulations thereto.

<input type="checkbox"/> SCHOOL DISTRICT APPLYING ON BEHALF OF CHARTER SCHOOL	<input type="checkbox"/> CHARTER SCHOOL APPLYING ON ITS BEHALF	PRELIMINARY APPLICATION NUMBER
PROPOSED PROJECT NAME		PROJECT TRACKING NUMBER
COUNTY		HIGH SCHOOL ATTENDANCE AREA (IF APPLICABLE)
SCHOOL BOARD APPROVAL DATE OF CHARTER PETITION OR MATERIAL REVISION		

1. Type of Application—Check Only One

- Preliminary Charter School Apportionment
- Site Acquisition Costs [Section 1859.164.2(b)]

c. Site Development

- \$70,000 per proposed useable acre
- 50 percent of specific or historical cost: \$ _____

2. Type of Project

- a. Elementary School
- Middle School
- High School

Pupils Assigned:

K-6 _____

7-8 _____

9-12 _____

Non-Severe _____

Severe _____

d. Small Size Project

- e. Urban Allowance
- f. Geographical Percentage Factor: _____ %

5. Priority Order

6. Charter School Information

- a. Current charter school enrollment: _____
- b. Is charter school not for profit? Yes No
- c. Enter locale code of charter school: _____
- d. Free/Reduced Lunch: _____ %
- e. Additional Application Number: # _____

3. Number of Classrooms/Useable Acres

Number of Classrooms: _____

Existing Acres (Useable): _____

Proposed Acres (Useable): _____

4. Increase in Preliminary Apportionment

- a. Multilevel Construction
- b. Site Acquisition:
 - (1) 50 percent appraised value or median cost: \$ _____
 - Enter the nearest street intersection to the Charter School General Location if determined by median cost: _____
 - (2) Relocation/DTSC Cost:
 - 15 percent
 - 50 percent of specific or historical cost: \$ _____
 - (3) Hazardous material clean-up: \$ _____

**APPLICATION FOR CHARTER SCHOOL PRELIMINARY APPORTIONMENT
SCHOOL FACILITY PROGRAM**

7. Certification

I certify that the information reported on this form is true and correct and that:

- I am an authorized representative of the charter school designated by the governing board or equivalent authority of the charter school and have notified both the Superintendent and the governing board of the school district in writing, at least 30 days prior to the date of this application, of our intent to submit a preliminary application (complete Part A below); or,
- I am an authorized school district representative submitting this application on behalf of a charter school pursuant to Education Code Section 17078.53 (c)(1) (complete Part B below). If this box is checked the following certifications shall apply to the school district.
- A resolution or other appropriate documentation supporting this application under Article 12, Chapter 12.5, Part 10, Division 1, Title 2, commencing with Section 17078.50, et. seq., of the Education Code was adopted by the School District's Governing Board or the governing board or other equivalent authority of the charter school on, _____; and,
- The charter school has or will establish a "Restricted Maintenance Account" for exclusive purpose of providing ongoing and major maintenance of school buildings and has developed an ongoing and major maintenance plan that complies with and is implemented under the provisions of Education Code Section 17070.75 and 17070.77 (Refer to Sections 1859.100 through 1859.102); and,
- The charter school has or will consider the feasibility of the joint use of land and facilities with other governmental agencies in order to minimize school facility costs; and,
- The charter school will comply with all laws pertaining to the construction of its school building; and,
- All contracts entered for the service of any architect, structural engineer or other design professional for any work under the project have been obtained pursuant to a competitive process that is consistent with the requirements of Chapter 10 (commencing with Section 4525) of Division 5, of Title 1, of the Government Code; and,
- The charter school has or will comply with the Public Contract Code regarding all laws governing the use of force account labor; and,
- This charter school has or will comply with Education Code Section 17076.11 regarding at least a 3 percent expenditure goal for disabled veteran business enterprises; and,

- The charter school understands that the lack of substantial progress toward increasing the pupil capacity of its facilities within the timelines prescribed for a Preliminary Charter School Apportionment shall be cause for rescission of the Preliminary Charter School Apportionment; and,
- The charter school acknowledges this request may be subject to the material inaccuracy penalty provisions in Section 1859.104.1; and
- All school facilities purchased or newly constructed under the project for use by pupils who are individuals with exceptional needs, as defined in Education Code Section 56026, shall be designed and located on the school site so as to maximum interaction between those individuals with exceptional needs and other pupils as appropriate to the needs of both; and,
- If the Preliminary Charter School Apportionment is requested for the construction of school facilities on leased land, the charter school has or will execute a lease agreement for the leased property that meets the requirements of Section 1859.22; and,
- The charter school understands that when the Preliminary Charter School Apportionment is converted to a Final Charter School Apportionment, the funding available for the Final Charter School Apportionment is subject to the provisions of Section 1859.167; and,
- The statements set forth in this application and supporting documents are true and correct to the best of my knowledge and belief; and,
- This form is an exact duplicate (verbatim) of the form provided by the OPSC. In the event a conflict should exist, then the language in the OPSC form will prevail; and,
- The charter school has or will initiate and enforce a Labor Compliance Program that has been approved by the Department of Industrial Relations, pursuant to Labor Code Section 1771.7, if the project is funded from Propositions 47 or 55 and the Notice to Proceed for the construction phase of the project is issued on or after April 1, 2003; and,
- Beginning with the 2005/2006 fiscal year, the district has complied with Education Code Section 17070.75(e) by establishing a facilities inspection system to ensure that each of its schools is maintained in good repair.

Part A. Charter School Filing on its Own Behalf

NAME OF REPRESENTATIVE		TITLE
ADDRESS		
TELEPHONE	FAX NUMBER	E-MAIL
SIGNATURE OF AUTHORIZED CHARTER SCHOOL REPRESENTATIVE		DATE

Part B. School District Filing on Behalf of Charter School

SIGNATURE OF AUTHORIZED DISTRICT REPRESENTATIVE	DATE
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STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE
June 2, 2006

DISTRIBUTION OF SITE SALE PROCEEDS

PURPOSE

The State Allocation Board (SAB) directed Staff to make recommendations and establish a policy to capture proceeds from the sale of sites funded by the SAB.

BACKGROUND

At the May Implementation Committee meeting, the OPSC Staff presented an overview of the SAB's authority to pursue proceeds from the sale of a site that was acquired with State assistance under the School Facility Program (SFP). Staff acknowledged that various situations exist which may put a district in a position to sell a site acquired with State assistance. However, district retention of site sale proceeds, defined as the State and district contributions plus any profit made in the transaction, appears contrary to the basic premise of the SFP. The Board is seeking to clarify its position regarding the capture of proceeds realized from the sale of property, thereby preventing confusion on the part of school districts. Two programs currently administered by the SAB, the SFP and the Unused Site Program, may identify the sale of school sites and resulting proceeds, but Staff believes the programs do not adequately track the sale of sites. Staff identified three steps needed to capture site sale proceeds: reporting property sales; documenting sale proceeds; and distribution of the State share of the transaction.

The Implementation Committee requested that Staff return with the item for further discussion.

DISCUSSION

Ability of Existing Programs to Track Sites

Although it was suggested that the disposition of property and proceeds could be tracked under the existing SFP and Unused Sites Program, Staff does not feel that the current regulations are sufficient. The SFP does not monitor the status of a project after the final expenditure audit has been completed. This applies to any SFP projects, whether they are constructed as planned or otherwise. The Unused Site Program does not adequately track sites purchased under the SFP. Existing Unused Site Program requirements allow Staff to monitor sites and assess fees on an annual basis so long as they are reported as "unused". The "unused" status is subject to change and a district may remove sites from the unused list for a variety of reasons. Some uses acceptable under the Unused Site Program are not consistent with the intent of the SFP, including use for administrative purposes, adult education, preschool or child care. Once the sites are removed from the unused list, they are not tracked and their disposition may go unreported. Such shortcomings would prevent Staff from maintaining a comprehensive list of sites.

The possibility of imposing a lien on property acquired under the SFP to track its disposition was presented during the previous discussion. This option was received unfavorably and concerns were raised about the impact of a lien on a district's financial status and ability to incur debt. The ability to impose a lien is outside the current authority of the SAB and would require legislation; as such, there is no intent to pursue a lien.

Mandatory Sale of Site

Prior Staff recommendations would have required a district to return the site apportionment, plus accrued interest, if a school district acquired property but failed to use it for school purposes within five years. Concerns were raised that this scenario may require districts to incur debt if the district has not sold the site, especially those in Financial Hardship. The State has no interest in adversely impacting a district's finances

nor does the State have specific authority to compel a district to sell a site in order to collect the State contribution for the purchase of the property. Thus, it is recommended that recovery of the State contribution shall not occur until such time as the property has been sold by the district.

Interest and Sale at a Loss

When discussing the amount returned to the State, "interest" means the interest gained on the State apportionment while deposited in the County School Facility Fund (Fund 35). Interest is determined in this manner for all SFP audits. On a typical SFP project, the interest is added to the apportionment and available to the district. In certain circumstances, such as reimbursement for previously purchased property, there would be no interest calculated on the site apportionment.

Previous discussion raised the question of State participation if property was subsequently sold at a loss. Current real estate market conditions generally result in a profit from property sales in California; however, it is possible for property to depreciate or be sold at a loss for other reasons. Accordingly, since the State would participate in profit from a transaction, Staff believes the State would recognize a reduction in the contribution to be returned in the case of sale at a loss. The district would have to demonstrate a compelling circumstance for partaking in such a transaction. Existing law that may require a district to sell at a loss may be considered a compelling circumstance.

Steps to Capture Proceeds Revisited

As noted above, Staff believes it is necessary to clarify how site sales are reported and proceeds are used. Staff previously outlined a mechanism to ensure site sales are reported and site sale proceeds are used appropriately. The three steps are reiterated below.

1. Report sale of property.
Determine that a site has been sold by one or more of the following:
 - i. Track site and disclose sale through SFP and /or Unused Site Program
 - ii. Letter from district (particularly if project has already been audited, and the property sold at a later date)
 - iii. Disclose at audit (if sale occurs prior to audit)
2. Identify proceeds.
Site sale proceeds determined through an audit. The audit may find that the proceeds have increased or decreased since the apportionment.
3. Distribute proceeds.
Once the proceeds from the transaction have been identified, the appropriate share of State contribution, interest and profit would be addressed. The State share of proceeds would be proportionate to the State contribution to the project, or a portion thereof if the site is sold for a loss. Any recovered State contribution and interest would be returned to the SFP New Construction fund, thereby extending the lifespan of the bond to the benefit of all eligible school districts. The circumstances of the transaction would determine if the State share of proceeds are returned to the State and/or offset from another district project.
 - i. If a school district fails to use the property for school purposes, but retains the property, the district would be subject to the Unused Site Program reporting requirements. Sale at a later date would trigger the return and/or offset of the proceeds as described below.
 - ii. If a school district fails to use property for school purposes, but sells or otherwise disposes of property, the SAB shall request the repayment of the apportionment, or a portion thereof if sold at a loss, plus accrued interest. The SAB shall also offset from future site purchases any profit realized from the sale of property occurring

within five years prior to the initial obligation for the development of a new project made the governing board of the district. Such obligation by the governing board may include retention of an architect or design professional for design of a future school, opening escrow or entering into a contractual agreement for purchase of a new site, or other definitive action on the part of the school board. This action is within the current confines of the law.

If there is no future school site acquisition, the apportionment plus accrued interest would be returned to the State; the profit would be subject to the provisions of EC 17462. Current law is unclear regarding the ability to capture the profit and the situation may require clarifying legislation to authorize such an action.

- iii. If a school district uses the property for school purposes and subsequently sells or otherwise disposes of property, or a portion thereof, the proceeds shall be subject to the provisions of EC 17462. However, the State's ability to capture proceeds in this transaction is subject to clarification of the permissible use of bond funds. Duration of State's interest in property is anticipated for a minimum of 30 years or the length of bond repayment.

The following chart summarizes the distribution of proceeds when a district sells property obtained with assistance under the SFP.

Chart 1. Distribution of Site Sale Proceeds from State-funded Property Acquisition.

	Scenario	Action
1	School not built, site unsold	Report via revised SFP and Unused Site Program
2	School not built, site sold; pending future project	State contribution, interest returned to State; profit applied to future site
3	School not built, site sold; no future project	State contribution and interest returned to State; profit subject to EC 17462 or legislation authorizing capture of the profit
4	Site used for intended purpose, but later sold	Site sale proceeds subject to EC 17462 or legislation authorizing capture of the proceeds including profit

Necessity of Clarifying Regulations

Staff believes clarifying regulations that address the disposition of sites is warranted. Current regulations are unclear and have resulted in a specific situation being presented to the SAB; Staff is attempting to avoid any recurring misunderstandings. Review of the SFP and Unused Site Program indicates that neither program adequately monitors the disposition of sites purchased with State funds. Further, the different reporting requirements in the two programs prevent the compilation of a comprehensive inventory. Revisions necessary to improve the existing regulations would be limited in scope and could be achieved with minimal obligation on the part of school districts and Staff. Revisions would most likely be necessary in Regulation Section 1859.75 *Alternative District-Owned Site*, Section 1859.104 *Program Reporting Requirements*, and Section 1859.106 *Program Accountability Expenditure Audit*.

RECOMMENDATION

Staff will present clarifying regulations at the next Implementation Committee meeting.