



Date: May 5, 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 and two kindergarten classrooms that meet state Title 5 requirements (including the addition of one student restroom and an expansion to 1,350 sf of classroom space compared to the standard 960 sf)
7. Add a separate playground for TK and kindergarten
8. Convert two existing kindergarten classrooms to support intervention and to create an additional library
9. 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 places 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 a 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. 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. This approval will authorize the CEO to submit the applications for rehabilitation and new construction on behalf of both Gilroy Prep School and Hollister Prep School. To qualify for funding, the applicant and charter school must be deemed financially sound by the California School Finance Authority. An additional eligibility requirement is an approved agreement with the school district indicating support for the application and a willingness to consider providing the charter school access to the district-owned property as long as the charter school is operational. A formal and detailed legal agreement is not required at this stage in the process.

To gain support from Gilroy Unified School District and Hollister School District, 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 the superintendents' support, Navigator staff presented information 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 designed Watsonville Prep School) is working with Navigator to prepare preliminary site plans that are required for the application. The latest preliminary site plans are attached. In the event that the applications are not funded, we anticipate seeking alternative financing strategies to meet these facilities needs.

Attachments

- Draft agreements in support of application
- Preliminary site plans

Charter School Facilities Program Use Agreement
Between Gilroy Unified School District and Navigator Schools
May __, 2022

DRAFT

Purpose of Agreement

The purpose of this agreement is to apply for state funding to rehabilitate school buildings on the South Valley Middle School Campus for the use of Gilroy Prep School (GPS), a charter school operated by Navigator Schools, a 501(c)3 non-profit corporation.

Background

With the passage of Proposition 51 in November 2016, \$500 million has been made available for the Charter School Facilities Program (CSFP). The CSFP provides preliminary apportionments for new construction projects and rehabilitation of district owned existing facilities that are at least 15-years old. A requirement of the application process is an agreement between the school district and the charter school for use of the facilities to be rehabilitated.

The Needs

Navigator Schools seeks to make improvements to the section of the South Valley campus provided by Gilroy Unified School District School (the “District”) for GPS. Specific improvements may include rehabilitating one or more classrooms that are older than fifteen years, replacing failed asphalt, and adding two classrooms to support universal transitional kindergarten.

Agreement

This agreement acknowledges the District’s support of Navigator Schools’ intention to apply for CSFP apportionment in order to rehabilitate the school facilities at the South Valley Middle School Campus, and the District’s willingness to begin negotiations regarding additional agreements required prior to the release of the funds. However, it is understood that if agreements cannot be reached, the project will not move forward.

Once signed, this agreement is to be submitted by Navigator Schools with the application for funding. If funding is approved by the State, it is understood that formal agreements with the District will be required prior to receiving funds. If formal agreements cannot be reached, the request for funding will be withdrawn. It is further understood that all improvements made to the site must be approved in advance by the District as well as the appropriate state agencies.

By: _____
Dr. Deborah Flores, Superintendent
Gilroy Unified School District

By: _____
Kevin Sved, CEO
Navigator Schools

The agreement was discussed and approved at a Gilroy Unified School District Board of Trustees meeting on May __, 2022.

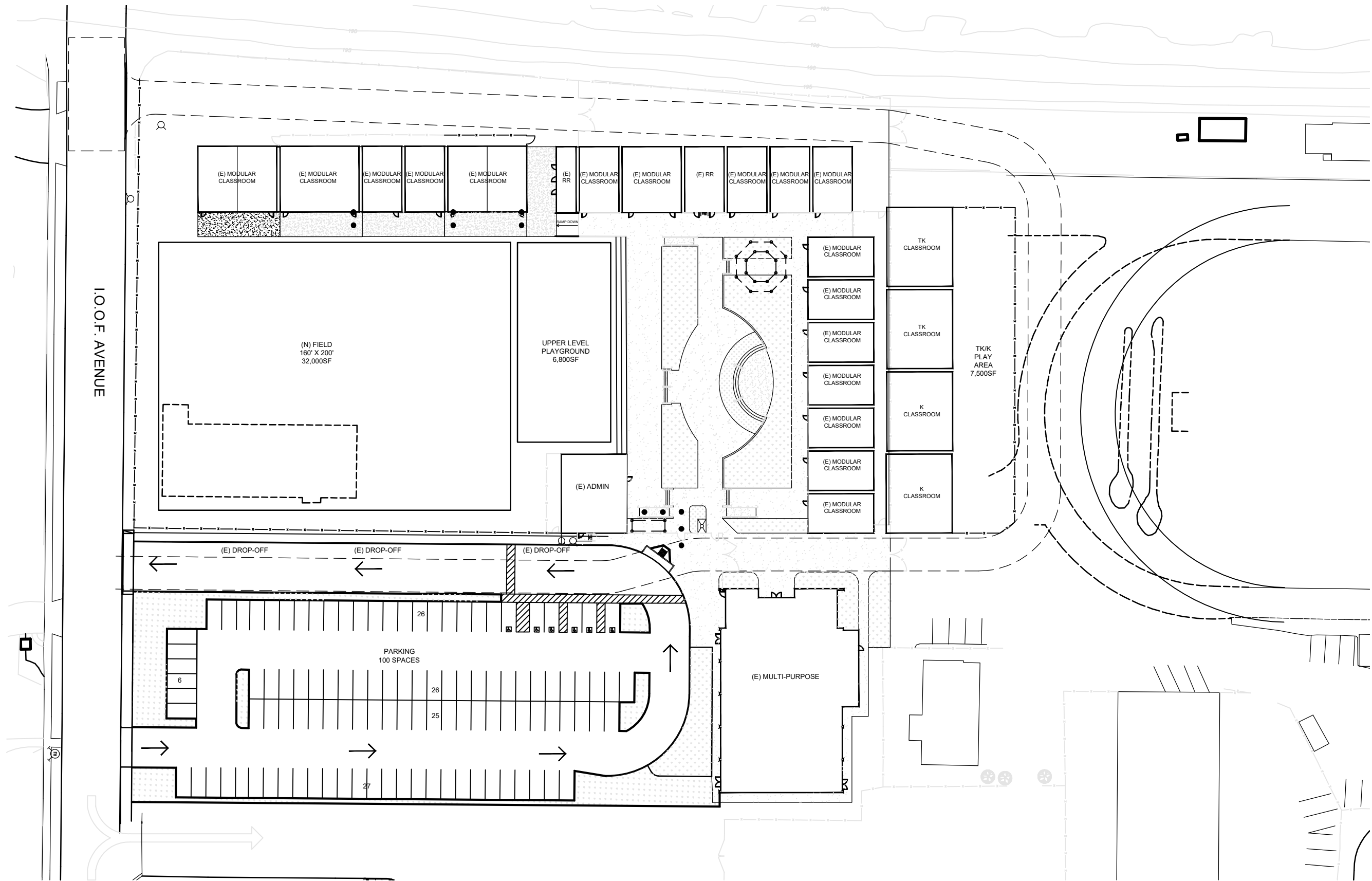
By: _____ *Board Secretary*

Ayes:

Noes:

Abstain:

Absent:



GILROY PREP SCHOOL
 CONCEPTUAL SITE PLAN
 NAVIGATOR SCHOOLS

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Charter School Facilities Program Use Agreement
Between Hollister School District and Navigator Schools
May 24, 2022

DRAFT

Purpose of Agreement

The purpose of this agreement is to apply for state funding to rehabilitate school buildings on the R.O. Hardin Elementary School Campus for the use of Hollister Prep School (HPS), a charter school operated by Navigator Schools, a 501(c)3 non-profit corporation.

Background

With the passage of Proposition 51 in November 2016, \$500 million has been made available for the Charter School Facilities Program (CSFP). The CSFP provides preliminary apportionments for new construction projects and rehabilitation of district owned existing facilities that are at least 15-years old. A requirement in the program’s regulations is the inclusion in the initial funding application of evidence of support by the district’s board for the use of such funds to improve the condition of their facilities. Further, if the charter school does receive funding under this program, the regulations also state that the school district and the charter school will develop an agreement for the continued use of the facilities to be rehabilitated.

The Needs

Navigator Schools seeks to make improvements to the section of the R.O. Hardin campus provided by Hollister School District School (the “District”) for HPS. Specific improvements may include rehabilitating one or more classrooms that are older than fifteen years, replacing one or more classrooms with new construction, and adding two classrooms to support universal transitional kindergarten.

Agreement

This agreement acknowledges the District’s support of Navigator Schools’ intention to apply for CSFP apportionment in order to rehabilitate the school facilities at the R.O. Hardin Elementary School Campus, and the District’s willingness to begin negotiations regarding additional agreements required prior to the release of the funds. However, it is understood that if agreements cannot be reached, the project will not move forward.

Once signed, this agreement is to be submitted by Navigator Schools with the application for funding. If funding is approved by the State, it is understood that formal agreements with the District will be required prior to receiving funds. If formal agreements cannot be reached, the request for funding will be withdrawn. It is further understood that all improvements made to the site must be approved in advance by the District as well as the appropriate state and local agencies.

By: _____
Erika Sanchez, Superintendent
Hollister School District

By: _____
Kevin Sved, CEO
Navigator Schools

The agreement was discussed and approved at a Hollister School District Board of Trustees meeting on May 24, 2022.

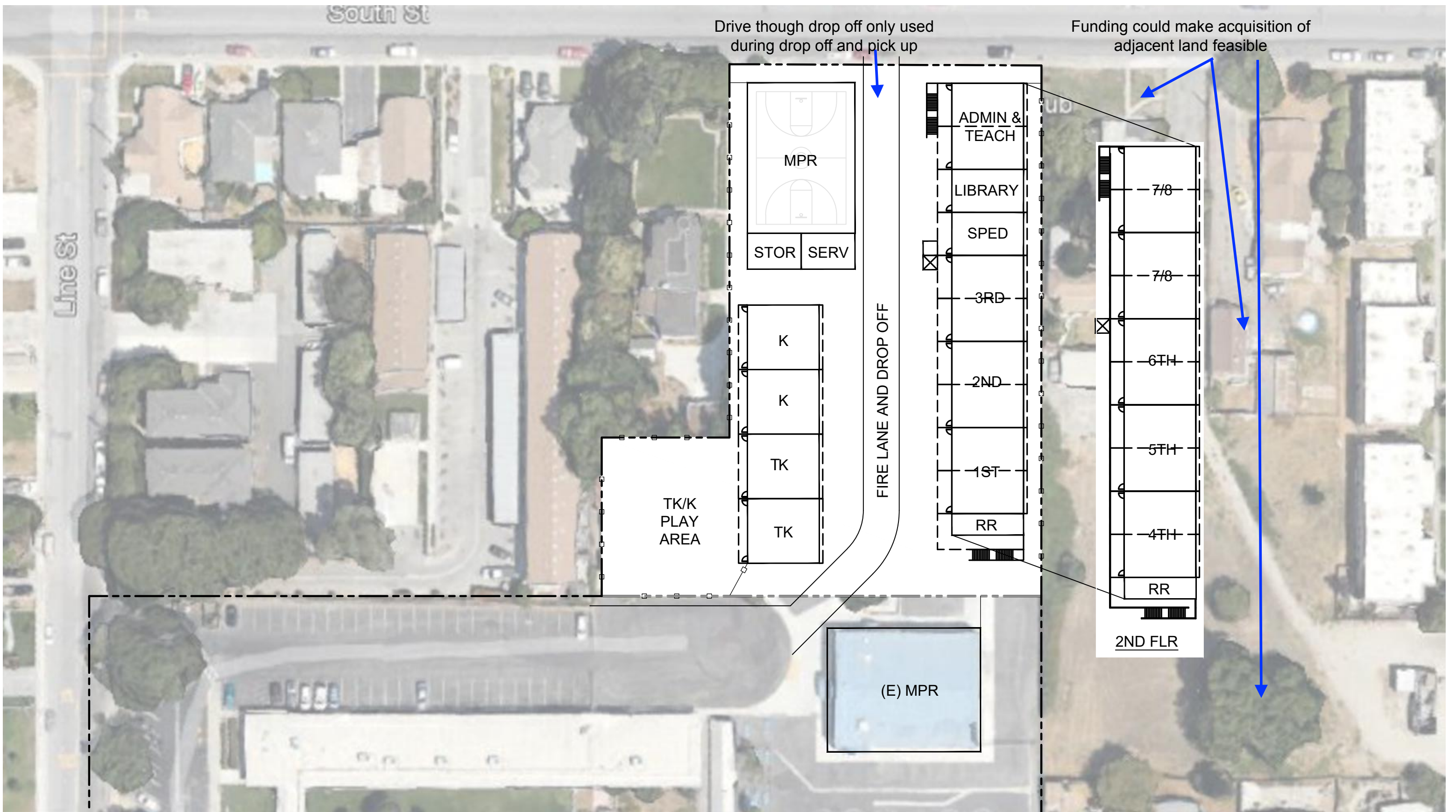
By: _____ Board Secretary

Ayes:

Noes:

Abstain:

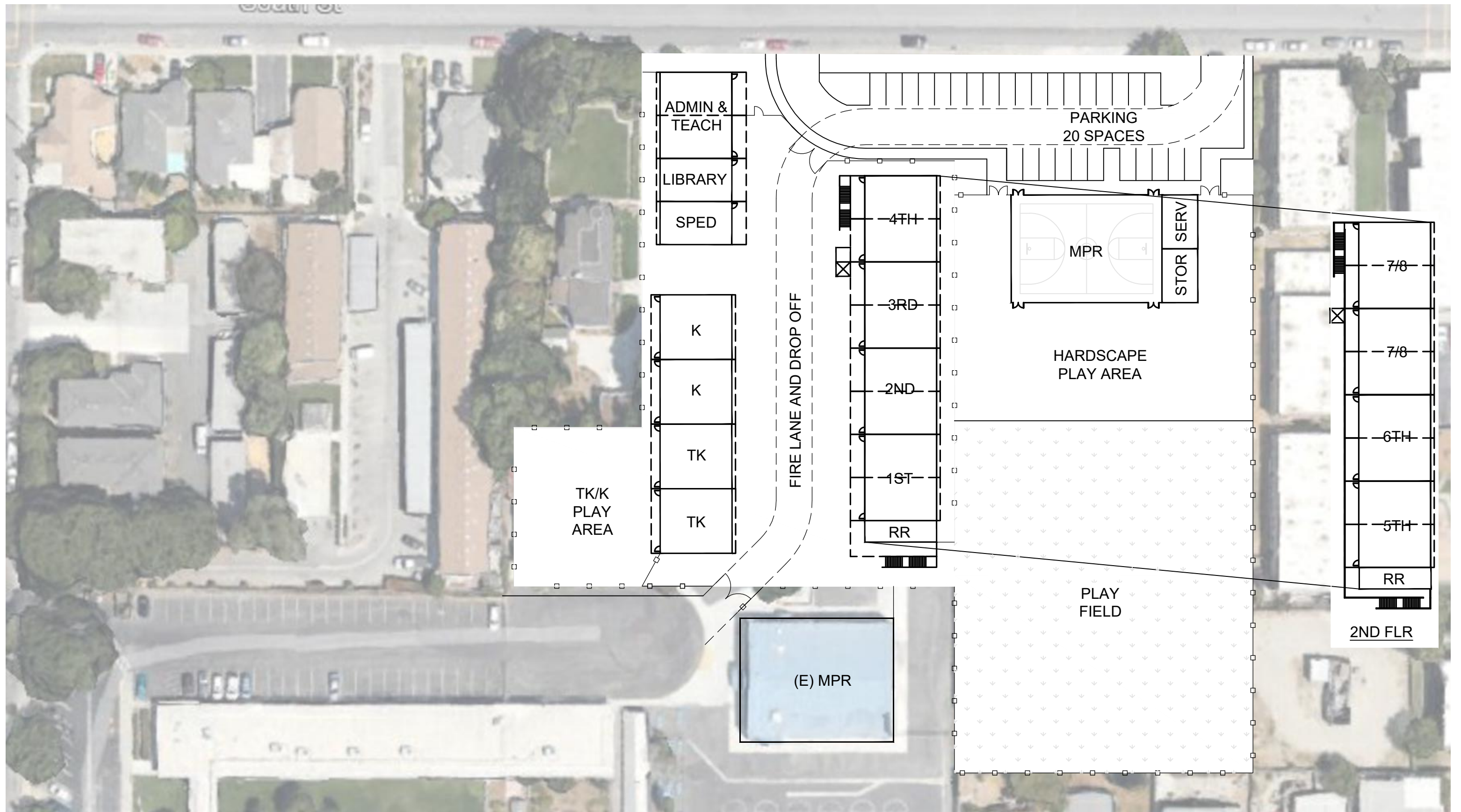
Absent:



HOLLISTER PREP SCHOOL
 CONCEPTUAL SITE PLAN
 NAVIGATOR SCHOOLS

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HOLLISTER PREP SCHOOL
 CONCEPTUAL SITE PLAN
 NAVIGATOR SCHOOLS

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