



Date: April 14, 2022
To: Board of Directors of Navigator Schools
From: Kevin Sved, CEO
Subject: Gilroy Prep and Hollister Prep Facilities

Gilroy Prep School (GPS) and Hollister Prep School (HPS) have facilities challenges that need to be addressed. This memo discusses these needs and explains how a current process to apply for funding through California's Charter School Facilities Program can help meet these needs.

GPS Facilities Needs

GPS has the following facilities needs:

1. Replace parking that will be lost as a result of the renovation of the co-located South Valley Middle School site
2. Improve traffic flow during drop-off and pick-up
3. Determine a plan for long-range use of the current South Valley field that is shared with Gilroy Prep School and which South Valley will no longer utilize after the South Valley renovation is completed (estimated October 2023)
4. Replace failed asphalt on the GPS playground
5. Replace the playground climbing structure
6. Add two classrooms for Transitional Kindergarten (TK) due to the impending expansion of universal TK
7. Add one classroom to support intervention and one classroom to serve as an additional library
8. Add one or two additional adult bathrooms

HPS Facilities Needs

Currently HPS utilizes portable classrooms on both the north and south sides of R.O. Hardin Elementary. This puts a strain on R.O. Hardin, and the situation is becoming an issue of increasing concern for the Hollister School District. Over time, R.O. Hardin will need the 7 portables that HPS uses on the south side of the campus. Furthermore, over the next 10 years, the portables on the north side of the campus that HPS utilizes will likely require renovation or replacement due to the age of the buildings. Because of the limited space on the north side of the campus where HPS is currently located, addressing these needs will likely require removing and replacing the existing classrooms with a more efficient facility footprint.

In addition, HPS has the following facilities needs:

1. Improve traffic flow, especially at drop-off and pick-up time
2. Add one additional student restroom unit
3. Add two classrooms for Transitional Kindergarten (TK)
4. Add one classroom to support intervention and one classroom to serve as an additional library
5. Accommodate additional Special Education space
6. Add a staff lounge / workroom
7. Add two or three additional adult bathrooms

California's Charter School Facilities Program and Proposition 51

California operates the Charter School Facilities Program (CSFP) to administer public funds allocated to support charter schools in meeting facilities needs. Unfortunately, funding is typically not available unless so authorized by voters through state bonds. Proposition 51 was approved on November 8, 2016 by statewide ballot, authorizing \$9 billion in general obligation bonds for K-12 school and community college facilities, with \$500m set aside for charter schools. The Office of Public School Construction (OPSC) allocated the \$500m to charter schools through a competitive process in 2017. Navigator applied for both Gilroy Prep and Hollister Prep and was not awarded funds during that round. In February 2022, the OPSC released application guidelines for \$96m of the original \$500m that was not utilized by the awardees of the grants. Navigator intends to apply for these funds to support projects to meet the facilities needs described above. If funded, the grants will cover fifty-percent of eligible expenses. For the remaining fifty-percent of eligible expenses, the CSFP provides long-term, low-interest loans to support the project.

Next Steps

The CSFP applications are due by June 3, 2022 and will require approval by the Navigator Schools Board of Directors to authorize the CEO to submit the applications. In addition, an eligibility requirement is an approved agreement with the school district to ensure the school will have access to the district-owned property as long as the charter school is operational. Therefore, Navigator staff has initiated a series of meetings with the facilities staff and the superintendents of both Gilroy Unified School District and Hollister School District to discuss the needs and opportunities. With their support, Navigator staff will be presenting to the school boards of both districts in April with the goal of receiving board approval during their May 2022 meetings in advance of the June 3 deadline. Staff are working with a consultant and Pacific Charter School Development to prepare the applications. Additionally, Marty Hochroth from Artik Architecture who worked on Watsonville Prep School, is working with Navigator to prepare preliminary site plans that are required for the application. In the event that the applications are not funded, we anticipate seeking alternative financing strategies to meet these facilities needs.