



LOS ANGELES UNIFIED SCHOOL DISTRICT

Board of Education Report

Report Number:	104-09/10 (Revised)
Date:	October 13, 2009
Subject:	New Construction Eligibility – Use of Grants for the Critically Overcrowded Schools (COS) Program
Responsible Staff:	
Name	Joseph A. Mehula, Chief Facilities Executive
Office/Division	Facilities Services Division
Telephone No.	(213) 241-4811

A. EXECUTIVE SUMMARY

Action Proposed: Staff proposes that the Board adopt the attached Resolution which authorizes the District to employ the Use of Grants process defined as part of the State School Facilities Program (SFP) in order to pursue grants for projects that would otherwise be rejected due to lack of State-recognized “unhoused-pupils” or Critically Overcrowded Schools (COS) program Preliminary Apportionments.

Staff Recommendation and Rationale: Staff recommends adoption of the attached Resolution which authorizes the Use of Grants process in order to apply COS Preliminary Apportionments from grades 9-12 to grant requests for new construction projects serving grades K-8 and/or qualifying projects to construct new non-classroom facilities. Approval of this proposal will enable the District to pursue grant funds while projects are still eligible and the Preliminary Apportionments are still available.

Background: In 2002 Assembly Bill 16 created the Critically Overcrowded School Facilities (COS) program, which allowed school districts to secure a Preliminary Apportionment in advance of meeting all SFP New Construction program funding requirements. The Preliminary Apportionment serves as a reservation of funds and, prior to its expiration, must be converted to a final apportionment by submitting a grant request for a qualifying new construction project.

The LAUSD successfully secured COS Preliminary Apportionments – some of which are currently available for



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use on District projects. However, the State's assessment of a district's need for COS funds, which is based on actual enrollment, may reduce the availability of Preliminary apportionments as a result of declining LAUSD enrollment. Through the Use of Grants process, the District can use most or all of the currently available Preliminary Apportionments on projects that meet COS conversion requirements before the State reassesses need on November 1, 2009.

In order for LAUSD to employ the Use of Grants process, the Board must adopt a Resolution that has been discussed at a public hearing at a regularly scheduled meeting and:

- A. acknowledges that State funds are being diverted to projects other than those for which the funds were initially reserved;
- B. acknowledges that the State has satisfied its obligation to house the pupils receiving the funding; and
- C. identifies which of three, predefined methods is being used to explain how the District has housed or will house the pupils receiving funds.

Policy Implications:

This action would not change District policy.

Budget Impact:

If the Board chooses to authorize the Use of Grants process, a minimum of \$100 million in State funds would potentially become available for the District's new construction projects.

Issues/Considerations:

The District must use this eligibility before November 1, 2009 in order to optimize use of available State grant funds. Other potential sources of State funds are not readily available for the qualifying projects that are ready to move forward now.

Effect of "yes" vote:

Approval of this Resolution would enable the District to optimize the use of reserved State funds available for the District's new construction projects.

Effect of "no" vote:

A "no" vote would result in the District not filing COS funding requests for qualifying projects and the potential decrease in availability of COS Preliminary Apportionments upon the State recalculation of eligibility on November 1, 2009.



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B. BOARD REPORT

Action Proposed:	Staff proposes that the Board adopt the attached Resolution which authorizes the Use of Grants process in order to apply COS Preliminary Apportionments from grades 9-12 to grant requests for new construction projects servings grades K-8 and/or qualifying projects to construct new non-classroom facilities.
Expected Outcomes:	Upon adoption, the Resolution will allow the District to apply for State funds for projects meeting current submittal requirements and optimize use of remaining COS Preliminary Apportionments.
Board Options and Consequences:	<p>Approval of this proposed Board action would enable the District to optimize its acquisition of State funds by applying reserved COS funds in the grade 9-12 category to new construction projects serving grades K-8 and/or qualifying projects that construct non-classroom school facilities.</p> <p>Failure to approve this action would prevent the District from optimizing its access to State bond funds, particularly since other sources of State funds will not be readily available in time to use for projects serving grades K-8 that are ready to move forward now.</p>
Policy Implications:	This action would not change District policy.
Budget Impact:	If the Board chooses to authorize the Use of Grants process, a minimum of \$100 million in State funds would potentially become available for the District's new construction projects.
Issues and Analysis:	It is critical that the District use this eligibility before the end of October in order to optimize access to State grant funds, particularly since other sources of State funds are not likely to be available in time to use for projects serving grades K-8 that are ready to move forward now.
<input type="checkbox"/> No legal issues	
<input type="checkbox"/> Legal informative attached	
Committee Information:	This item did not appear on the agenda of any Board committee.
Reporting Requirements	Resolution approval date required per SFP application.



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and Benchmarks:

Accountable Staff: Erik Blum, Director, Facilities Program Management Branch

Applicable Board Delegations: N/A

Superintendent's Comments:

Miscellaneous Issues and Matters: These actions have been reviewed and do not require a desegregation impact statement.

Desegregation Impact Statement attached

Division of Accountability and Systemwide Performance

Informative



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Respectfully submitted,

RAMON C. CORTINES
Superintendent of Schools

APPROVED &
PRESENTED BY:

APPROVED BY:

JOSEPH A. MEHULA
Chief Facilities Executive Officer
Facilities Services Division

DR. JAMES MORRIS
Chief of Staff

RESOLUTION OF THE BOARD OF EDUCATION OF THE LOS ANGELES UNIFIED SCHOOL DISTRICT AUTHORIZING USE OF GRANTS OF CRITICALLY OVERCROWDED SCHOOLS PRELIMINARY APPORTIONMENTS TO REALIGN NEW CONSTRUCTION ELIGIBILITY FROM THE GRADE 9-12 CATEGORY TO (a) PROJECTS SERVING STUDENTS IN GRADES K-8, AND/OR (b) QUALIFYING PROJECTS TO CONSTRUCT A MULTIPURPOSE ROOM, GYMNASIUM, AND/OR LIBRARY AT EXISTING SITES THAT LACK ADEQUATE FACILITIES OF THE TYPES TO BE CONSTRUCTED

WHEREAS the Los Angeles Unified School District lacks regular SFP new construction eligibility due to enrollment declines; and

WHEREAS the eligibility shortfall from declining enrollment results in the District's inability to apply for sufficient bond funds under the regular State School Facility Program (SFP) (Sections 1859 et seq. of Subgroup 5.5 of Group 1 of Subchapter 4 of Chapter 3 of Division 2 of Title 2 of the California Code of Regulations); and

WHEREAS Assembly Bill 2950 and Assembly Bill 491, effective January 1, 2005 and January 1, 2006 respectively, amending Education Code Sections 17071.75, 17078.27, and 41329.55, allow a district to propose an alternate enrollment projection method to replace the State's five-year projection method in order to use preliminary apportionments in the Critically Overcrowded Schools (COS I and COS II) programs; and

WHEREAS the District seeks to (a) realign grade 9-12 COS new construction eligibility to qualifying projects in the Strategic Execution Plans serving students in grades K-8 and/or to (b) use COS new construction eligibility for projects to construct a multipurpose room, gymnasium, and/or library at existing sites that lack adequate facilities of the types to be constructed, both of which are allowed by Section 1859.77.3 of Title 2 of the California Code of Regulations; and

WHEREAS the projects have been approved in the District's Strategic Execution Plans; and

WHEREAS the District has determined that the eligibility to be assigned to each project does not exceed the project's capacity, unless the project involves the construction of a multipurpose room, gymnasium, and/or library at an existing site that lacks adequate facilities of the types to be constructed; and

WHEREAS, for projects serving students in grades K-8, the District is currently ineligible to apply for final conversion of the COS new construction funds without realigning grade 9-12 new-construction eligibility; and

WHEREAS the Board is required to adopt a Resolution (per Section 1859.77.3 of Title 2 of the California Code of Regulations) in order to realign new construction eligibility from the grade 9-12 category to projects serving students in any combination of grades K-8 or to use eligibility for new construction grants for qualifying projects to construct a multipurpose room, gymnasium, and/or library at existing sites that lack adequate facilities of the types to be constructed;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE LOS ANGELES UNIFIED SCHOOL DISTRICT, COUNTY OF LOS ANGELES, CALIFORNIA, AS FOLLOWS:

- A. That COS Preliminary Apportionments for housing grade 9-12 pupils are being realigned to projects serving students in any combination of grades K-8 and/or are being used for qualifying projects to construct a multipurpose room, gymnasium, and/or library at existing sites that lack adequate facilities of the types to be constructed;
- B. That the State has satisfied its obligation under section 1859.50 of Subgroup 5.5 of Group 1 of Subchapter 4 of Chapter 3 of Division 2 of Title 2 of the California Code of Regulations to house the pupils receiving grants in the grade 9-12 projects;
- C. That, as a housing plan for the pupils receiving grants in the grade 9-12 projects, the District will use higher loading standards, providing the loading standards are consistent with the approved United Teachers Los Angeles contract with the District and do not exceed 33:1 per classroom as set out in section 1859.77.3(b)(1)(C)(2) of Title 2 of the California Code of Regulations;
- D. That the District will not file applications for the projects with the “use of grants” eligibility until this Resolution has been subject to a public hearing and has been adopted by this Board.

Adopted and signed this 20th day of October, 2009 by the Board of Education of the Los Angeles Unified School District.

By: _____
Executive Officer of the Board of Education