STATE ALLOCATION BOARD AGENDA

Meeting Date: August 28, 2013

State Capitol
Room 444
4:00 p.m.

Revision date: 08/23/2013

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Tab 4 – Replace p. 19

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Thank you,

Ron Koeppl
Office of Public School Construction
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(916) 375-2032

August 28, 2013

Alphabetical Listing

(Rev. 1)

School District	County	Category		Page No.
ACKERMAN ELEMENTARY	PLACER	SFP - Modernization	Consent	33
ANTIOCH UNIFIED	CONTRA COSTA	SFP - New Construction	Consent	22
ELK GROVE UNIFIED	SACRAMENTO	SFP - New Construction	Consent	23
ELK GROVE UNIFIED	SACRAMENTO	SFP - Critically Overcrowd	Consent	16
GUERNEVILLE ELEMENTARY	SONOMA	SFP - Modernization	Consent	34
GUSTINE UNIFIED	MERCED	SFP - Modernization	Consent	35
LAKE ELSINORE UNIFIED	RIVERSIDE	SFP - New Construction	Consent	17
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LAWNDALE ELEMENTARY	LOS ANGELES	Relocatable Class.	Consent	48
LONG BEACH UNIFIED	LOS ANGELES	SFP - Career Tech	Consent	38
LOS ANGELES UNIFIED	LOS ANGELES	SFP - New Construction	Consent	24
LOS ANGELES UNIFIED	LOS ANGELES	SFP - New Construction	Consent	25
LOS ANGELES UNIFIED	LOS ANGELES	SFP - New Construction	Consent	26
LOS ANGELES UNIFIED	LOS ANGELES	SFP - New Construction	Consent	27
LOS ANGELES UNIFIED	LOS ANGELES	SFP - Charter Schools	Consent	39
MARYSVILLE JOINT UNIFIED	YUBA	SFP - New Construction	Consent	50
MESA UNION ELEMENTARY	VENTURA	SFP - New Construction	Consent	20
MESA UNION ELEMENTARY *	VENTURA	SFP - Modernization	Consent	20
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ONTARIO-MONTCLAIR	SAN BERNARDINO	SFP - Modernization	Consent	37
PLACENTIA-YORBA LINDA UNIFIED	ORANGE	SFP - New Construction	Consent	28
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SAN BERNARDINO COUNTY OFFICE OF ED.	SAN BERNARDINO	SFP - New Construction	Consent	29
SAN BERNARDINO COUNTY OFFICE OF ED.	SAN BERNARDINO	SFP - New Construction	Consent	30
SAN BERNARDINO COUNTY OFFICE OF ED.	SAN BERNARDINO	SFP - New Construction	Consent	31
SAN BERNARDINO COUNTY OFFICE OF ED.	SAN BERNARDINO	SFP - New Construction	Consent	32
SAVANNA ELEMENTARY *	ORANGE	SFP - Modernization	Consent	21
SWEETWATER UNION HIGH	SAN DIEGO	SFP - Modernization	Consent	13
TWIN RIVERS UNIFIED	SACRAMENTO	SFP - Charter Schools	Consent	43

* Unfunded Approval

EXECUTIVE OFFICER STATEMENT
State Allocation Board Meeting, August 28, 2013

FUND RELEASES FOR PRIORITY FUNDING APPORTIONMENTS

May 22, 2013 Apportionments
The Board approved $519.9 million in priority funding apportionments for 230 projects for 92 school districts. Districts that received a priority funding apportionment on May 22, 2013 were required to submit a complete *Fund Release Authorization* (Form SAB 50-05) containing an original signature by **Tuesday, August 20, 2013**. If the Form SAB 50-05 was not physically received at the OPSC by 5:00 PM on August 20, 2013, the project will be rescinded without further Board action and will be returned to the Unfunded List (Lack of AB 55 Loans) with a new approval date of August 20, 2013. Staff is completing the review of the submitted forms.

July 10, 2013 Apportionments
The Board approved $41.6 million in priority funding apportionments for 17 projects for 14 school districts. Districts that received a priority funding apportionment on July 10, 2013 are required to submit a complete Form SAB 50-05 containing an original signature by **Tuesday, October 8, 2013**. If the Form SAB 50-05 is not physically received at the OPSC by 5:00 PM on October 8, 2013, the project will be rescinded without further Board action and will return to the Unfunded List (Lack of AB 55 Loans) with a new approval date of October 8, 2013.

OVERCROWDING RELIEF GRANT

12th Funding Cycle Applications
The deadline to submit applications for the 12th cycle of Overcrowding Relief Grant (ORG) program was July 31, 2013. Currently, there is $39.2 million remaining in bond authority for this cycle. Staff received 14 applications requesting approximately $88 million making this funding cycle oversubscribed. In this instance, SFP Regulations require that the applications be funded based on highest density of the eligible schools that have submitted an Approved Application.

Seven applications also included requests for the High Performance Incentive (HPI) grant. These projects will be presented at a future Board meeting for Unfunded Approval.

PROGRAM REVIEW SUBCOMMITTEE UPDATE

The Program Review Subcommittee met on August 13, 2013 and discussed options related to dwelling unit augmentation, supplemental grants and funding for portable classrooms. The next meetings are scheduled for the following dates:

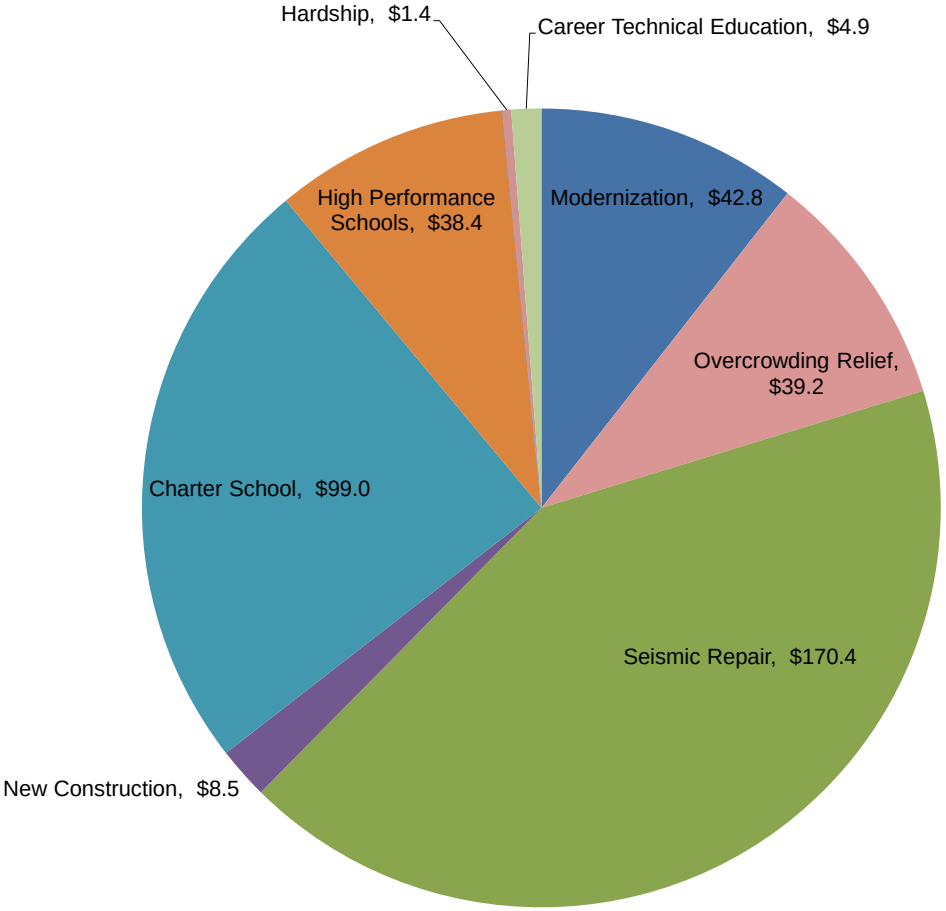
- Thursday, September 5, 2013
- Tuesday, October 1, 2013
- Wednesday, October 23, 2013
- Tuesday, November 12, 2013
- Monday, November 25, 2013
- Tuesday, January 7, 2014

All meeting times are from 2:00-5:00pm, with the exception of the meeting on October 1st, which will begin at 1:30pm. Additional meeting information, including tentative agenda topics, will be posted on the OPSC website as it becomes available at www.dgs.ca.gov/opsc/.

THE SACRAMENTO CITY UNIFIED
(50/67439-00-003) HAS BEEN WITHDRAWN

Remaining Bond Authority - $404.6 million

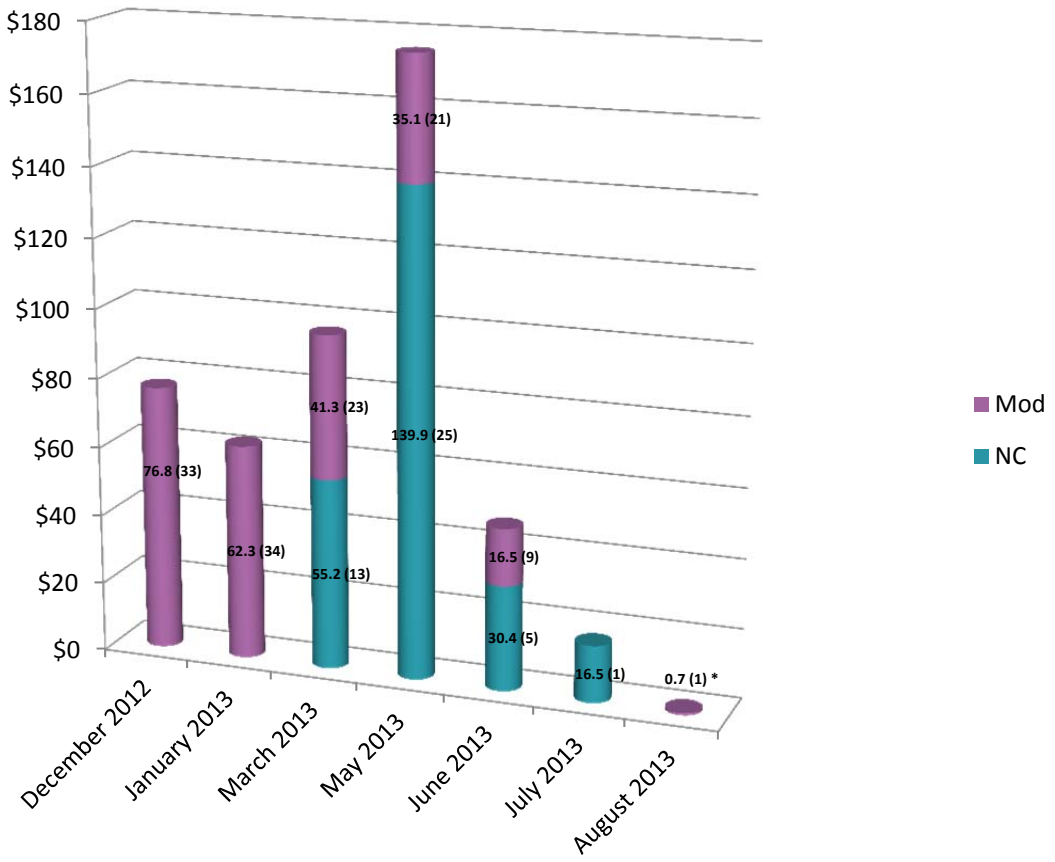
(by program, in millions)
As of August 28, 2013



Remaining Bond Authority (in millions)	
Modernization	$ 42.8
Overcrowding Relief	$ 39.2
Seismic Repair	$ 170.4
New Construction	$ 8.5
Charter School	$ 99.0
High Performance Schools	$ 38.4
Critically Overcrowded Schools	$ -
Hardship	$ 1.4
Career Technical Education	$ 4.9
Grand Total	**$ 404.6**

Processed School Facility Program Unfunded Approvals Pursuant to Regulation Section 1859.95, as of August 28, 2013

Monthly totals, in millions of dollars representing State share (Total project count)



*E&O Item, upon board approval will receive March 2013 approval date

Program	Total Project Count	Cumulative Total
New Construction	42	235.1
Modernization	123	232.7
Grand Total	**165**	**467.8**

STAFF ANALYSIS/STATEMENTS (cont.)

Increased Replacement Cost
Staff has reviewed the building in question and it appears that the actual replacement of the building using the same construction type as the original structure may exceed typical replacement costs. Based on a comparison of the Saylor Publications 2012 construction costs between monolithic (poured in place concrete) buildings and wood frame built buildings, poured in place concrete buildings are approximately three times as expensive to demolish per square foot as typical framed buildings. Also, a study of the Marshall & Swift construction costs showed that poured in place concrete buildings are also approximately 30 percent more expensive to build from scratch. These findings support the District's claim that the actual replacement costs for a similar type of construction are in excess of the estimated replacement costs used in the cost/benefit analysis.

BOARD OPTIONS

Pursuant to the *Rules and Procedures of the State Allocation Board,* "Staff is providing the following options for the Board's consideration. A positive vote by six members is required for the Board to take action that is an alternative to Staff's administrative action. Absent a positive vote by six members of the Board, Staff's administrative action will stand and the school district's appeal will be considered closed."

Option 1: Approve funding for a rehabilitation project
Option 1A: Approve the rehabilitation funding with HPI grants
Option 1B: Approve the rehabilitation funding without HPI grants

The rehabilitation work exceeds 50 percent of the replacement cost, which qualifies the project for replacement rather than rehabilitation under the SFP Regulations. Approving the District's request would appear to be allowable based on the SMP language in the EC. An approval by the Board would recognize that this is a *unique circumstance*. Approval of this project as a rehabilitation project would allow funding to be provided for the project based on the actual cost estimate.

Approval of **Option 1A** results in a SMP rehabilitation unfunded approval with a State share of $2,470,786.
Approval of **Option 1B** results in a SMP rehabilitation unfunded approval with a State share of $2,164,415.

Option 2: Approve funding for a replacement project while allowing the District to determine whether the funding allowed will be used to rehabilitate or replace the facility
Option 2A: Approve the replacement funding with HPI grants
Option 2B: Approve the replacement funding without HPI grants

Under this option, the Board would approve replacement funding for the project and allow the District to determine whether to use the funds to replace or rehabilitate the facility. The Board may wish to stipulate that additional costs incurred in excess of the maximum allowable cost would not be paid for by the State. In addition, the Board could require the District's governing board to approve a resolution indicating that it understands that the State's share would be limited to the stated dollar amount and the District/local community would need to pay the remaining costs. This option, with the additional stipulations, would be consistent with the Board's prior action.

Approval of **Option 2A** results in a SMP replacement unfunded approval with a State share of $4,082,586.
Approval of **Option 2B** results in a SMP replacement unfunded approval with a State share of $3,739,034.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, August 28, 2013

HIGH PERFORMANCE INCENTIVE GRANT

PURPOSE OF REPORT

To provide information and discuss the State Allocation Board's (Board) request to evaluate methods for providing the High Performance Incentive (HPI) grant.

DESCRIPTION

The HPI grant is an incentive grant that augments funding for an existing School Facility Program (SFP) project. With bond authority for many SFP programs exhausted and authority remaining for the HPI grant, the Board requested that Staff explore potential alternative methods for providing the HPI grant. This item presents the results of Staff's analysis.

AUTHORITY

See Attachment.

BACKGROUND

The Kindergarten-University School Facilities Act of 2006 (Proposition 1D) provided $100 million in incentive grants to promote the use of high performance attributes in new construction and modernization projects for K-12 schools. High performance attributes include using designs and materials that promote energy and water efficiency, maximize the use of natural lighting, improve indoor air quality, utilize recycled materials and materials that emit a minimal amount of toxic substances, and employ acoustics that are conducive to teaching and learning. The following programs can access the HPI grant:

- New Construction
- Modernization
- Career Technical Education Facilities Program (CTEFP)
- Overcrowding Relief Grant (ORG)
- Critically Overcrowded School (COS)
- Charter School Facilities Program (CSFP)
- Facility Hardship/Seismic Mitigation Program (SMP) (Pending Office of Administrative Law Approval)

In 2010, in an effort to increase requests for the HPI grant, the Board approved changes to the SFP Regulations, which increased the grant amounts available to projects with HPI components. These changes became effective in January 2011. Qualifying SFP projects currently receive:

- A percentage increase to the per-pupil grant amount relative to the HPI points verified by the Division of the State Architect (DSA), excluding CTEFP projects; and
- High Performance Base Incentive Grant (HPIBIG, one time per school site):
  - $150,000 for new construction projects on new sites
  - $250,000 for new construction projects on existing sites and modernization projects

The HPI grant was designed as an additional grant to augment other SFP programs and many of those programs have no remaining authority, which limits opportunities to disburse the remainder of the HPI funding. At its March 2013 meeting, the Board requested that Staff explore possible alternative methods for disbursing the remainder of the HPI bond authority.

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(Continued on Page Two)

STAFF ANALYSIS/STATEMENTS

Status of HPI

As of the June 26, 2013 Board meeting, there is $38.4 million available HPI bond authority. The most recent cycle of ORG projects is currently being processed (received by July 31, 2013) and contains requests of nearly $2.7 million in HPI funding. If all ORG HPI requests were funded, it would leave $35.7 million in HPI authority remaining.

There are currently 23 projects totaling $8.1 million in HPI requests on the Unfunded List (Lack of Authority) and two projects for approximately $650,488 in HPI requests on the State Allocation Board (SAB)-Acknowledged List. These projects represent the current need for unused HPI funding.

If all known projects with HPI requests were processed, there would be $26.9 million remaining in HPI authority.

	ORG	New Construction Unfunded List (Lack of Authority	Modernization Unfunded List (Lack of Authority)	SAB Acknowledged List
Number of HPI Requests	14	9	14	2
Total HPI Requests	$2.74 million	$3.81 million	$4.33 million	$0.65 million

Program Access

New construction, modernization, COS, and CTEFP bond authority has been mostly exhausted, and ORG funding will be exhausted with the completion of the latest funding round. Since the allocation of HPI authority is currently limited by the availability of other SFP authority, opportunities to disburse the remaining HPI authority are limited. However, there are other programs that have remaining authority or are likely to have access to authority in the future. The CSFP has authority remaining through which applicants can access the HPI authority. Additionally, future Facility Hardship projects are likely to be able to access HPI funds, as these projects are placed at the top of the Unfunded Approvals List (Lack of Authority) and are first in line to receive any new construction or modernization authority returning to the SFP.

Possible Changes

Staff has consulted with legal counsel, and legal counsel has stated that the HPI grant cannot be treated as a stand-alone grant. However, Staff has identified two alternative methods for making the HPI authority available for disbursement.

1. Transfer of Authority (Legislative Action Required)

Legal counsel has stated that the language in EC Section 101012(d)(1)(A) is clear that a 2/3 vote of the legislature would allow for the HPI authority to be transferred to another program within the SFP, such as new construction or modernization. Projects currently on the Unfunded List (Lack of Authority) for whichever program the funds are transferred to could be given unfunded approvals until the authority is exhausted. This action would be a legislative change and requires a 2/3 vote by the legislature to enact.

(Continued on Page Three)

STAFF ANALYSIS/STATEMENTS (cont.)

Considerations for Statutory Changes

- Transfer of HPI Bond Authority to Unfunded List (Lack of Bond Authority) - Would utilize those program funds for construction ready projects. As of the June 26, 2013 Board meeting there is $46.9 million in projects on the Unfunded List (Lack of Authority)
- Legislative Change - May be the quickest method for disbursing the funds given the rate at which applications have been submitted requesting the HPI grant.
- CAL Green Code - Beginning in January 2011, all projects on new campuses are required to comply with the CalGreen code which has multiple mandatory measures for new campuses that relate to high performance attributes. However Cal Green standards are below HPI standards.
- Ability to secure 2/3 support in legislature is not assured.

2. Funding HPI Portion of an SFP Project (Board Action Required)

Since the HPI grant has its own authority, the Board could consider regulatory changes to allow for the apportionment of the HPI portion of a qualifying SFP project even if no authority remains for the accompanying funding application (such as new construction, modernization, etc.).

When new construction and modernization authority became exhausted, the Board continued to accept and process applications and placed them on the Unfunded List (Lack of Authority) for a short time. This list is for projects that had no authority, but could be funded in the event that sufficient authority returned to the appropriate program. The Board later passed regulations to cease this practice. Currently, the Board is accepting but not processing applications that have exhausted bond authority and placing them on a SAB-Acknowledged List. The Board could decide to process the HPI grant only for those SFP applications that have a qualifying HPI component. The entire project would be fully reviewed and calculated for both HPI and non-HPI grants. The projects would then be bifurcated into two separate approvals that result in an HPI portion and a non-HPI portion of the project.

The HPI grant amount for all existing projects and future projects with HPI grants could be placed on the Unfunded List (Lack of AB 55 Loans) for only the HPI amount. Districts that had an eligible HPI grant amount would be eligible to participate in Priority Funding for final apportionment—only for the HPI grant amount. The non-HPI amount would retain its place on the respective list based on its OPSC received date, which would be either the Unfunded List (Lack of Authority) or the SAB Acknowledged List.

Statutory Consistency

The bond act requires that funds be apportioned in accordance with the Greene Act. There are several sections of the Greene Act that may apply to the HPI apportionment if the Board adopts a bifurcated approval process.

EC Section 17070.63 requires that as a condition for accepting a fund release under the SFP, the district must certify that "the grant amount provided by the State, combined with local matching funds or the Joint-Use partner's financial contributions, are sufficient to *complete* the school construction projects" (emphasis added). Further, EC 17070.63 also states that "the total funding provided under this chapter shall constitute the state's full and final contribution to the project and for eligibility for state facilities funding represented by the number of unhoused pupils for which the school district is receiving the state grant." In order to receive a release of funds, EC 17072.32 states that funding shall be released "upon certification by the school district that the school district has entered into a binding contract for completion of the approved project."

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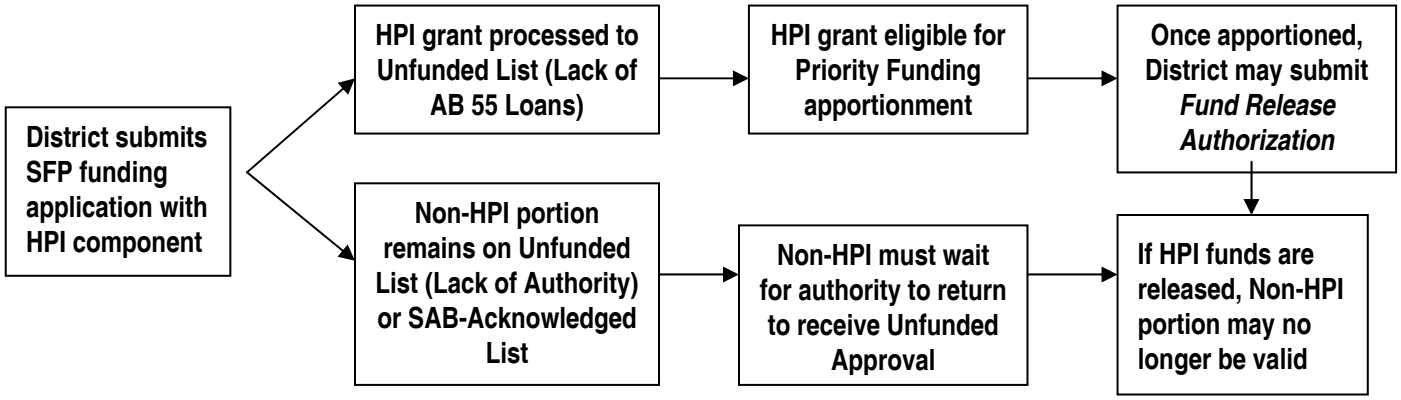
STAFF ANALYSIS/STATEMENTS (cont.)

It appears that in order to access the HPI funding, a district would need sufficient local funds to complete the entire project. However, it is also unclear whether accepting the HPI funds would then prevent a district from receiving a future apportionment for the balance of the work connected to the program with no bond authority. The HPI grant may constitute the State's full and final contribution to the project and the remainder of the work in the project could be ineligible to receive future funding through the SFP. The statute doesn't appear to contemplate two separate apportionments for a single project nor does it contemplate the current situation with lack of bond authority in some funds, but not in others linked to those funds.

Bifurcation Process

The following flow chart illustrates the bifurcation process:



This process would continue until the HPI authority was exhausted. If the Board elects this option, regulatory amendments would be necessary.

Projected Drawdown of HPI Authority for Option 2

HPI Requests Since the Addition of the HPBIG

Total SFP Projects	Projects Requesting HPI	Percentage Requesting HPI	Total HPI Requests	Average HPI Grant Amount
877	105	12.0 %	$29.9 million	$284,555

Given the average grant amount since the new HPI regulations took effect, coupled with the average amount of two HPI requests per month during that time, the funds would be exhausted by July 2018. This, however, assumes that all projects would request a separate HPI apportionment.

(Continued on Page Five)

STAFF ANALYSIS/STATEMENTS (cont.)

Considerations for Processing HPI Applications Only

- Maintains the state's commitment to high performance schools.
- A district may be subject to "full and final provisions" for the entire project and accepting a fund release for HPI funds could jeopardize funding for the remainder of the project in the future.
- No legislative action required, regulatory change.
- This option may not fully consider that other programs (CSFP, Facility Hardship) can access HPI funding.
- Processing only the projects with HPI components and not those projects without HPI but with an earlier received date is inconsistent with the Board's prior action that ceased processing of funding applications.
- Could set precedent for seeking ways to expand other SFP programs.

RECOMMENDATION

Seek Board direction.

ATTACHMENT

AUTHORITY

Education Code 17070.63(a) states:

> The total funding provided under this chapter shall constitute the state's full and final contribution to the project and for eligibility for state facilities funding represented by the number of unhoused pupils for which the school district is receiving the state grant. As a condition of receipt of funds, a school district shall certify that the grant amount, combined with local funds, shall be sufficient to complete the school construction project for which the grant is intended.

EC Section 17070.96 states:

> As part of its application for funding under this chapter, a school district shall certify that it has considered the feasibility of using designs and materials for the construction or modernization project that promote the efficient use of energy and water, the maximum use of natural lighting and indoor air quality, the use of recycled materials and materials that emit a minimum of toxic substances, the use of acoustics conducive to teaching and learning, and other characteristics of high performance schools.

EC Section 17078.72(l) states: "(l) Notwithstanding paragraphs (e) and (f), a project approved pursuant to this section [Career Technical Education Facilities Program] is also eligible for an incentive grant from the funds specified in paragraph (8) of subdivision (a) of Section 101012 if the project meets the criteria prescribed in that section."

EC Section 101011 states:

> All moneys deposited in the 2006 State School Facilities Fund for the purposes of this chapter shall be available to provide aid to school districts, county superintendents of schools, and county boards of education of the state in accordance with the Leroy F. Greene School Facilities Act of 1998 (Chapter 12.5 (commencing with Section 17070.10) of Part 10), as set forth in Section 101012, to provide funds to repay any money advanced or loaned to the 2006 State School Facilities Fund under any act of the Legislature, together with interest provided for in that act, and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code.
> *(Added by Stats. 2006, Ch. 35, Sec. 16. Approved November 7, 2006, by adoption of Proposition 1D)*

EC Section 101012(a) states:

> The proceeds from the sale of bonds, issued and sold for the purposes of this chapter, shall be allocated in accordance with the following schedule:...
>
> (8) The amount of one hundred million dollars ($100,000,000) for incentive grants to promote the use of designs and materials in new construction and modernization projects that include the attributes of high-performance schools, including, but not limited to, the elements set forth in Section 17070.96, pursuant to regulations adopted by the State Allocation Board.

EC 101012(d)(1) states:

> (d)(1) The Legislature may amend this section to adjust the funding amounts specified in paragraphs (1) to (8), inclusive, of subdivision (a), only by either of the following methods:
> (A) By a statute, passed in each house of the Legislature by rollcall vote entered in the respective journals, by not less than two-thirds of the membership in each house concurring, if the statute is consistent with, and furthers the purposes of, this chapter.
> (B) By a statute that becomes effective only when approved by the voters.

SFP Regulation 1859.71.6 states the following regarding the HPI grant calculation:

(b) Excluding Career Technical Education Facilities Projects, to determine the High Performance Incentive grant, multiply the New Construction Grant by the percentage allowance in accordance with the eligible high performance points as follows:

(1) For those projects accepted by the DSA prior to October 1, 2007, pursuant to (a)(8), in which the level of high performance attained, as concurred by the DSA, is a minimum of 23 points, the New Construction Grant will be multiplied by:

(A) Two percent at 23 points plus 0.03 percent for each point attained from 24 through 33 points; or
(B) 2.35 percent at 34 points plus 0.24 percent for each point attained from 35 through 40 points; or
(C) Four percent at 41 points plus 0.36 percent for each point attained from 42 through 54 points; or
(D) 9.05 percent at 55 points plus 0.060 percent for each point attained from 56 through 72 points.

(2) For those projects accepted by the DSA utilizing the *2006 CA-CHPS Criteria*, in which the level of high performance attained as concurred by the DSA is a minimum of 27 points, the New Construction Grant will be multiplied by:

(A) Two percent at 27 points plus 0.050 percent for each point attained from 28 through 33 points; or
(B) 2.35 percent at 34 points plus 0.24 percent for each point attained from 35 through 40 points; or
(C) four percent at 41 points plus 0.36 percent for each point attained from 42 through 54 points; or
(D) 9.05 percent at 55 points plus 0.060 percent for each point attained from 56 through 75 points.

(3) For those projects accepted by the DSA utilizing the *2009 CA-CHPS Criteria*, in which the level of high performance attained as concurred by the DSA is a minimum of 27 points, the Board shall provide $150,000 one-time per school site as a High Performance Base Incentive Grant. In addition, the New Construction Grant will be multiplied by:

(A) 2.35 percent at 27 points; or
(B) 2.59 percent at 28 points plus 0.24 percent for each point attained from 29 through 33 points; or
(C) Four percent at 34 points plus 0.36 percent for each point attained from 35 through 47 points; or
(D) 9.05 percent at 48 points plus 0.060 percent for each point attained from 49 through 88 points.

(c) For Career Technical Education Facilities Projects accepted by the DSA utilizing the 2009 CA-CHPS Criteria, in which the level of high performance attained as concurred by the DSA is a minimum of 27 points, the Board shall provide $150,000 one-time per school site as a High Performance Base Incentive Grant.

If there are no funds remaining in the High Performance School Account or the funds remaining are insufficient to fully fund the additional grant authorized in Subsections (b) or (c), the district may either withdraw its application and resubmit it should additional funds be made available in the High Performance School Account or continue with the new construction project and accept a full and final apportionment without the additional grant authorized by Subsections (b) or (c).

Any funds apportioned pursuant to this Section shall be expended only on high performance related costs (and components as approved by the OPSC).

SFP Regulation Section 1859.77.4 states the following:

(a) In addition to any other funding authorized by these Regulations, the Board shall provide the grant amounts identified in Subsections (b) or (c), as applicable, if all the following are met:

(1) The project meets the mandatory measures of the California Green Building Standards, California Code of Regulations Title 24, Part 11, as applicable.

(2) The project includes all the prerequisites in each of the five HPRC to include Sustainable Sites, Water, Energy, Materials and Indoor Environmental Quality that are within the scope of the project, and related subcategory credits.

(3) Once the prerequisites in (a)(1) and (a)(2) have been met, the district may select the criteria and credits it wishes to pursue to determine point award. The category, criteria and associated points are as indicated in Section 1859.71.6(a), with the exception of (a)(3)(C) 2., Alternate Energy Sources, that has an amended point allowance that equals three to nine points; three points for the first five percent plus one point for each additional five percent thereafter of the site's annual power consumption that is produced on site not to exceed 35 percent; and the exception of (a)(3)(E)(2)f., Low emitting materials, that has an amended point allowance equal to one to four points.

(4) A minimum of four points must come from either Section 1859.71.6(a)(3)(C)1.b. and/or 2.

(5) The project, which includes a complete set of plans, must be submitted to and accepted by the DSA on or after May 20, 2006.
(6) The DSA has reviewed the proposed project and concurs with the points specified in the HPRC.
(7) The project will not receive funding from the Energy Efficiency Account.
(8) For those projects accepted by the DSA prior to October 1, 2007, districts may utilize the *2002 CA-CHPS Criteria*, and the point standard will be in the range of 23 to 72 points. All prerequisites, credits and points obtained must be based on the *2002 Edition* requirements. Criteria and associated prerequisite or points as indicated in Section 1859.71.6(a)(3)(D)2.a. and 4.c. and f. and (E)1.c. and 2.b. and district resolutions are ineligible, and (a)(4) is optional.
(b) Excluding Career Technical Education Facilities Projects, to determine the High Performance Incentive grant, multiply the New Construction or Modernization Grant, as appropriate, by the percentage allowance in accordance with the eligible high performance points as follows:
(1) For those projects accepted by the DSA prior to October 1, 2007, pursuant to (a)(8), in which the level of high performance attained, as concurred by the DSA, is a minimum of 23 points, the New Construction or Modernization Grant, as appropriate, will be multiplied by:
(A) Two percent at 23 points plus 0.03 percent for each point attained from 24 through 33 points; or
(B) 2.35 percent at 34 points plus 0.24 percent for each point attained from 35 through 40 points; or
(C) Four percent at 41 points plus 0.36 percent for each point attained from 42 through 54 points; or
(D) 9.05 percent at 55 points plus 0.060 percent for each point attained from 56 through 72 points.
(2) For those projects accepted by the DSA utilizing the *2006 CA-CHPS Criteria*, in which the level of high performance attained as concurred by the DSA is a minimum of 20 points, the New Construction or Modernization Grant, as appropriate, will be multiplied by:
(A) Two percent at 20 points plus 0.025 percent for each point attained from 21 through 33 points; or
(B) 2.35 percent at 34 points plus 0.24 percent for each point attained from 35 through 40 points; or
(C) Four percent at 41 points plus 0.36 percent for each point attained from 42 through 54 points; or
(D) 9.05 percent at 55 points plus 0.060 percent for each point attained from 56 through 77 points.
(3) For those projects accepted by the DSA utilizing the *2009 CA-CHPS Criteria*, in which the level of high performance attained as concurred by the DSA is a minimum of 20 points, the Board shall provide $250,000 one time per school site as a High Performance Base Incentive Grant. In addition, the New Construction or Modernization Grant, as appropriate will be multiplied by:
(A) 2.18 percent at 20 points plus 0.025 percent for each point attained from 21 through 26 points; or
(B) 2.35 percent at 27 points plus 0.24 percent for each point attained from 28 through 33 points; or
(C) Four percent at 34 points plus 0.36 percent for each point attained from 35 through 47 points; or
(D) 9.05 percent at 48 points plus 0.060 percent for each point attained from 49 through 84.
(c) For Career Technical Education Facilities Projects accepted by the DSA utilizing the 2009 CA-CHPS Criteria, in which the level of high performance attained as concurred by the DSA is a minimum of 20 points, the Board shall provide $250,000 one time per school site as a High Performance Base Incentive Grant.

If there are no funds remaining in the High Performance School Account or the funds remaining are insufficient to fully fund the additional grant authorized in Subsections (b) or (c), the district may either withdraw its application and resubmit it should additional funds be made available in the High Performance School Account or continue with the addition to an existing site/ modernization project and accept a full and final apportionment without the additional grant authorized by Subsections (b) or (c).

Any funds apportioned pursuant to this Section shall be expended only on high performance related costs (and components as approved by the OPSC).

The *Application for Funding* (Form SAB 50-04) lists the following district certifications:

- The district has considered the feasibility of using designs and materials for the new construction or modernization project that promote the efficient use of energy and water, maximum use of natural light and indoor air quality, the use of recycled materials and materials that emit a minimum of toxic substances, the use of acoustics conducive to teaching and learning, and the other characteristics of high performance schools; and,
- If the district is requesting an additional grant for high performance incentive funding, the school district governing board must have a resolution on fi le that demonstrates support for the high performance incentive grant request and the intent to incorporate high performance features in future facilities projects.