

Agenda Item:	II A: Informational/Discussion Item
Date:	November 3, 2022
То:	Magnolia Educational & Research Foundation dba Magnolia Public Schools ("MPS") Audit & Facilities Committee (the "Committee")
From:	Alfredo Rubalcava, CEO & Superintendent
Staff Lead(s):	Patrick Ontiveros, General Counsel & Director of Facilities
RE:	Update on MSA-5 Charter Schools Facilities Program

Action Proposed for Board Recommendation:

No action. Update only.

Background:

MPS Staff applied to the Office of Public Construction's Charter School Facilities Program ("CSFP") during the application period held from May 2nd to June 3rd. CSFP provides funding to charter schools for new school facilities. On October 26th, the State Allocation Board ("SAB") approved a preliminary apportionment in the amount of \$50,832,332. The agenda from the meeting and relevant back up documentation is attached as Exhibit A.

Awards made by CSFP are 50% loan and 50% grant. The loan portion is paid back by the award recipient and is amortized over 30 years.

The CSFP award will be used to construct a new campus for MSA-5 which is currently co-located with MSA1 on MSA1's campus. MPM Sherman Winnetka LLC, a wholly owned subsidiary of Magnolia Properties Management, Inc., a 501(c)(3) support organization, closed on the property located at 7111 Winnetka Ave for the purpose of constructing and leasing a new campus to MSA-5. MPS expects to use the

Analysis & Impact:

MPS Staff believes that it will be prudent for MPS to accept the award on behalf of MSA-5 in order to build a new facility for MSA-5 at 7111 Winnetka Ave. While costs will go up due to the requirements associated with the CSFP (for example, bidding and prevailing wage), MPS Staff believes that the award will allow the construction of a better equipped campus that will allow MSA-5's staff and



students to succeed.

Budget Implications:

While MSA-5 will lose SB740 funding in the future due to occupying a facility financed with State funding, a CSFP award should be more affordable in the long run due to the delay in commencing payments, amortizing the loan at a lower interest rate, and the removal of accruing interest on a commercial construction loan.

Exhibits:

A. Agenda and Select Pages from the State Allocation Board October 26, 2022 meeting



Exhibit A

Agenda and Select Pages from the State Allocation Board October 26, 2022 meeting

State Allocation Board Meeting Notice and Agenda



Lisa Silverman, Executive Officer Office of Public School Construction 707 3rd Street, 4th Floor West Sacramento, CA 95605

Public Meeting
Wednesday, October 26, 2022
Department of General Services
Ziggurat Building
707 3rd Street, 4th Floor, Conference Room 4-221*
West Sacramento, CA 95605
4:00 p.m.*

The upcoming meeting of the State Allocation Board will be conducted by way of Zoom meeting and teleconference. This is consistent with Senate Bill 189 (Chapter 48, Statutes of 2022) to improve and enhance public access to state and local agency meetings during the COVID-19 pandemic and future state of emergencies by allowing broader access through teleconferencing options. The physical, publicly accessible teleconference location from which members of the public may observe and offer public comment is reflected above.

Interested persons may observe the meeting by going to Zoom Meeting at:

Join from a PC, Mac, iPad, iPhone or Android device: https://us06web.zoom.us/j/89529892330?pwd=YkQ0MXVERktwMnlBTFlaYjY0ZzJrZz09

Passcode: 872704

Dial:

USA 213 787 0529 US Toll USA 888 808 6929 US Toll-free Conference code: 991990

The Board will meet in Closed Session pursuant to Government Code Section 11126(e)(1).

General Information (916) 376-1771

For further information, please contact your Project Manager.

*Meeting location and time subject to change.

Individuals who need auxiliary aids for effective participation are invited to make their requests and preferences known to Ms. Lisa Jones at (279) 946-8459 five days prior to the meeting.

A copy of the 10-Day Meeting Notice can be found on OPSC's website.

CLOSED SESSION

Pursuant to Government Code Section 11126(e)(1), the State Allocation Board will meet in Closed Session for the purpose of conferring with and receiving advice from legal counsel regarding pending litigation.

SUBJECT	<u>PRESENTER</u>	<u>PAGE</u>
Call Meeting to Order	Chair	
Roll Call	Secretary	
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CONSENT AGENDA		
SCHOOL FACILITY PROGRAM		
Resolution Eligibility Approvals Unfunded Approvals School Facility Program Substantial Progress	Time Extension	13 14 - 33 34 - 81 82 - 83
Facility Hardship/Rehabilitation Program		84 - 106

NEXT MONTHLY STATE ALLOCATION BOARD MEETING - NOVEMBER 28, 2022

SUBJECT		PAGE
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FINANCIAL REPORTS		107 - 126
APPEAL ITEMS		
INGLEWOOD UNIFIED (TODAY'S FRESH STAR 54/64634-00-003 V To present the Charter School's request to allow ineligible through audit findings.	VITHDRAWŃ	127 – 167
ROUND VALLEY UNIFIED/MENDOCINO 50/656 To present the District's request to reinstate a sapplication for New Construction funding at Ro	School Facility Program	168 - 184
ACTION ITEMS		
CALIFORNIA PRESCHOOL, TRANSITIONAL KIN KINDERGARTEN FACILITIES GRANT PROGRAM To provide Apportionments for the third funding Preschool, Transitional Kindergarten and Full-E Grant Program for the projects listed on Attach	M cycle of the California Day Kindergarten Facilities	185 - 233
CHARTER SCHOOL FACILITIES PROGRAM PRI APPORTIONMENTS To provide 13 Preliminary Charter School Apportune \$142.8 million for the Charter School Facilities below: Natomas Unified/Sacramento Natomas Unified/Sacramento Oakland Unified/Alameda Los Angeles Unified/Los Angeles San Diego Unified/San Diego San Diego Unified/San Diego Sacramento City Unified/Sacramento Point Arena Joint Union High/Mendocino Gilroy Unified/Santa Clara Gilroy Unified/Santa Clara San Juan Unified/Sacramento Cascade Union Elementary/Shasta Cascade Union Elementary/Shasta	ortionments in the amount of	234 - 256

SUBJECT	PAGE
ACTION ITEMS (cont.)	
PRIORITY FUNDING SCHOOL CONSTRUCTION APPORTIONMENTS To provide priority School Facility Program Apportionments in the amount of \$802,588,413.90 for the projects that submitted a valid certification, as well as those projects that will receive Expedited Apportionments, as shown on Attachment B.	257 - 553
PROPOSED REGULATORY AMENDMENTS TO THE SCHOOL FACILITY PROGRAM To present the State Allocation Board (Board) with proposed regulations that amend the School Facility Program (SFP) Regulations, an associated form, and the Grant Agreement master templates, as a result of the Court's decision to overturn the Board's financial hardship savings regulation, SFP Regulation Section 1859.103.	554 - 581
OPTIONS FOR THE RETURN OF FINANCIAL HARDSHIP SAVINGS To provide the State Allocation Board with information on past financial hardship project savings that were remitted to the School Facilities Fund and that should be returned to specific school districts, as shown on the attachment, in light of the decision in San Bernardino City Unified School District v. State Allocation Board (California Court of Appeal, Third District Case C092003; 79 Cal.App5th 12 (May 24, 2022 (San Bernardino City Unified).	582 - 584
REPORTS, DISCUSSIONS, AND INFORMATION ITEMS	
State Allocation Board Three-Month Projected Workload Dates for Remaining 2022 State Allocation Board Meetings School Facility Program Unfunded List (Regulation Section 1859.95) School Facility Program Workload List Emergency Time Extension Request Log California Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Workload List School Facility Program Acknowledged List (Regulation Section 1859.95.1) Facility Hardship/Rehabilitation Approvals Without Funding School Facility Program Financial Hardship Regulation Section 1859.81	585 - 586 587 588 - 593 594 - 609 610 - 620 621 - 628 629 - 647 648 - 649 650 - 653

School District	County	Category	Page No.
ANDERSON VALLEY UNIFIED	MENDOCINO	SFP - Mod.	Consent 91*
ATASCADERO UNIFIED	SAN LUIS OBISPO	SFP - Mod.	Consent 34*
ATASCADERO UNIFIED	SAN LUIS OBISPO	SFP – Mod.	Consent 17
BAKERSFIELD CITY ELEMENTARY	KERN	SFP - Mod.	Consent 34*
BAKERSFIELD CITY ELEMENTARY	KERN	SFP – New Constr.	Consent 17
BAKERSFIELD CITY ELEMENTARY	KERN	SFP - Mod.	Consent 17
BARSTOW UNIFIED	SAN BERNARDINO	SFP - Mod.	Consent 34*
BARSTOW UNIFIED	SAN BERNARDINO	SFP – Mod.	Consent 14
BERKELEY UNIFIED	ALAMEDA	SFP - Mod.	Consent 34*
BERKELEY UNIFIED	ALAMEDA	SFP - Mod.	Consent 17
CASCADE UNION ELEMENTARY	SHASTA	SFP – New Constr.	Consent 14
CASTRO VALLEY UNIFIED	ALAMEDA	SFP - Mod.	Consent 34*
CASTRO VALLEY UNIFIED	ALAMEDA	SFP - Mod.	Consent 34*
CASTRO VALLEY UNIFIED	ALAMEDA	SFP – Mod.	Consent 17
CENTINELA VALLEY UNION HIGH	LOS ANGELES	SFP - Mod.	Consent 17
CENTINELA VALLEY UNION HIGH	LOS ANGELES	SFP – Mod.	Consent 34*
CERES UNIFIED	STANISLAUS	SFP - Mod.	Consent 17
CHULA VISTA ELEMENTARY	SAN DIEGO	SFP - Mod.	Consent 34*
CHULA VISTA ELEMENTARY	SAN DIEGO	SFP - Mod.	Consent 34*
CHULA VISTA ELEMENTARY	SAN DIEGO	SFP – Mod.	Consent 17
CORNING UNION HIGH	TEHAMA	SFP - Mod.	Consent 34*
CORNING UNION HIGH	TEHAMA	SFP - Mod.	Consent 17
DAVIS JOINT UNIFIED	YOLO	SFP - Mod.	Consent 34*
DAVIS JOINT UNIFIED	YOLO	SFP - Mod.	Consent17
DAVIS JOINT UNIFIED	YOLO	SFP – New Constr.	Consent 17
DEL NORTE COUNTY UNIFIED	DEL NORTE	SFP - Mod.	Consent 14
DEL NORTE COUNTY UNIFIED	DEL NORTE	SFP – Mod.	Consent 17
DUBLIN UNIFIED	ALAMEDA	SFP - Mod.	Consent 34*
DUBLIN UNIFIED	ALAMEDA	SFP – Mod.	Consent 17
EAST SIDE UNION HIGH	SANTA CLARA	SFP - Mod.	Consent 34*
FAIRFIELD-SUISUN UNIFIED	SOLANO	SFP - Mod.	Consent 17
FOUNTAIN VALLEY ELEMENTARY	ORANGE	SFP - Mod.	Consent 34*
FOUNTAIN VALLEY ELEMENTARY	ORANGE	SFP - Mod.	Consent 34*
FOUNTAIN VALLEY ELEMENTARY	ORANGE	SFP - Mod.	Consent 17*
FREMONT UNIFIED	ALAMEDA	SFP - Mod.	Consent 34*

FREMONT UNIFIED	ALAMEDA	SFP - Mod.	Consent 17
FREMONT UNIFIED	ALAMEDA	SFP – New Constr.	Consent 17
FREMONT UNION HIGH	SANTA CLARA	SFP – New Constr.	Consent 17
FRESNO UNIFIED	FRESNO	SFP - Mod.	Consent 34*
FRESNO UNIFIED	FRESNO	SFP - Mod.	Consent 17
FRESNO UNIFIED	FRESNO	SFP – Mod.	Consent 34*
GARDEN GROVE UNIFIED	ORANGE	SFP - Mod.	Consent 34*
GARDEN GROVE UNIFIED	ORANGE	SFP - Mod.	Consent 17
LA HABRA CITY ELEMENTARY	ORANGE	SFP – Mod.	Consent 17
LIVERMORE VALLEY JOINT UNIFIED	ALAMEDA	SFP - Mod.	Consent 34*
LIVERMORE VALLEY JOINT UNIFIED	ALAMEDA	SFP – Mod.	Consent 17
LOS ANGELES UNIFIED	LOS ANGELES	SFP - New Constr.	Consent 84*
LOS ANGELES UNIFIED	LOS ANGELES	SFP – Mod.	Consent 17
LOS ANGELES UNIFIED	LOS ANGELES	SFP – Mod.	Consent 34*
LOS ANGELES UNIFIED	LOS ANGELES	SFP - Mod.	Consent 34*
LOS ANGELES UNIFIED	LOS ANGELES	SFP - Mod.	Consent 34*
MANHATTAN BEACH UNIFIED	LOS ANGELES	SFP - Mod.	Consent 34*
MANHATTAN BEACH UNIFIED	LOS ANGELES	SFP – Mod.	Consent 17
MONTECITO UNION ELEMENTARY	SANTA BARBARA	SFP - Mod.	Consent 34*
MONTECITO UNION ELEMENTARY	SANTA BARBARA	SFP – Mod.	Consent 17
MONTEREY PENINSULA UNIFIED	MONTEREY	SFP - Mod.	Consent 34*
MONTEREY PENINSULA UNIFIED	MONTEREY	SFP - Mod.	Consent 34*
MONTEREY PENINSULA UNIFIED	MONTEREY	SFP - Mod.	Consent 34*
MONTEREY PENINSULA UNIFIED	MONTEREY	SFP - Mod.	Consent 34*
MORENO VALLEY UNIFIED	RIVERSIDE	SFP - Mod.	Consent 34*
MORENO VALLEY UNIFIED	RIVERSIDE	SFP – Mod.	Consent 14
NAPA VALLEY UNIFIED	NAPA	SFP - Mod.	Consent 34*
NAPA VALLEY UNIFIED	NAPA	SFP - Mod.	Consent 17
NEWPORT-MESA UNIFIED	ORANGE	SFP - Mod.	Consent 34*
NEWPORT-MESA UNIFIED	ORANGE	SFP - Mod.	Consent 17
NOVATO UNIFIED	MARIN	SFP – Mod.	Consent 17
OCEAN VIEW ELEMENTARY	ORANGE	SFP - Mod.	Consent 34*
OCEAN VIEW ELEMENTARY	ORANGE	SFP - Mod.	Consent 17
PIONEER UNION ELEMENTARY	BUTTE	SFP - New Constr.	Consent 82
PITTSBURG UNIFIED	CONTRA COSTA	SFP – Mod.	Consent 17

RED BLUFF JOINT UNION HIGH	TEHAMA	SFP – Mod.	Consent 17
REDWOOD CITY ELEMENTARY	SAN MATEO	SFP - Mod.	Consent 17
REDWOOD CITY ELEMENTARY	SAN MATEO	SFP - Mod.	Consent 34*
REEF-SUNSET UNIFIED	KINGS	SFP - Mod.	Consent 34*
RIVERSIDE UNIFIED	RIVERSIDE	SFP - Mod.	Consent 34*
RIVERSIDE UNIFIED	RIVERSIDE	SFP - Mod.	Consent 17
ROSEMEAD ELEMENTARY	LOS ANGELES	SFP - Mod.	Consent 17
ROSEMEAD ELEMENTARY	LOS ANGELES	SFP - Mod.	Consent 34*
ROSEMEAD ELEMENTARY	LOS ANGELES	SFP - Mod.	Consent 34*
ROSEVILLE JOINT UNION HIGH	PLACER	SFP - Mod.	Consent 34*
SAN RAFAEL CITY ELEMENTARY	MARIN	SFP - Mod.	Consent 17
SAN RAMON VALLEY UNIFIED	CONTRA COSTA	SFP - Mod.	Consent 34*
SAN RAMON VALLEY UNIFIED	CONTRA COSTA	SFP - Mod.	Consent 34*
SAN RAMON VALLEY UNIFIED	CONTRA COSTA	SFP - Mod.	Consent 17
SANGER UNIFIED	FRESNO	SFP - Mod.	Consent 34*
SANGER UNIFIED	FRESNO	SFP - Mod.	Consent 14
SANGER UNIFIED	FRESNO	SFP - Mod.	Consent 17
SOUTH PASADENA UNIFIED	LOS ANGELES	SFP - Mod.	Consent 34*
SOUTH PASADENA UNIFIED	LOS ANGELES	SFP – New Constr.	Consent 17
SUNNYVALE ELEMENTARY	SANTA CLARA	SFP - Mod.	Consent 95*
SUNNYVALE ELEMENTARY	SANTA CLARA	SFP - Mod.	Consent 99*
TEMECULA VALLEY UNIFIED	RIVERSIDE	SFP - Mod.	Consent 14
TWIN RIVERS UNIFIED	SACRAMENTO	SFP - Mod.	Consent 103*
WASCO UNION HIGH	KERN	SFP - Mod.	Consent 34*
WEST PARK ELEMENTARY	FRESNO	SFP - Mod.	Consent 34*
WILLIAMS UNIFIED	COLUSA	SFP - Mod.	Consent 14

OPSC PROGRAM CODES

SCHOOL FACILITY PROGRAM (SFP)

- 50 NEW CONSTRUCTION
- 51 FACILITY HARDSHIP NEW CONSTRUCTION
- 52 SFP JOINT-USE
- 53 CRITICALLY OVERCROWDED SCHOOLS
- 54 CHARTER SCHOOL FACILITIES PROGRAM
- 55 CAREER TECH NEW CONSTRUCTION
- 56 OVERCROWDING RELIEF GRANT PROGRAM
- 57 MODERNIZATION
- 58 FACILITY HARDSHIP MODERNIZATION
- 59 CAREER TECH MODERNIZATION

OTHER PROGRAMS

- 25 STATE RELOCATABLE CLASSROOM PROGRAM
- 34 AIR CONDITIONING AND/OR INSULATION PROGRAM
- 40 DEFERRED MAINTENANCE PROGRAM
- 61 EMERGENCY REPAIR PROGRAM
- 70 FULL-DAY KINDERGARTEN FACILITIES GRANT PROGRAM NEW CONSTRUCTION
- 71 FULL-DAY KINDERGARTEN FACILITIES GRANT PROGRAM RETROFIT

ATTACHMENT B

State Allocation Board Meeting, October 26, 2022 Charter School Facilities Program Unfunded Preliminary Apportionments

Category One Category Two Category Three Category Four Total Reserved Cummulative Preliminary Total Proejct Application Project Cash alue of Unfunded Charter School Received Loan Apportionment Contribution Number Type Cost Preliminary Date (State Share & Apportionments Loan) NATOMAS UNIFIED Natomas Charter School 54/75283-00-009 NC 06/01/22 119.2 9-12 Urban Large \$10,867,705.00 \$8,000,000.00 \$2,867,705.00 \$21,735,410.00 \$13,735,410.00 \$13,735,410.00 NATOMAS UNIFIED Natomas Charter School 54/75283-00-010 Rehab 06/01/22 119.2 1 Urban Large 9-12 \$4 481 502 00 \$2 000 000 00 \$2 481 502 00 \$8 963 004 00 \$6,963,004,00 \$20 698 414 00 OAKLAND UNIFIED K-6 Cox Academy 54/61259-00-012 Rehab 06/03/22 119.5 2 2 Urban Large \$14 347 482 00 \$14 347 482 00 \$28 694 964 00 \$28 694 964 00 \$49 393 378 00 LOS ANGELES UNIFIED 54/64733-00-104 9-12 Magnolia Science Academy 5 NC 05/02/22 76 3 3 Urban Medium \$25,416,166.00 \$25,416,166.00 \$50,832,332.00 \$50,832,332.00 \$100,225,710.00 SAN DIEGO UNIFIED King Chavez Academy of Excellence 54/68338-02-003 NC 06/03/22 117.5 4 4 Urban Medium 7-8 \$8,365,535.00 \$8,365,535.00 \$16,731,070.00 \$8,365,535.00 \$108,591,245.00 4 Medium 7-8 SAN DIEGO UNIFIED King Chavez Academy of Excellence 54/68338-02-004 Rehab 06/03/22 117.5 4 Urban \$7,151,595,00 \$7,151,595,00 \$14.303.190.00 \$7,151,595,00 \$115,742,840,00 SAGRAMENTO CITY UNIFIED California Montessori Project - Capitol Campus 54/67439-00-009 Rehab 06/03/22 116 1 Urban 5 Medium 7-8 \$5.380.071.00 \$2.690.035.50 \$2.690.035.50 \$10.760.142.00 \$8,070,106.50 \$123,812,946,50 POINT ARENA JOINT UNION Pacific Community Charter School 54/65599-00-001 Rehab 06/03/22 104 1 Rural 6 Small 9-12 \$357,655.00 \$357,655.00 \$715,310.00 \$715,310.00 \$124,528,256.50 GILROY UNIFIED Gilroy Prep 54/69484-00-003 NC 06/02/22 116 2 Suburban 7 Large 7-8 \$1,864,407.00 \$1,864,407.00 \$3,728,814.00 \$3,728,814.00 \$128,257,070.50 GILROY UNIFIED Gilroy Prep 54/69484-00-004 Rehab 06/02/22 116 2 Suburban 7 Large 7-8 \$888,641.00 \$888,641.00 \$1,777,282.00 \$1,777,282.00 \$130,034,352.50 SAN JUAN UNIFIED California Montessori Project - San Juan 54/67447-00-008 Rehab 06/01/22 112 1 Suburban Large **8** 7-8 \$1,597,140.00 \$897,140.00 \$700,000.00 \$3,194,280.00 \$2,297,140.00 \$132,331,492.50 CASCADE UNION ELEMENTARY 7-8 Tree of Life International Charter School 54/69914-00-001 NC 05/11/22 112 Suburban Medium \$4,069,848.00 \$200,000.00 \$3,869,848.00 \$8,139,696.00 \$7,939,696.00 \$140,271,188.50 CASCADE UNION ELEMENTARY Tree of Life International Charter School 54/69914-00-002 Rehab 05/11/22 112 Medium 9 7-8 \$1,266,250.00 \$1,266,250.00 \$2,532,500.00 \$2,532,500.00 \$142,803,688.50

APPLICANT DATA				
Applicant:	Magnolia Science Academy 5	PTN:	10199-45	
Application No:	54/64733-00-104	County:	Los Angeles	
School Name:	Magnolia Science Academy 5	District:	Los Angeles Unified	
		Filing Basis:	District Wide	
HISTORY OF PROJECT FUNDING				

111010111 01 111002011 01101110				
rized ction	Unfunded Preliminary Apportionment			
3,166.00 \$	25,416,166.00			
3,166.00	25,416,166.00			
2,332.00 \$	50,832,332.00			
6	6,166.00 \$ 6,166.00 2,332.00 \$			

Funding Sources: Proposition 1D Bonds/2006-Nov.; Proposition 51 Bonds/2016-Nov.

APPLICATION DATA		PROGRAM GRANT DATA		
Type of Project:	High School	Base Grant	\$	8,067,060.00
Pupils Assigned:	K-6 75	Multilevel Construction (17 CRs)	\$	968,047.00
	7-8 135	Site Acquisition	\$	4,750,000.00
	9-12 243	2 Percent	\$	190,000.00
Number of Classrooms:	17	DTSC	\$	712,500.00
Addition to an Existing Site:	No	Site Development	\$	121,800.00
Recommended Acres:	23.2	General Site	\$	380,232.00
Master Plan Acres		Urban Security	\$	6,148,310.00
Proposed Acres:	1.74	Inflator Factor	\$	4,078,217.00
Existing Acres:		Total State Share (50%)	\$	25,416,166.00
		Applicant Share (50%)	\$	25,416,166.00
		Total Project Cost	\$	50,832,332.00

STIPULATED TERMS & NEXT STEPS

The Applicant shall ensure that it is in compliance with all applicable laws, regulations and certifications it made on the program forms.

The Applicant is required to submit a signed Grant Agreement pursuant to School Facility Program Regulation Section 1859.90.4 for the project prior to or concurrent with a request for the release of funds.

The Applicant is responsible for ensuring that the project is compliant with Prevailing Wage Monitoring and/or Labor Compliance Program requirements at the time construction contracts are executed and/or construction commenced.

The above Charter School Grant is a maximum reservation of funding for each of the construction and site acquisition amounts (50 percent State share amount) and is not intended to reflect the actual project costs at the time the project is converted to a Final Charter School Apportionment (FCSA). The FCSA shall be based on SAB regulation allowances established at the time the project is converted and shall not exceed the maximum amounts in each category.