

REPORT OF THE EXECUTIVE OFFICER  
State Allocation Board Meeting, March 28, 2007

OVERCROWDING RELIEF GRANT

PURPOSE OF REPORT

To provide an update on the ability of school districts to integrate the new Overcrowding Relief Grants (ORG) with the existing School Facility Program (SFP) grant to replace single-story facilities with multi-story facilities.

BACKGROUND

The proposed regulations to implement the new ORG were presented to and adopted by the State Allocation Board (SAB) at its February 2007 meeting. During the discussion a request was made to clarify the ability of school districts to combine ORG projects with SFP projects to replace single-story facilities with multi-story facilities. The SAB requested the Office of Public School Construction to work with the interested parties on this issue and to report back to the SAB on the outcome.

DISCUSSION

*SFP Grant to Replace Single-Story Facilities with Multi-Story Facilities*

Under existing SFP Regulation Section 1859.73.2, a district can request a grant, in addition to the traditional unhoused per-pupil grant, to demolish an existing single-story building and replace it with a multi-story building. The district, however, must increase the pupil capacity of the school site (add additional classrooms) provided that the addition of pupils to the site would not create a school with an inappropriate number of pupils in relation to the size of the site. In addition, the district must demonstrate that it is more cost effective to demolish the existing single-story classroom buildings and reconstruct them in multi-story buildings (with the new additional classrooms) than to build only the new classrooms on a new site. The additional pupil capacity that must be added is the greater of twenty percent of the existing permanent single-story pupil capacity of the school or 200 pupils. The additional grant provided is for the cost of demolition and replacement of the existing single-story buildings only. The new pupil capacity added would be funded through the SFP unhoused per-pupil grant.

*New ORG Program*

The new ORG provides the funding necessary for districts to relieve overcrowding at sites that have a pupil population density of more than 175 percent. The funding is limited to the reduction of the density to 150 percent of that recommended by the California Department of Education (although a district can choose to reduce the actual density to less than 150 percent), and can only be used to reduce the number of portable classrooms on overcrowded sites by the replacement of them with permanent classrooms at the existing site or the construction of new schools or classrooms at other sites. These grants do not enable the district to reduce the pupil density of an existing site when the classrooms are replaced on the overcrowded site nor do they increase the classroom capacity of a site or the district. Rather, they enable the district to use a school site more efficiently while retaining the same number of pupils at the school.

*Outcome of Discussions*

Staff met with the interested parties and determined that the combination of ORG with the SFP grant to replace single-story facilities with multi-story facilities should be allowed provided the district meets the requirements of SFP Regulation Section 1859.73.2 and the single-story facilities to be replaced do not garner funding under both the ORG and SFP (portables can be replaced under this SFP regulation as well as under the ORG). In this particular instance, a district must still demonstrate that it is more cost beneficial to tear down a single-story building and replace it with a multi-story building (with the ORG replacement classrooms being treated as the new additional classrooms) than to build the ORG project on a new site. The project could be located on the ORG eligible site or another existing school site. The existing SFP regulations and proposed regulations for the ORG do not need to be amended as they do not prevent this circumstance.

(Continued on Page Two)

DISCUSSION (cont.)

*Further Considerations*

While this immediate concern has been resolved, during the discussions it became more evident that even with the infusion of substantial State bond dollars over the last few and upcoming years, including the Critically Overcrowded Schools (COS) Program, ORG, and SFP, the density of many of the impacted school site(s) will not be alleviated in the end. With the COS Program, districts were able to receive a preliminary apportionment for sites that had a pupil population density of more than 200 percent to reduce the density to 150 percent. Districts still have to demonstrate new construction eligibility to receive funding, as the funding received under the COS is used to construct additional schools in the neighborhood. However, the COS does not typically result in a district tearing down existing classrooms at the COS site, therefore the existing site in many cases will likely serve the same or larger number of pupils that originally attended the school as the students that used to be bussed out of the attendance area would return to the school of residence. In other words, the density of the site will remain the same even though additional classrooms and schools are built in the neighborhood. In essence, the COS program serves more for the purposes of enabling a district to eliminate or scale down the use of bussing and to eliminate multi-track year round education, while utilizing existing capacity.

Under the ORG, even if a district replaces its portable classrooms with permanent classrooms on the ORG site permitting the limited land area of the school site to be used more efficiently, the density of the site will remain the same. And in the instance where a district replaces the portables on the ORG site with permanent classrooms at another existing site (including the example where a single-story structure is replaced with a multi-story facility), the ORG site density is reduced, however the other school site's density is impacted. In fact, the addition of classrooms on an existing site or at other school sites could conceivably enable those sites to qualify as overcrowded. It is recommended that future policy discussions take into consideration State general obligation bond dollars that have already been provided to a district to assist in the relief of overcrowding and that site density alone is not necessarily the sole factor that should dictate a district's need for overcrowding relief.

RECOMMENDATION

Accept the report.

BOARD ACTION

In considering this Item, the Board accepted the report. In addition, Staff indicated that they would meet with Mr. English to clarify concerns and report back, as needed.