

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, August 23, 2006

ALTERNATIVE EDUCATION CLASSROOM LOADING AND FUNDING

PURPOSE OF REPORT

To present an update on the status of classroom loading standards and funding for continuation high, community day, county community and county community day school projects.

DESCRIPTION

Assembly Bill (AB) 695, Chapter 858, Statutes of 1999, required the Department of General Services (DGS) to complete a study on the loading standards and method of funding for continuation high, community day, county community and county community day school projects. On behalf of the DGS, the Office of Public School Construction (OPSC) in conjunction with the California Department of Education, the Department of Finance, and the Legislative Analyst's Office completed the study and presented it to the State Allocation Board (SAB) and to all school districts in March 2003. The report concluded that the SAB should consider changing the classroom loading standard for Alternative Education classrooms from 25 pupils per classroom (K-6) and 27 pupils per classroom (7-12) to 18 pupils per classroom for all grade levels and the SAB should consider developing a new school allowance for these projects. In August 2003, Staff presented recommendations to the SAB based on the conclusions in the report; however, the Board requested that the item be held over to a future meeting.

In March 2004, Staff presented regulatory amendments to increase the Excessive Cost Hardship Grant for Alternative Education projects; however, a recommendation to amend the classroom loading standard was not presented. Prior to approving Staff's recommendations, the SAB made a request that Staff continue discussions on the classroom loading standard with the Implementation Committee, if not otherwise resolved. In addition to approving the regulatory amendments, the SAB also directed Staff to review the Alternative Education funding activity after approximately one year and present a report on the adequacy of this funding method. In February 2006, Staff presented such a report and indicated that there was insufficient data to conclusively determine if the funding method was adequate, and the Board requested that Staff bring back a report when the close-out audits are complete. The SAB also made a request that Staff bring back a report on the status of the loading standards for Alternative Education schools.

STAFF COMMENTS

The OPSC recognizes that this issue has been in discussion for quite some time and the need to resolve this issue is very important. However, there are a couple of factors that preclude the OPSC from presenting a conclusive recommendation to the Implementation Committee and the SAB at this time. The first of which includes the lack of sufficient data available to proceed with a conclusive recommendation. Any discussion to change the loading standard will trigger a discussion on the appropriate Alternative Education grant that should be provided in the event the loading standard is amended. Prior to having this discussion, it is important that Staff have an opportunity to analyze the information resulting from the close-out audits.

The second factor involves the immediate need to dedicate staff resources on the implementation of AB 127, Chapter 35, Statutes of 2006. AB 127 has an urgency clause that requires regulations be ready for implementation in the event the voters of California approve the bond act in November. Therefore, staff resources have been directed to prepare discussion items and proposed regulations for several upcoming Implementation Committee meetings in anticipation of the November ballot.

Staff proposes to bring the classroom loading standard and funding issue before the Implementation Committee once staff resources are once again available and there is sufficient funding data to review.

RECOMMENDATION

Accept this report.

This Item was approved by the State Allocation Board on August 23, 2006.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, August 23, 2006

EXCESSIVE COST HARDSHIP GRANT FOR
ACCESSIBILITY REQUIREMENTS ON MODERNIZATION PROJECTS

PURPOSE OF REPORT

To request:

1. Adoption of amendments to the School Facility Program (SFP) Regulations regarding the Excessive Cost Hardship Grant for accessibility and fire code requirements in modernization projects.
2. Authorization to file the proposed regulations on an emergency basis with the Office of Administrative Law (OAL).

BACKGROUND

Currently under SFP Regulation Section 1859.83 (f), a modernization project is eligible for an amount equal to three percent of the modernization base grant for handicapped access and fire code requirements. At the May 2006 State Allocation Board (SAB) meeting, the Division of the State Architect (DSA) presented a report regarding the impact of accessibility requirements on modernization projects. The DSA report indicated that the additional three percent increase to the grant may be insufficient to fund the minimum work necessary for districts to meet accessibility requirements for some projects. The report also indicated that in some cases projects may be receiving more funding than necessary. Based on the report, the SAB requested that Staff consult with the SAB's legal counsel to determine if the SAB has the authority to change the grant through regulation. If it is determined feasible, the SAB requested that Staff return to the SAB with a recommendation.

AUTHORITY

The authority to provide the three percent excessive cost hardship grant for accessibility requirements is Education Code Section 17075.10(b)(2) which states that a school district may apply for hardship assistance if it can demonstrate that due to unusual circumstances that are beyond the control of the district, excessive costs need to be incurred in the construction of school facilities. The SAB Legal Counsel has opined that the authority to revise the grant for accessibility requirements is the same as the authority in which the three percent grant was based.

Government Code Section 4450(a) states that it is the purpose of this chapter to ensure that all buildings, structures, sidewalks, curbs, and related facilities, constructed in this state by the use of state, county, or municipal funds, or the funds of any political subdivision of the state shall be accessible to and usable by persons with disabilities.

Pursuant to Government Code Section 4454(a), where state funds... are utilized for the construction of elementary school, secondary school, or community college buildings and facilities subject to this chapter, no contract shall be awarded until the Department of General Services has issued written approval stating that the plans and specifications comply with the intent of this chapter.

STAFF COMMENTS

The cost and the amount of work necessary to meet accessibility requirements varies from project to project. Because of this variance, Staff proposes to amend the current regulations so that the excessive cost hardship grant be based on the actual eligible hard construction costs to complete the minimum work necessary for access compliance as determined by the DSA and the Office of Public School Construction (OPSC). The district

STAFF COMMENTS (cont.)

will be required to submit a detailed cost estimate of all accessibility work included in a project which will be reviewed by the DSA and OPSC.

This grant is capped however, because if the costs to modernize a facility exceed 50 percent of the cost to replace the facility, Title 24 requires that the building must be rehabilitated to conform to the current building code. Therefore, the excessive cost hardship grant for access compliance cannot exceed the difference between 50 percent of the State and district share of the new construction grant (which represents approximately 50 percent of the replacement cost) and the sum of the State and district share of the project's modernization base grant. In addition, some of the modernization base grant will be considered funds available for access compliance as this type of work is integral to the modernization of a school and a portion of the base grant was intended to cover these essential upgrades. Accordingly, the excessive cost hardship grant for access compliance will be the difference of the actual costs required and verified by DSA and the OPSC subtracted by seven percent of the sum of the State and district share of the project's modernization base grant, not to exceed the cap as described above. The chart below illustrates how the excessive cost hardship grant cap is calculated, and how the seven percent is applied:

Calculation of Maximum Grant (Cap) - Based on One Elementary Pupil

State and District Share of New Construction Base Grant at 50%		State and District Share of Modernization Base Grant		Maximum Grant Allowable for Accessibility Requirements
\$7,082	-	\$5,098	=	\$1,984

Examples of Calculation of the Excessive Cost Hardship Grant

If the Minimum Accessibility Work Verified by DSA is:		7% of State and District Share of Modernization Base Grant		Difference	Excessive Cost Grant @ 100%
\$2,000	-	\$357	=	\$1,643	\$1,643
\$2,500	-	\$357	=	\$2,143	\$1,984 (cap)
\$350	-	\$357	=	-\$7	\$0.00

If the modernization project is replacement in like kind pursuant to Regulation Section 1859.79.2(a)(1), Staff is proposing that the excessive cost hardship grant be three percent of the modernization base grant.

The calculation of this grant was discussed at length at two Implementation Committee (Committee) meetings. Some Committee and audience members expressed concern with the development of a cap. They stated that some modernization projects exceed the 50 percent replacement cost even though the buildings are not brought into compliance with the current building codes, and therefore, sufficient funds to complete the desired project will never be received. However, if the project exceeds 50 percent of the replacement cost, the project must be brought into compliance with the current building codes. Staff believes that the modernization program was never intended to provide sufficient funds for school facilities to be compliant with the ever-evolving building code.

STAFF COMMENTS (cont.)

Some Committee members and school district representatives expressed further concern with the determination that seven percent of the modernization base grant will be considered available funding for modernization accessibility requirements. Under the Lease-Purchase Program (LPP), ten percent of the hard construction funding provided for modernization was considered to be available for accessibility requirements. Under the SFP, the modernization base grant covers more than hard construction costs, therefore, 7.5 percent of the SFP modernization base grant is equivalent to ten percent under the LPP. With the understanding that at the time of the conversion to the SFP from the LPP that the modernization base grant is intended to cover hard construction costs including access compliance, Staff believes that recognizing only seven percent of the SFP base grant is more than reasonable.

Some members also requested that design fees for accessibility requirements be considered allowable, excessive hardship costs. Staff considered the request, however, design professionals must always consider accessibility requirements in any project and no additional costs will be incurred with the exception of the requirement of the submittal of a detailed cost estimate. Furthermore, since only seven percent, and not 7.5 percent, of the modernization base grant is being considered available for accessibility work and considering the base grant includes funding for design fees, design costs should not be considered excessive and therefore included in the determination of the grant.

Staff recommends that the SAB approve the attached emergency regulation amendments to the excessive cost hardship grant for access and fire code compliance. Currently, school districts have reported that they are experiencing difficulty completing their modernization projects as planned due to the amount of access compliance work required to receive DSA approval of the plans. Therefore, the OPSC recommends that the SAB adopt the attached regulations on an emergency basis in order to provide school districts immediate funding relief which appears consistent with the preservation of the public peace, health and safety, or general welfare.

RECOMMENDATIONS

1. Adopt the proposed amendments to the regulations as shown on the Attachment and begin the regulatory process.
2. Authorize the OPSC to file these regulations on an emergency basis with the OAL.

BOARD ACTION

In considering this item, the Board approved Staff's recommendations, and also included the following modifications:

- Recommendation 3 which would allow districts the option to choose between the existing regulations and the revised regulations proposed in this item.
- Recommendation 4 requiring Staff to review the policy in one year and report back to the Board.

ATTACHMENT
State Allocation Board Meeting, August 23, 2006

Includes OAL approvals and Secretary of State filings of 10/08/99, 10/13, 12/22, 01/07/2000, 04/12, 06/26, 07/17, 09/12, 12/27, 01/02/2001, 04/05, 07/25, 08/13, 12/21, 04/10/2002, 06/01, 08/12, 09/09, 09/16, 10/04, 11/04, 01/16/2003, 02/06, 02/13, 02/27, 05/01, 07/07, 05/21/2004, 06/01, 07/02, 07/22, 11/02, 11/04, 11/10, 12/06, 12/20, 01/31/2005, 02/03, 02/15, 02/23, 02/28, 03/02, 04/26, 05/24, 05/26, 10/27, 10/31, 03/14 and 05/15/2006

...

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:

...

- (f) Excessive cost due to ~~handicapped access~~ accessibility and fire code requirements.
- (1) ~~The district is eligible for a Modernization Excessive Cost Hardship Grant equal to three percent of the Modernization Grant for handicapped access and fire code requirements. The Modernization Excessive Cost Hardship Grant shall be 60 percent of the amount determined in (A), not to exceed 60 percent of the amount determined in (B):~~
- (A) Determine the difference of the verified hard construction costs of the minimum accessibility work necessary to receive approval from the DSA and seven percent of the sum of the Modernization Grant and the district matching share of the Modernization Grant pursuant to Section 1859.79.
- (B) Determine the difference of (1) minus (2):
1. Multiply the pupils requested in the application by the New Construction Grant.
 2. The sum of the State and district share of the pupils requested on the Form SAB 50-04 multiplied by the grant determined pursuant to Section 1859.78 and 1859.78.3.
- (2) Projects constructed pursuant to Section 1859.79.2(a)(1) may be provided a Modernization Excessive Cost Hardship Grant equal to three percent of the Modernization Grant.
- ~~(2)~~ (3) The district is eligible for a Modernization Excessive Cost Hardship Grant of:
- (A) \$80,000 for each new two-stop elevator required to be included in the project by the DSA if the Approved Application was received on or before April 29, 2002.
- (B) \$60,000 for each new two-stop elevator required to be included in the project by the DSA if the Approved Application is received after April 29, 2002.
- The amounts shown in (A) and (B) above shall be adjusted annually in the manner prescribed in Section 1859.78.
- ~~(3)~~ (4) The district is eligible for a Modernization Excessive Cost Hardship Grant of:
- (A) \$14,400 for each additional stop of the new elevator required in (2) above if the Approved Application was received on or before April 29, 2002.
- (B) \$10,800 for each additional stop of the new elevator required in (2) above if the Approved Application was received after April 29, 2002.
- The amounts shown in (A) and (B) above shall be adjusted annually in the manner prescribed in Section 1859.78.

Note: Authority cited: Sections 17070.35 and 17075.15, Education Code.

Reference: Sections 17072.32, 17074.15, 17074.16, 17075.10, 17075.15, 17077.40, 17077.42 and 17077.45, Education Code.

FINAL STATEMENT OF REASONS

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

Section 1859.83. Excessive Cost Hardship Grant.

Specific Purpose of the Regulation

To provide changes to the calculation of the excessive cost hardship grant.

Need for the Regulation

It was necessary to provide an option to school districts when requesting an excessive cost hardship for accessibility and fire code requirements. The current regulation provides a three percent increase to the modernization base grant for access and fire code requirements. However, a study was completed by the Division of the State Architect (DSA) and the results were presented to the State Allocation Board (SAB). The study indicated that the additional three percent increase to the grant may be insufficient to fund the minimum work necessary for districts to meet accessibility requirements for some modernization projects and may be over-funding other projects. The cost and amount of work necessary to meet accessibility and fire code requirements varies from project to project; therefore, it is necessary to amend the regulations to allow school districts the option of requesting funding for accessibility and fire code requirements based on actual eligible hard costs.

Subsection (f): It was necessary to make this non-substantive change in order to provide clarity and consistency throughout these regulations.

Subsection (f)(1): It was necessary to amend this subsection in order to provide school districts with the option to request 60 percent of the actual verified hard construction costs not to exceed 50 percent of the replacement value, in lieu of the three percent.

Subsection (f)(1)(A): It was necessary to add this subsection in order to provide the calculation to determine the excessive cost hardship grant for which a school district may be eligible. An example of the calculation based on one elementary pupil grant is:

If the minimum accessibility work verified by the DSA is:	\$ 2,000
Minus the seven percent of the State and District Share of Modernization Base Grant (\$5,437)	<u>- 381</u>
The Excessive Cost Hardship Grant at 100 percent is:	= \$1,619

60 percent of the excessive cost hardship grant is equal to \$971.

Subsection(f)(1)(B) through (f)(1)(B)2.: It was necessary to add these subsections in order to provide the calculation to determine the 50 percent replacement cost which is the maximum amount a school district may receive. For example (based on one elementary pupil grant):

State and District Share of New Construction Base Grant at 50 percent	=	\$8,081
Minus the State and District Share of Modernization Base Grant	=	<u>-\$5,437</u>
Maximum Grant Allowable for Accessibility Requirements	=	\$2,644

60 percent of the maximum grant allowable for accessibility requirements is equal to \$1,586.

Subsection(f)(2): It was necessary to amend this subsection in order to provide the calculation for the excessive cost hardship grant for accessibility and fire code requirements for modernization projects that are replacement in like kind. Further, it was necessary to correct the consecutive numbering for consistency.

SCHOOL FACILITY PROGRAM FORM

Application for Funding, Form SAB 50-04 (Revised 08/06).

Specific Purpose of the Form Amendments

To make clarifying language changes.

Need for the Form Amendments

Page 1, 2nd column: It was necessary to instruct school districts on the additional documents that must be submitted as they relate to a request for modernization funding.

Page 3, 2nd column, #7, Under Modernization Only: It is necessary to make this change in order to provide clarity to ensure clear direction to school districts as to when they are eligible to request this excessive cost hardship grant and how to request the grant.

Page 6, 1st column, #7, Under Modernization Only: It was necessary to add the data fields in order to allow school districts to choose what additional funding method they want to use when eligible to request the additional grant for accessibility and fire code requirements.

Office of Administrative Law Regulations, Title 1, Section 20(c)(1)

The State Allocation Board's School Facility Program Form is maintained and readily accessible through our Web site. Publishing the many pages of forms would be cumbersome and impractical because the forms are frequently revised. Therefore, it is not necessary to publish the form in the California Code of Regulations.

Office of Administrative Law Regulations, Title 1, Section 20(c)(2)

The State Allocation Board's School Facility Program Form is made available upon request and through our Web site throughout this rulemaking, and continues to be made available upon request and through our Web site.

FEDERAL RENOVATION PROGRAM

Section 1859.202. Definitions.

Specific Purpose of the Regulation

To provide the meaning of additional specific words and terms that are essential to these regulations.

Need for the Regulation

A complete set of defined words and terms, for use in these regulations, is necessary to provide a clear explanation of all aspects of the programs mandated by the Act, and enacted through these regulations.

Regulation Section 1859.202 makes reference to Form SAB 50-04 and its revision date. Because Form SAB 50-04 was amended by this regulatory action with the corresponding change of its revision date to "08/06," it is necessary to change the revision date to "08/06" following the mention of the Form in this Section. This is a non-substantive change for purposes of ensuring consistency throughout the State Allocation Board's regulations.

STATE SCHOOL DEFERRED MAINTENANCE PROGRAM

Section 1866. Definitions.

Specific Purpose of the Regulation

To provide the meaning of additional specific words and terms that are essential to these regulations.

Need for the Regulation

A complete set of defined words and terms, for use in these regulations, is necessary to provide a clear explanation of all aspects of the programs mandated by the Act, and enacted through these regulations.

Regulation Section 1866 makes reference to Form SAB 50-04 and its revision date. Because Form SAB 50-04 was amended by this regulatory action with the corresponding change of its revision date to "08/06," it is necessary to change the revision date to "08/06" following the mention of the Form in this Section. This is a non-substantive change for purposes of ensuring consistency throughout the State Allocation Board's regulations.

DOCUMENTS RELIED UPON AND STATEMENTS REGARDING THE RULEMAKING

Technical Documents Relied Upon

The State Allocation Board's Action item, dated August 23, 2006, entitled "Excessive Cost Hardship Grant for Accessibility Requirements on Modernization Projects."

Alternatives to the Proposed Regulatory Actions that would be as Effective and Less Burdensome to Private Persons

The SAB finds that no alternatives it has considered would be more effective in carrying out the purpose of the proposed regulations or would be as effective and less burdensome to affected private persons than the proposed regulations.

Alternatives to the Proposed Regulatory Actions that would Lessen any Adverse Economic Impact on Small Business

The SAB has determined that the proposed regulations do not affect small businesses.

Finding of Significant Adverse Economic Impact on Businesses

The SAB has determined that the adoption of the regulations will not affect small businesses because they are not required to comply with or enforce the regulations, nor will they benefit from or be disadvantaged by the regulations.

Impact on Local Agencies or School Districts

The SAB has determined that the proposed regulations do not impose a mandate or a mandate requiring reimbursement by the State pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code. It will not require local agencies or school districts to incur additional costs in order to comply with the proposed regulations.

INITIAL STATEMENT OF REASONS

Section 1859.83 Excessive Cost Hardship Grant

Specific Purpose of the Regulation

To provide changes to the calculation of the excessive cost hardship grant.

Need for the Regulation

It was necessary to provide an option to school districts when requesting an excessive cost hardship for accessibility and fire code requirements. The current regulation provides a three percent increase to the modernization base grant for access and fire code requirements. However, a study was completed by the Division of the State Architect (DSA) and the results were presented to the State Allocation Board (SAB). The study indicated that the additional three percent increase to the grant may be insufficient to fund the minimum work necessary for districts to meet accessibility requirements for some modernization projects and may be over-funding other projects. The cost and amount of work necessary to meet accessibility and fire code requirements varies from project to project; therefore, it is necessary to amend the regulations to allow school districts the option of requesting funding for accessibility and fire code requirements based on actual eligible hard costs.

Subsection (f): It was necessary to make this non-substantive change in order to provide clarity and consistency throughout these regulations.

Subsection (f)(1): It was necessary to amend this subsection in order to provide school districts with the option to request 60 percent of the actual verified hard construction costs not to exceed 50 percent of the replacement value, in lieu of the three percent.

Subsection (f)(1)(A): It was necessary to add this subsection in order to provide the calculation to determine the excessive cost hardship grant for which a school district may be eligible. An example of the calculation based on one elementary pupil grant is:

If the minimum accessibility work verified by the DSA is:	\$ 2,000
Minus the seven percent of the State and District Share of Modernization Base Grant (\$5,437)	= - 381
The Excessive Cost Hardship Grant at 100 percent is:	= \$1,619

60 percent of the excessive cost hardship grant is equal to \$971.

Subsection(f)(1)(B) through (f)(1)(B)2.: It was necessary to add these subsections in order to provide the calculation to determine the 50 percent replacement cost which is the maximum amount a school district may receive. For example (based on one elementary pupil grant):

State and District Share of New Construction Base Grant at 50 percent	=	\$8,081
Minus the State and District Share of Modernization Base Grant	=	<u>-\$5,437</u>
Maximum Grant Allowable for Accessibility Requirements	=	\$2,644

60 percent of the maximum grant allowable for accessibility requirements is equal to \$1,586.

Subsection(f)(2): It was necessary to amend this subsection in order to provide the calculation for the excessive cost hardship grant for accessibility and fire code requirements for modernization projects that are replacement in like kind. Further, it was necessary to correct the consecutive numbering for consistency.

Technical Documents Relied Upon

The State Allocation Board's Action item, dated August 23, 2006, entitled "Excessive Cost Hardship Grant for Accessibility Requirements on Modernization Projects."

Alternative to the Proposed Regulatory Action that would be as Effective and Less Burdensome to Private Persons

The SAB finds that no alternatives it has considered would be more effective in carrying out the purpose of the proposed regulations or would be as effective and less burdensome to affected private persons than the proposed regulations.

Alternatives to the Proposed Regulatory Action that would Lessen any Adverse Economic Impact on Small Business

The SAB has determined that the proposed regulations do not affect small businesses.

Finding of Significant Adverse Economic Impact on Businesses

The SAB has determined that the adoption of the regulations will not affect small businesses because they are not required to comply with or enforce the regulations, nor will they benefit from or be disadvantaged by the regulations.

Impact on Local Agencies or School Districts

The SAB has determined that the proposed regulations do not impose a mandate or a mandate requiring reimbursement by the State pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code. It will not require local agencies or school districts to incur additional costs in order to comply with the proposed regulations.

SCHOOL FACILITY PROGRAM FORM

Application for Funding, Form SAB 50-04 (Revised 08/06).

Specific Purpose of the Form

To make clarifying language changes.

Need for the Form

Page 1, 2nd column: It was necessary to instruct school districts on the additional documents that must be submitted as they relate to a request for modernization funding.

Page 3, 2nd column, #7, Under Modernization Only: It is necessary to make this change in order to provide clarity to ensure clear direction to school districts as to when they are eligible to request this excessive cost hardship grant and how to request the grant.

Page 6, 1st column, #7, Under Modernization Only: It was necessary to add the data fields in order to allow school districts to choose what additional funding method they want to use when eligible to request the additional grant for accessibility and fire code requirements.

Technical Documents Relied Upon

The State Allocation Board's Action item, dated August 23, 2006, entitled "Excessive Cost Hardship Grant for Accessibility Requirements on Modernization Projects."

Alternative to the Proposed Regulatory Action that would be as Effective and Less Burdensome to Private Persons

The SAB finds that no alternatives it has considered would be more effective in carrying out the purpose of the proposed regulations or would be as effective and less burdensome to affected private persons than the proposed regulations.

Alternatives to the Proposed Regulatory Action that would Lessen any Adverse Economic Impact on Small Business

The SAB has determined that the proposed regulations do not affect small businesses.



January 19, 2007

TO: ALL SCHOOL DISTRICTS, COUNTY SUPERINTENDENTS OF SCHOOLS AND
OTHER INTERESTED PARTIES

TITLE 2. STATE ALLOCATION BOARD

NOTICE OF PROPOSED REGULATORY ACTION

THE STATE ALLOCATION BOARD PROPOSES TO
AMEND REGULATION SECTION 1859.83, ALONG WITH AN
ASSOCIATED FORM, TITLE 2, CALIFORNIA CODE OF REGULATIONS,
RELATING TO LEROY F. GREENE SCHOOL FACILITIES ACT OF 1998

NOTICE IS HEREBY GIVEN that the State Allocation Board (SAB) proposes to amend Regulation Section 1859.83, along with an associated form, contained in Title 2, California Code of Regulations (CCR). A public hearing is not scheduled. A public hearing will be held if any interested person, or his or her duly authorized representative, submits a written request for a public hearing to the Office of Public School Construction (OPSC) no later than 15 days prior to the close of the written comment period. Following the public hearing, if one is requested, or following the written comment period if no public hearing is requested, the OPSC, at its own motion or at the instance of any interested person, may adopt the proposals substantially as set forth above without further notice.

AUTHORITY AND REFERENCE CITATIONS

The SAB is proposing to amend the above regulation section under the authority provided by Sections 17070.35 and 17075.15 of the Education Code. The proposals interpret and make specific reference to Sections 17072.32, 17074.15, 17074.16, 17075.10, 17075.15, 17077.40, 17077.42 and 17077.45 of the Education Code.

INFORMATIVE DIGEST/POLICY OVERVIEW STATEMENT

The Leroy F. Greene School Facilities Act of 1998 established, through Senate Bill 50, Chapter 407, Statutes of 1998, the School Facility Program (SFP). The SFP provides a per-pupil grant amount to qualifying school districts for purposes of constructing school facilities and modernizing existing school facilities. The SAB adopted regulations to implement the Leroy F. Greene School Facilities Act of 1998, which were approved by the Office of Administrative Law and filed with the Secretary of State on October 8, 1999.

The State Allocation Board at its August 23, 2006 meeting adopted proposed emergency regulatory amendments that would allow an alternative computation for the excessive cost hardship grant which helps school districts to afford the costs for required accessibility and fire code compliance in modernization projects. These costly compliance standards are mandated by State and Federal law, and protect the lives and safety of persons with disabilities.

School districts are reporting difficulty affording the required access compliance work in modernization projects, which was confirmed in a recent report by the Division of the State Architect (DSA). The DSA found an overall average of 26 percent of modernization construction costs were attributed to accessibility requirements, and that the existing SFP excessive cost hardship grant (a three percent increase to the modernization grant) was usually insufficient to fund the minimum work necessary for districts to meet accessibility requirements.

Accessibility compliance in public school projects is required in Government Code Sections 4450 et seq., the Americans with Disabilities Act of 1990 (ADA), and the Accessibility Guidelines adopted by the United States Department of Justice at 28 CFR Part 36. All school buildings, structures, sidewalks, curbs, and related facilities constructed with State funds must be accessible to and usable by persons with disabilities, and no contract may be awarded until the Department of General Services has issued written approval for accessibility compliance in the plans and specifications.

The proposed alternate computation would be the difference of the actual costs required for access compliance and verified by the DSA and the OPSC minus seven percent of the sum of the State and district share of the project's modernization base grant (the seven percent of the modernization base grant is subtracted because that percentage of the modernization base grant is already deemed available for modernization accessibility requirements), but not to exceed a cap based on reasonable Title 24 building code compliance.

The amendments are summarized as follows:

Existing Regulation Section 1859.83 sets forth school district eligibility criteria for excessive cost hardship grant funding as a result of specified unusual circumstances. The proposed amendment provides an alternative computation for the existing excessive cost hardship grant for purposes of helping applicant school districts meet costs for accessibility and fire code requirements in modernization projects.

Existing Form SAB 50-04, *Application for Funding*, is submitted by school districts to apply for State funding for new construction or modernization projects. The proposed amendments add data fields for applicant school districts to choose between the existing or proposed alternative computation for the excessive cost hardship grant for accessibility and fire code compliance in modernization projects. Instructions are added for the district to make this choice and to submit the DSA approved list of the minimum required accessibility work and a detailed cost estimate for the work in the plans. The term "handicapped access" is deleted and replaced by the word "accessibility" to conform with the terminology in State and Federal law.

IMPACT ON LOCAL AGENCIES OR SCHOOL DISTRICTS

The Executive Officer of the SAB has determined that the proposed regulations do not impose a mandate or a mandate requiring reimbursement by the State pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code. It will not require local agencies or school districts to incur additional costs in order to comply with the proposed regulations.

ECONOMIC IMPACT

The Executive Officer of the SAB has assessed the potential for significant adverse economic impact on businesses or private persons that might result from the proposed regulatory action and the following determinations have been made relative to the required statutory categories:

- The SAB has made an initial determination that there will be no significant, statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.
- There will be no impact in the creation or elimination of jobs within the State, the creation of new businesses or the elimination of existing businesses or the expansion of businesses in California.
- The SAB is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.
- There will be no non-discretionary costs or savings to local agencies.
- There will be no costs to school districts except for the required district contribution toward each project as stipulated in statute.
- There will be no costs or savings in federal funding to the State.
- There are no costs or savings to any State agency.
- The SAB has made an initial determination that there will be no impact on housing costs.

EFFECT ON SMALL BUSINESSES

It has been determined that the adoption of the regulation sections will not affect small businesses in the ways identified in subsections (a)(1)–(4) of Section 4, Title 1, CCR. These regulations only apply to school districts for purposes of funding school facility projects under the SFP.

SUBMISSION OF COMMENTS, DOCUMENTS AND ADDITIONAL INFORMATION

Any interested person may present statements, arguments or contentions, in writing, submitted via U.S. mail, e-mail or fax, relevant to the proposed regulatory action. Written comments submitted via U.S. mail, e-mail or fax must be received at the OPSC no later than March 5, 2007, at 5:00 p.m. The express terms of the proposed regulations as well as the Initial Statement of Reasons are available to the public.

Written comments, submitted via U.S. mail, e-mail or fax, regarding the proposed regulatory action, requests for a copy of the proposed regulatory action or the Initial Statement of Reasons, and questions concerning the substance of the proposed regulatory action should be addressed to:

Robert Young, Regulation Coordinator

Mailing Address: Office of Public School Construction
1130 K Street, Suite 400
Sacramento, CA 95814

E-mail Address: robert.young@dgs.ca.gov

Fax No.: (916) 445-5526

AGENCY CONTACT PERSONS

General or substantive questions regarding this Notice of Proposed Regulatory Action may be directed to Robert Young at (916) 445-0083. If Mr. Young is unavailable, these questions may be directed to the backup contact person, Lisa Jones, Supervisor, Regulations Team, at (916) 322-1043.

ADOPTION OF REGULATIONS

Please note that, following the public comment period, the SAB may adopt the regulations substantially as proposed in this notice or with modifications, which are sufficiently related to the originally proposed text and notice of proposed regulatory activity. If modifications are made, the modified text with the changes clearly indicated will be made available to the public for at least 15 days prior to the date on which the SAB adopts the regulations.

The modified regulation(s) will be made available and provided to: all persons who testified at and who submitted written comments at the public hearing, all persons who submitted written comments during the public comment period, and all persons who requested notification from the agency of the availability of such changes. Requests for copies of any modified regulation should be addressed to the agency's regulation coordinator identified above. The SAB will accept written comments on the modified regulations during the 15-day period.

SUBSTANTIAL CHANGES WILL REQUIRE A NEW NOTICE

If, after receiving comments, the SAB intends to adopt the regulations with modifications not sufficiently related to the original text, the modified text will not be adopted without complying anew with the notice requirements of the Administrative Procedure Act.

RULEMAKING FILE

Pursuant to Government Code Section 11347.3, the SAB is maintaining a rulemaking file for the proposed regulatory action. The file currently contains:

1. A copy of the text of the regulations for which the adoption is proposed in ~~strikeout~~/underline.
2. A copy of this notice.
3. A copy of the Initial Statement of Reasons for the proposed adoption.
4. The factual information upon which the SAB is relying in proposing the adoption.

As data and other factual information, studies, reports or written comments are received, they will be added to the rulemaking file. The file is available for public inspection at the OPSC during normal working hours. Items 1 through 3 are also available on the OPSC Internet Web site at: <http://www.opsc.dgs.ca.gov> under "Regulations," then click on "Proposed Regulations."

ALTERNATIVES

In accordance with Government Code Section 11346.5(a)(13), the SAB must determine that no reasonable alternative it considered or that has otherwise been identified and brought to the attention of the SAB would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

AVAILABILITY OF THE FINAL STATEMENT OF REASONS

Upon its completion, the Final Statement of Reasons will be available and copies may be requested from the agency's regulation coordinator named in this notice or may be accessed on the Web site listed above.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, August 23, 2006

REPAYMENT SCHEDULE FOR AMOUNTS DUE TO THE STATE

PURPOSE OF REPORT

To notify the State Allocation Board (SAB) that amendments to the School Facility Program (SFP) Regulations to establish criteria for repaying amounts due to the State were not successful and have been withdrawn from the Office of Administrative Law (OAL).

DESCRIPTION

Recently, the SAB was presented with a situation wherein a school district will be required to return funds to the State which would place the school district in a financial distress if all the funds have to be returned to the State within 60-days as required by the Education Code. To assist the district in meeting their financial commitment and avoid possible financial distress, in May 2006, Staff presented regulatory amendments to establish criteria for repaying amounts due to the State. The Board adopted the proposed regulations and authorized Staff to file the proposed regulations on an emergency basis with the OAL. Upon further research and review, Staff has recently withdrawn the proposed amendments to the SFP because OAL has opined that the law does not provide sufficient authority for the amended regulations.

AUTHORITY

Education Code (EC) 17076.10 (c) states that school districts required by the Board to return State funds must repay the amount within 60 days. If a school district fails to make the required payment, the Office of Public School Construction shall notify the Controller and the school district in writing, and the Controller shall deduct the amount from the school district's next principal apportionment or apportionments of state funds to the district.

EC Section 17070.51(b)(1) cites that after the Board determines that a Material Inaccuracy occurred, specific penalties are authorized in Education that allow the Board to establish a repayment schedule of no more than five years; "the school district shall repay to the Board ... an amount proportionate to the additional funding received as a result of the material inaccuracy including interest at the rate paid on moneys in the Pooled Money Investment Account...."

STAFF COMMENTS

Staff is aware of one other situation wherein the district will owe a substantial sum of money to the State that will potentially place the district's budget in severe financial jeopardy if the amount due was repaid in one lump sum payment. The district is requesting that once the audit is finalized that it be allowed to make incremental payments.

Changes to the law are necessary in order to provide the SAB with flexibility regarding the ability to offer a repayment schedule over a period of five years. It is our understanding that such attempts are currently being made through legislation. It is anticipated that the legislative remedy will be in place prior to the final closeout audit for these projects.

RECOMMENDATION

Accept the report.

This Item was approved by the State Allocation Board on August 23, 2006.

REPORT OF THE EXECUTIVE OFFICER
State Allocation Board Meeting, August 23, 2006

SCHOOL FACILITY PROGRAM JOINT-USE PROJECTS

PURPOSE OF REPORT

To present requests for funding under the School Facility Program (SFP) Joint-Use Program.

DESCRIPTION

Under the SFP Joint-Use Program, a school district may partner with a local entity to build either a Type I or Type II facility.

- A Type I facility is a joint-use project that is a part of a qualifying SFP new construction project and is constructed under the Joint-Use Program. The proposed facility consists of an increased square footage amount and/or an increase in eligible costs that are greater than that applied to a standard like-project under the SFP. The joint-use project may consist of a multipurpose room, gymnasium, childcare facility, library, or teacher education facility that is part of a new construction project.
- A Type II facility allows for the construction of new joint-use facilities or the reconfiguration of existing school buildings to provide for a multipurpose room, gymnasium, childcare facility, library, or teacher education facility.

A district may submit more than one application for each type of project; however, after its first application is placed on a funding priority list in date-received order, its subsequent applications are not placed on the priority for funding list until all other districts' initial applications are placed on the list. This allows all districts, that have applied, the opportunity to receive funding under the Joint-Use Program. In addition, Type I applications receive funding consideration first and then Type II applications are considered, if remaining funds are available. Once the funds are exhausted, the remaining projects are returned to the school districts as there is no unfunded list. The school districts may reapply in subsequent filing periods when funds become available.

A financial contribution towards the cost of the joint-use project must be equal to the State's share (50/50). The contribution made by the joint-use partner(s) must be no less than 25 percent of the eligible project costs. The remaining local contribution may come from any other district source that would not otherwise be available to the State Allocation Board (SAB). However, if the school district has passed a local bond which specifies that such funds are to be used for that joint-use project, then the school district may opt to provide up to the full 50 percent local share of eligible costs. The State share of a joint-use project will be the lesser of 50 percent of the eligible project costs not to exceed \$1 million if the project is serving an elementary school, \$1.5 million if the project is serving a middle school, or \$2 million if the project is serving a high school.

AUTHORITY

Education Code (EC) Section 17077.40 establishes the authority to fund joint-use projects to construct facilities on Kindergarten to grade 12 school sites.

EC Section 17088.2 states in part that the Board may transfer any funds within the State School Building Aid Fund that are in excess of the amounts needed by the Board for the maintenance of portable buildings or for the purchase of new portable buildings, for that fiscal year, to any of the following, as appropriate: the 1998, 2002, or 2004 State School Facilities Fund for allocation by the Board for any purpose authorized pursuant to that fund.

STAFF COMMENTS

Applications Received

The SFP Joint-Use Program application filing period was June 1, 2005 through May 31, 2006 for projects to be considered for funding at a future SAB meeting. Staff received a total amount of \$46,619,927 in qualifying joint-use projects; these are listed on the Attachment in priority order. Also included on the Attachment to be considered for funding is the St. Helena Unified School District project, which is part of the Specials calendar in today's agenda. There are two projects included in the Attachment that are being built below minimum essential facility standards. However, the California Department of Education has approved the reduced square footage for these projects.

Funding Availability and Options

Two joint-use projects are being rescinded as part of the Consent Calendar in today's agenda, bringing the total available SFP Joint-Use Program funds to \$34,876,363. If the St. Helena Unified School District project is also rescinded at this Board (in the Specials section of today's agenda), the total available would be \$35,425,351. This amount would provide joint-use funding for districts listed above the line on the Attachment, with the exception of Stockton Unified and Big Oak Flat-Groveland Unified School Districts, which declined a partial apportionment. The remaining balance of joint-use funds would be \$30,279, which is insufficient to fund additional projects.

As shown on the Attachment, there is still an outstanding need for joint-use funding. The Board has the following options:

Option 1 - The Board has at its disposal the authority to apportion the remaining projects with funds that can be transferred from the State Relocatable Classroom Program (SRCP). Pursuant to EC Section 17088.2, the Board may transfer any funds within the State School Building Aid Fund that are in excess of the amounts needed by the Board to the 2004 State School Facilities Fund for allocation for any purpose authorized pursuant to the 2004 State School Facilities Fund. The funds that would be requested to be transferred would be enough to fund the rest of the joint-use projects. An item would be presented to fund the projects at a future SAB meeting, when revenue becomes available.

Option 2 - The second option available to the Board would be to hold over the remaining projects until November, at which time Proposition 1D, (Chapter 35, Statutes of 2006 – Nunez and Perata), will be presented to the voters of California. If this measure is approved, it will provide \$50 million for joint-use projects which the Board may use to fund the remaining eligible projects on the Attachment.

Joint-Use Appeals

Beyond those joint-use projects shown on the Attachment, there are three appeal requests that will be presented at the September SAB meeting. Staff determined that the districts did not meet the criteria for funding and the applications were returned to the districts. The districts are appealing Staff's findings. If the Board approves either of the above funding source options, those funds could be used to apportion the three appeal requests, in the event the Board approves the appeal(s).

RECOMMENDATIONS

1. Apportion the available funding for eligible projects as indicated on the Attachment.
2. Consider apportioning the remaining eligible projects utilizing either Option 1 or Option 2.

BOARD ACTION

In considering this item, the Board approved Staff's recommendation number one, with a further recommendation that options to fund the unfunded joint-use projects be considered at the December 2006 meeting following the outcome of the November 2006 statewide school bond election.

ATTACHMENT
SCHOOL FACILITY JOINT-USE PROGRAM
August 23, 2006 SAB MEETING

(Rev.2)

County	School District	Site Name	Application Number	Type of Facility	Joint Use Type	Grade Level	Project Cost				Cumulative Value of State Apportionment
							Total Estimated Cost	Joint Use Partner Share	**Additional Dist./JU Partner Contribution	***State Apportionment	
Contra Costa	Brentwood Union	Marsh Creek Elementary*	52/61655-00-005	Multipurpose	1	K-6	\$927,010	\$417,155	\$0	\$463,505	\$463,505
Riverside	Alvord Unified	The Learning Center*	52/66977-00-001	Teacher Ed	1	K-6	\$2,082,746	\$500,000	\$82,746	\$1,000,000	\$1,463,505
Solano	Dixon Unified	Dixon High*	52/70532-00-001	Gym	1	9-12	\$3,851,500	\$962,875	\$0	\$1,925,750	\$3,389,255
Imperial	McCabe Union Elementary	McCabe Middle*	52/63180-00-001	Gym	1	7-8	\$2,882,100	\$1,441,050	\$0	\$1,441,050	\$4,830,305
Placer	Western Placer Unified	Lincoln Crossing Elementary*	52/66951-00-005	Multipurpose	1	K-6	\$1,979,604	\$494,901	\$0	\$989,802	\$5,820,107
Stanislaus	Patterson Joint Unified	Walnut Grove Middle School*	52/71217-00-001	Gym	1	7-8	\$5,224,062	\$750,000	\$2,224,062	\$1,500,000	\$7,320,107
Placer	Roseville Joint Union High	Antelope High*	52/66928-00-001	Gym	1	9-12	\$5,458,124	\$0	\$1,458,124	\$2,000,000	\$9,320,107
Contra Costa	Brentwood Union	J. Douglas Adams Middle*	52/61655-00-006	Gym	1	7-8	\$2,348,450	\$1,174,225	\$0	\$1,174,225	\$10,494,332
Riverside	Alvord Unified	The Learning Center*	52/66977-00-002	Library	1	K-6	\$1,826,216	\$465,054	\$0	\$930,108	\$11,424,440
San Diego	Fallbrook Union Elementary	Potter (James E.) Inter.	52/68114-00-001	Gym	2	7-8	\$4,645,928	\$0	\$1,645,928	\$1,500,000	\$12,924,440
Tuolumne	Big Oak Flat-Groveland Unified	Tioga High	52/75184-00-001	Gym	2	9-12	\$2,928,532	\$0	\$0	\$1,469,384	\$14,393,824
San Joaquin	Escalon Unified	Van Allen Elementary	52/68502-00-001	Multipurpose	2	K-6	\$1,372,678	\$343,170	\$0	\$686,339	\$15,080,163
Kings	Corcoran Joint Unified	Corcoran High	52/63891-00-001	Teacher Ed	2	9-12	\$6,739,206	\$1,080,000	\$2,739,206	\$2,000,000	\$17,080,163
Riverside	Nuview Union	Nuview Elementary	52/67157-00-002	Child Care	2	K-6	\$806,060	\$201,515	\$0	\$404,411	\$17,484,574
San Joaquin	Manteca Unified	Neil Hafley	52/68593-00-003	Gym	2	K-6	\$4,071,204	\$500,000	\$2,071,204	\$1,000,000	\$18,484,574
Stanislaus	Keyes Union Elementary	Barbara Spratling Middle	52/71134-00-002	Multipurpose	2	7-8	\$1,627,182	\$0	\$0	\$813,591	\$19,298,165
Lake	Konocti Unified	East Lake Elementary	52/64022-00-005	Library	2	K-6	\$372,132	\$0	\$0	\$186,696	\$19,484,861
San Joaquin	Linden Unified	Linden High	52/68577-00-005	Teacher Ed	2	9-12	\$3,132,614	\$783,154	\$0	\$1,566,307	\$21,051,168
Orange	Buena Park Elementary	Buena Park Junior High	52/66456-00-001	Gym	2	7-8	\$5,295,650	\$750,000	\$2,295,650	\$1,500,000	\$22,551,168
Alameda	San Leandro Unified	Muir (John) Junior High	52/61291-00-001	Teacher Ed	2	7-8	\$3,519,296	\$750,000	\$519,296	\$1,500,000	\$24,051,168
Santa Clara	Gilroy Unified	Macsa El Portal Leadership	52/69484-00-001	Multipurpose	2	9-12	\$2,754,402	\$688,601	\$0	\$1,377,201	\$25,428,369
Alameda	San Lorenzo Unified	Washington Manor Middle	52/61309-00-001	Gym	2	7-8	\$4,306,776	\$750,000	\$1,306,776	\$1,500,000	\$26,928,369
Imperial	El Centro Elementary	Wilson Junior High	52/63123-00-001	Gym	2	7-8	\$4,063,454	\$0	\$1,069,454	\$1,500,000	\$28,428,369
Riverside	Menifee Union Elementary	Menifee Valley Middle Expan.	52/67116-00-001	Gym	2	7-8	\$5,116,556	\$750,000	\$2,116,556	\$1,500,000	\$29,928,369
Fresno	Kerman Unified	Kerman-Floyd Elementary 1	52/73999-00-004	Library	2	K-6	\$799,206	\$0	\$0	\$399,603	\$30,327,972

* The Joint-Use approval is contingent upon the SAB approval of the qualifying new construction project, in accordance with Regulation Section 1859.123.

** Any additional financial contributions can be made by the Joint-Use partner(s), the district or any other local source.

*** The State Apportionment has a maximum cap of \$1,000,000 for an elementary school, \$1,500,000 for a middle school, and \$2,000,000 for a high school.

Note: Amounts shown have been adjusted per Regulation Section 1859.71

1. The District is not building Minimum Essential Facilities; however, the CDE has approved the reduced square footage.

**ATTACHMENT
SCHOOL FACILITY JOINT-USE PROGRAM
August 23, 2006 SAB MEETING**

(Rev.2)

County	School District	Site Name	Application Number	Type of Facility	Joint Use Type	Grade Level	Project Cost				Cumulative Value of State Apportionment
							Total Estimated Cost	Joint Use Partner Share	**Additional Dist./JU Partner Contribution	***State Apportionment	
Los Angeles	Montebello Unified	Rosewood Park Elementary	52/64808-00-001	Library	2	7-8	\$731,440	\$0	\$0	\$365,720	\$30,693,692
Los Angeles	Arcadia Unified	Foothills Middle	52/64261-00-001	Gym	2	7-8	\$3,655,140	\$750,000	\$655,140	\$1,500,000	\$32,193,692
Marin	Marin COE	Marin County Comm. School	52/10215-00-001	Teacher Ed	2	9-12	\$1,079,186	\$269,797	\$0	\$539,593	\$32,733,285
Inyo	Owens Valley Unified	Owens Valley Elementary	52/63297-00-001	Multipurpose	2	K-8	\$1,448,422	\$0	\$0	\$726,757	\$33,460,042
Tulare	Dinuba Unified	Dinuba High	52/75531-00-001	Teacher Ed	2	9-12	\$1,870,060	\$467,515	\$0	\$935,030	\$34,395,072
San Joaquin	Stockton Unified	Garfield High 2	52/68676-00-001	Gym	2	9-12	\$5,107,600	\$1,000,000	\$1,107,600	\$2,000,000	
Tuolumne	Big Oak Flat-Groveland Unified	Pedro (Don) High	52/75184-00-002	Multipurpose	2	9-12	\$4,029,128	\$0	\$29,128	\$1,452,800	
San Joaquin	Manteca Unified	Shasta Elementary	52/68593-00-002	Gym	2	K-6	\$2,674,754	\$500,000	\$674,754	\$1,000,000	\$35,395,072
Alameda	San Lorenzo Unified	Edendale Middle	52/61309-00-002	Gym	2	K-8	\$4,243,656	\$0	\$1,243,656	\$1,500,000	\$36,895,072
Fresno	Kerman Unified	Sun Empire Elementary	52/73999-00-005	Library	2	K-6	\$725,256	\$0	\$0	\$316,345	\$37,211,417
San Joaquin	Stockton Unified	Garfield High 1, 2	52/68676-00-002	Multipurpose	2	9-12	\$3,359,222	\$839,806	\$0	\$1,473,056	\$38,684,473
Lake	Konocti Unified	Pomo Elementary	52/64022-00-006	Library	2	K-6	\$897,984	\$0	\$0	\$407,111	\$39,091,584
Alameda	San Lorenzo Unified	Bohannon Middle	52/61309-00-003	Gym	2	7-8	\$4,263,706	\$0	\$1,263,706	\$1,500,000	\$40,591,584
Lake	Konocti Unified	Lower Lake High	52/64022-00-007	Gym	2	9-12	\$4,691,252	\$0	\$691,252	\$2,000,000	\$42,591,584
Napa	St. Helena Unified	St. Helena Elementary	52/66290-00-001	Multipurpose	2	K-6	\$274,494	\$274,494	\$0	\$575,543	\$43,167,127

* The Joint-Use approval is contingent upon the SAB approval of the qualifying new construction project, in accordance with Regulation Section 1859.123.

** Any additional financial contributions can be made by the Joint-Use partner(s), the district or any other local source.

*** The State Apportionment has a maximum cap of \$1,000,000 for an elementary school, \$1,500,000 for a middle school, and \$2,000,000 for a high school.

Note: Amounts shown have been adjusted per Regulation Section 1859.71

1. The District is not building Minimum Essential Facilities; however, the CDE has approved the reduced square footage.
2. Pending verification of addendum to agreement designating the school district ownership of the building.