

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, July 12, 2011

ADDITIONAL GRANT FOR GENERAL SITE DEVELOPMENT

PURPOSE OF REPORT

To request direction from the State Allocation Board (Board) regarding the General Site Development grant.

DESCRIPTION

The regulations authorizing the General Site Development grant will expire on January 1, 2012. This report requests adoption of an amendment to the School Facility Program (SFP) Regulations to extend the expiration of the additional grant for general site development for one year and authorization to file the proposed regulations with the Office of Administrative Law (OAL).

AUTHORITY

Education Code Section 17072.12 states that “the Board may provide funding for assistance in site development and acquisition...” The Board’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.”

SFP Regulations Section 1859.2, Definitions, states “‘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. “

SFP Regulations Section 1859.76 states in part that “the Board shall provide funding equal to 50 percent of approved site development and applicable design costs.” Subsection (d) provides specifics in applying general site costs and includes that subsection (d) “shall be suspended no later than January 1, 2012, unless otherwise extended by amendments as adopted by the Board.”

BACKGROUND

As part of grant adequacy discussions in 2006, a preliminary analysis done by the Grant Adequacy Ad Hoc Committee concluded that a supplemental grant for General Site Development may not have been considered in the pupil grant in Senate Bill 50 (Greene, Chapter 407, Statutes of 1998). The Board approved regulations to provide an additional grant for General Site Development, meaning for new construction projects that are new schools or additions to existing sites where additional acreage is being acquired.

The regulations authorize the Board to adopt amendments to extend the time period for which school districts may request this additional grant, in order to provide Staff time to complete a full analysis of the adjustment to the new construction base grant proposed in Assembly Bill 127, and the total SFP funding model.

The regulations implementing this additional grant were effective beginning September 5, 2006 with a suspension date of “no later than January 1, 2008.” Since then an extension has been approved by the board every year.

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BACKGROUND (cont.)

Previous Extensions:

- At the December 12, 2007, Board meeting, these regulations were extended for the first time to have a new expiration date of "No later than January 1, 2009." On March 3, 2008, the regulations became effective.
- At the February 25, 2009, Board meeting, regulations were approved to extend the expiration date to January 1, 2010. The amended regulations became effective September 18, 2009.
- At the November 4, 2009, Board meeting, regulations were approved to extend the expiration date to January 1, 2011. The amended regulations became effective April 8, 2010.
- At the June 23, 2010, Board meeting, regulations were approved to extend the expiration date to January 1, 2012. The amended regulations became effective April 27, 2011.

STAFF ANALYSIS / STATEMENTS

The General Site Development additional grant must be evaluated in the context of overall grant adequacy.

RECOMMENDATIONS

1. Adopt the proposed regulations as shown on the Attachment and begin the regulatory process.
2. Authorize the Acting Executive Officer to file these regulations with the OAL.

BOARD ACTION

In considering this Item, the State Allocation Board approved a modification to the proposed regulations thereby providing a two-year extension to the suspension date from January 1, 2012 to January 1, 2014.

ATTACHMENT

PROPOSED AMENDMENTS TO THE
SCHOOL FACILITY PROGRAM REGULATIONS
State Allocation Board Meeting, July 12, 2011

Title 2. Administration
Division 2. Financial Operations
Chapter 3. Department of General Services
Subchapter 4. Office of Public School Construction
Group 1. State Allocation Board
Subgroup 5.5. Regulations Relating to the Leroy F. Greene School Facilities Act of 1998:
(School Facility Program)

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

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

. . . .

- (d) General Site Development costs within school property lines for an addition to an existing school site project wherein additional acreage is acquired, with the exception of existing school site acreage that is leased pursuant to Section 1859.22, or a new school project, determined as follows:
- (1) \$19,200 per Useable Acre as approved by the CDE. This sum may be increased by the percentage identified in Section 1859.83(b). The per acre amount shown above shall be adjusted annually in the manner prescribed in Section 1859.71.
 - (2) 6 percent of the State and district share for Elementary School Pupils and Middle School Pupils and 3.75 percent of the State and district share for High School Pupils of the New Construction Grant. For purposes of this calculation, the percentage amount for Severely Disabled Individuals with Exceptional Needs and Non-Severely Disabled Individuals with Exceptional Needs pupils shall be based on the type of project selected by the district on the Form SAB 50-04.
 - (3) 6 percent of the State and district share for Elementary School Pupils and Middle School Pupils and 3.75 percent of the State and district share for High School Pupils of the funding provided by Sections 1859.71.2, 1859.72, 1859.73, 1859.73.2, 1859.82, 1859.83(a), (b) and (c) and 1859.125(a)(1) through (a)(2).

Subsection (d) of this section shall be suspended no later than January 1, ~~2012~~ ~~2013~~ 2014, unless otherwise extended by amendments as adopted by the Board.

The district must submit a detailed cost estimate for all requests for site development work, with the exception of General Site Development, 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~~ meets 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 1859.76(d)(1), 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