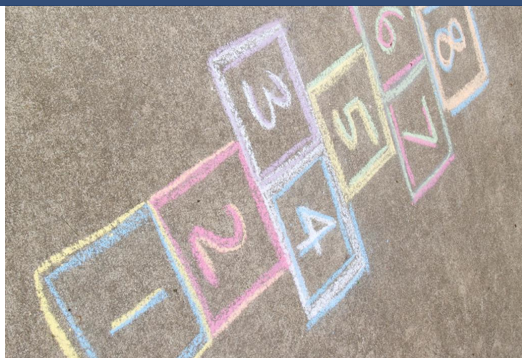


# California's K-12 Educational Infrastructure Investments:

*Leveraging the State's Role for Quality School Facilities in Sustainable Communities*

A Policy Research Report to the California Department of Education

2012



### ***About this Report***

The research and writing of this report was led by Jeffrey M. Vincent, PhD, with assistance from Deborah L. McKoy, PhD, Mark Leinauer, and Paulo Pisco. Mary Filardo, Executive Director of the 21<sup>st</sup> Century School Fund, served as national policy advisor to the study. Funding for this work was provided by the California Department of Education, the California Endowment, and the Institute of Urban and Regional Development at the University of California, Berkeley.

### ***Acknowledgements***

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### ***About the Center for Cities & Schools***

The Center for Cities & Schools at the University of California, Berkeley is an action-oriented, policy and technical assistance do-tank, whose mission is to promote high-quality education as an essential component of urban and metropolitan vitality to create equitable, healthy, and sustainable communities for all.  
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# A Message from State Superintendent of Public Instruction Tom Torlakson



CALIFORNIA  
DEPARTMENT OF  
EDUCATION

**TOM TORLAKSON**  
STATE SUPERINTENDENT OF PUBLIC INSTRUCTION

## A Message from State Superintendent of Public Instruction Tom Torlakson

California's schools are in a fiscal emergency. Shrinking state resources are forcing school boards to make tough decisions in all areas—staffing, curriculum, student support services, and facilities. When facing these unprecedented challenges with continually decreasing resources, the state, our school boards, superintendents, and communities have an even greater need to plan for quality, equity, efficiencies, and accountability.

One of the first efforts I undertook as State Superintendent of Public Instruction was to create the Schools of the Future Initiative. This broad based group of educators, business leaders, and policy makers provided recommendations in two key areas: School Facility Program Reform and High Performance Schools. I did this because we know from research and experience that quality school facilities help to attract and retain teachers, support improved student outcomes, and provide a positive economic impact to a community.

These recommendations from the Schools of the Future Initiative were only the first step. This report commissioned by the California Department of Education and prepared by the University of California Berkeley, Center for Cities and Schools helps advance many of these recommendations and frame the larger school facility policy issues. The state and local districts cannot afford to lose the ground we gained from investing \$100 billion in school facilities over the past decade.

This much needed report identifies key policy linkages between school facility policy and the state's climate change goals. Strategically locating schools, ensuring safe walking routes, reinvesting in our 10,000 existing schools, and fostering increased district and city collaboration will be key in reducing the greenhouse gas emissions and creating a healthy California for today and the future.

I am pleased to accept this report and have tasked the Director of School Facilities to take the lead on preparing an implementation plan with stakeholder input. The California Department of Education will work collaboratively with state agencies and all stakeholders to ensure these efforts are comprehensive and address the needs of all students. For some of the needed actions legislation is necessary, and I look forward to working with the legislature, the Governor, school districts, county offices of education, and charter schools in creating policies and funding that will help to move California's schools and communities forward.

So despite the current fiscal emergency, we have opportunities to shape the future. I am optimistic that our efforts today will create a better tomorrow. The education, health, and well-being of our students, our communities, and our state depend on it.



# Preface

School facilities matter.

They matter to the more than 6 million students who enter a school building every day, to the teachers and staff who educate our students and whose workplace is a school, and to communities where the school serves as an integral space for neighborhood activity.

California voters know this intrinsically and have consistently invested in school facilities by passing statewide bond measures.

Since 1998, the state's voters have provided more than \$35 billion in state bond funds and voters in school districts throughout the state have contributed more than \$66 billion for our school facilities. With these bonds and developer fees, California's school districts, county offices of education, and charter schools have been able to make an historic investment in building hundreds of new school schools and in modernizing thousands of existing schools.

Now, fourteen years later, the state as well as the nation and the world are in a different place — an economic recession, a focus on sustainability, and the need to close the achievement gap are informing education policy — and it is necessary to reexamine the state and local facility partnership. To frame this needed discussion, the California Department of Education solicited this report from the Center for Cities & Schools at University of California, Berkeley.

The issues raised herein will help drive the needed conversation between now and 2014 about what the next statewide K-12 school construction funding program should look like, and how schools can be key partners in achieving the state's environmental goals.

The link between quality school facilities and student achievement is well-documented in research and by our common experiences, and the continued state investment in school facilities infrastructure should be spent on high-impact outcomes that improve our schools, our communities, and our state. Schools need to be learner-centered, safe, and sustainable centers of their communities. It is time to examine our beliefs, reevaluate how we have been doing business, and commit ourselves to getting even better results.

Thank you for taking the time to read this report, and I hope that you will actively participate in California's efforts to have great schools and thriving children.

*Kathleen J. Moore, Director, School Facilities and Transportation Services Division,  
California Department of Education, June 2012*

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## Executive Summary

In *California's K-12 Educational Infrastructure Investments: Leveraging the State's Role for Quality School Facilities in Sustainable Communities*, the University of California, Berkeley's Center for Cities & Schools provides an analysis of the state's K-12 infrastructure policies, regulations, and funding patterns. Findings reveal the need to greatly refine school facilities planning and funding policies and practices to promote sound, efficient, and goal-oriented decision making at state and local levels. The recommendations re- envision the state's role in K-12 infrastructure as one of appropriately supporting educational outcomes and contributing to more sustainable communities through a framework of public infrastructure best practices for sound planning, effective management, adequate and equitable funding, and appropriate oversight. The recommendations build on those put forth in recent California Department of Education (CDE) reports, including *Schools of the Future* (2011), *Blueprint for Great Schools* (2011), and *Re-Visioning School Facilities for the 21<sup>st</sup> Century* (2009), and lay out a vision, policy framework, and implementation plan to equitably and efficiently improve learning environments for California's 6 million students.

Since its creation in 1998, California's School Facility Program (SFP) has provided profound support for K-12 infrastructure. As a state and local funding partnership, the SFP has invested \$101.6 billion in local and state general obligation (G.O.) bond funds in new construction and major building improvements throughout the state. State bond funds contributed \$35.4 billion to this total while Local Educational Agencies (LEAs) bond funds contributed the balance, about \$66.17 billion. On top of this, LEAs invested countless dollars from their annual school operating budgets towards facilities, an estimated \$10 to \$15 billion in local developer fees was raised, and the state contributed about \$6.2 billion in deferred maintenance funds that were matched by LEAs. Together, these capital funds – believed to total about \$118 billion between 1998 and 2011 – improved the health and safety of many school facilities, provided new schools for growing communities, relieved overcrowding through new construction and additions, contributed to community and environmental improvements, and have been a job creation engine.

However, our research findings indicate that policy reforms and future investment are needed to ensure these past gains are not squandered; there are time-sensitive opportunities to seize improvements at both the state and local levels that: 1) equitably distribute these benefits across all schools; and 2) enhance the collaboration of LEAs and local governments for aligning and leveraging the substantial public investments in land development patterns, K-12 infrastructure, and other infrastructure sectors. By strategically doing both, California will ensure its policies and investment priorities support educational quality and promote the state's broader infrastructure funding goals and new policy shift towards more sustainable communities. The latter includes implementation of Senate Bill (SB) 375, upholding the state planning priorities as outlined in Assembly Bill (AB) 857, and efforts discussed in detail in our report. Despite the importance of schools as community infrastructure, the state's K-12 facility program currently is disconnected from the broader efforts to align other statewide infrastructure investments around a common set of sustainability goals.

Over the next decade, we estimate that California's K-12 school facilities need about the same level of investment they had over the last decade to provide safe, modern, equitable, and sustainable learning environments for all students. We calculate that \$117 billion in total capital investment (from all sources) is needed to make good on the previous decade's historic investment. However, the investment over the coming decade should be structured differently than that of the previous decade to best address the needs in local communities across the state. Whereas much of the investment since 1998 was aimed at new construction to accommodate enrollment growth and crowding, the next decade will need to prioritize

## California's K-12 Educational Infrastructure Investments

existing school facilities. A particular focus should be on improving substandard learning environments and eliminating deferred maintenance needs through annual capital renewals investments (an industry standard), major modernizations for both life-safety and educational program delivery, and – where necessary – full replacement of outmoded buildings that hinder health, safety, and/or quality teaching and learning.

By following the recommendations in this report, the State of California will best leverage its policy, regulatory, and funding role to link its planning and investment in K-12 school facilities to other infrastructure sectors for multiple benefits to education and local communities.

### **Findings: Barriers to K-12 Infrastructure Alignment**

A host of policy and implementation challenges remain barriers to California maximizing its strategic use of state-level K-12 infrastructure funds. Our research findings indicate concerns of inequitable facility condition; inadequate investment, particularly in existing facilities; and lack of local government and LEA collaboration around infrastructure and land use decisions. We found likely causes for these challenges in the capital facility planning, management, funding, and accountability systems in place in the state. The key findings are:

#### **Planning Challenges**

- California's K-12 infrastructure demands differ from those of a decade ago
- California lacks clearly defined K-12 infrastructure investment priorities
- California's sustainable communities policies exclude K-12 infrastructure
- The School Facility Program has little authority over sustainable communities outcomes
- Policy and regulatory guidance for local intergovernmental planning is insufficient

#### **Management Challenges**

- California lacks the information to guide strategic K-12 infrastructure decisions
- Concerns of distrust and inefficiency plague the School Facilities Program
- California's K-12 facility grants lack flexibility for planning and design for 21st century learning

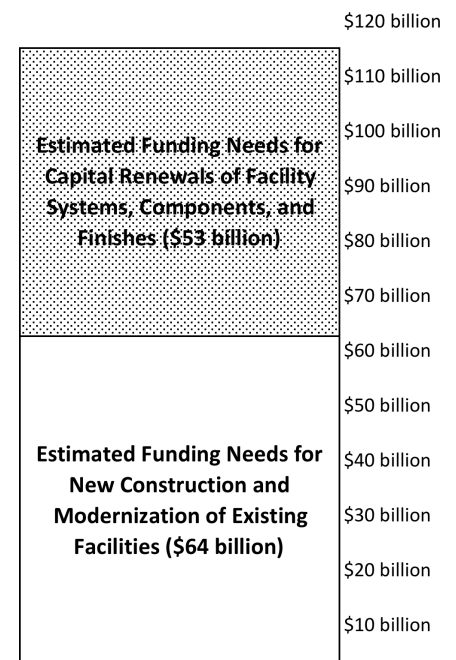
#### **Funding Challenges**

- Funding of modernizations for health, safety, and education quality has fallen short
- California's K-12 infrastructure spending has been inequitable
- LEAs will still need funding assistance for new school construction
- California's episodic and unstable schedule for K-12 infrastructure funding creates inefficiencies
- Over the next decade, California K-12 school facilities need an estimated \$117 billion in capital investments to ensure safe, modern, equitable, and sustainable learning environments for all students

#### **Accountability Challenges**

- California lacks the metrics and systems needed to ensure high value return on state and local K-12 educational infrastructure investment

### **Funding NEEDS for California K-12 Facilities, 2013-2023**



## ***Recommendations: Leveraging the State's Role for Quality School Facilities in Sustainable Communities***

Through our analysis of California's policies and funding trends on K-12 school facilities and other infrastructure, our extensive interviews with relevant stakeholders statewide, and our study K-12 school facility programs and funding policies in all other states, we developed recommendations for strategically improving the State of California's role in K-12 school facilities, and especially the next generation of the School Facility Program (SFP). These recommendations aim to ensure that state funding is adequate and fairly allocated; that state approvals enhance accountability, but are efficient; and that state policies promote local planning to integrate K-12 facilities and sustainable community infrastructure. The recommendations further outline a coherent set of guidelines, standards, incentives, technical support, and investment priorities for California. We have focused on what the state can do to support LEAs and other local governments in delivering high-quality school facilities in sustainable communities, which involves implementation of three key elements: policy reforms, process innovations, and technology tools.

**1) *The California State Legislature should adopt a vision and master plan for the state's K-12 infrastructure investment.*** A solid vision and master plan is needed for California to strategically invest its state-level K-12 school facilities funds. The state's aim should be to first and foremost address educational needs, but also to support the state's broader goals of sustainable communities. As we found in our research, the state's investment priorities on K-12 infrastructure are falling short on both. The State Legislature should establish a task force (or equivalent) to develop a vision with guiding principles and a master plan for the state K-12 facilities program. The task force should use this report as a guide. The vision, principles, and plan should then guide all state-level agencies involved with K-12 facilities, helping to create an integrated policy framework for multisectoral strategic capital planning and align the goals of K-12 infrastructure investment with the state's broader infrastructure investment goals.

*a. K-12 school infrastructure should have representation on the Strategic Growth Council*

**2) *The state should more actively promote local planning that advances quality education and sustainable communities.*** Improved clarity in state codes on local intergovernmental planning is needed for a collaborative shift towards ensuring high-quality schools and sustainable communities.. State policies play a role by establishing mandates and incentives to encourage local leaders to work together. Because school facilities planning and management in California is a local LEA responsibility, state policies should be designed to encourage and support well-managed local capital planning programs in addition to providing funding assistance and setting various standards.

*a. K-12 school infrastructure should be included in sustainable communities policy and implementation*

*b. School districts need standards-based Educational Facilities Master Plans*

*c. Policy, regulatory, and best practices guidance from state agencies should be available to support local intergovernmental collaboration*

*d. K-12 facilities projects receiving state funding should meet minimum green building criteria*

*e. CEQA should be used to identify and implement land use and school site planning changes to support more sustainable communities*



## California's K-12 Educational Infrastructure Investments

**3) The state should assemble the necessary information to strategically prioritize funding for school facilities with highest needs.** High levels of deferred maintenance and other facility deficiencies are a significant concern for California, most importantly because they hinder teaching and learning and work against education, health, safety, and other state goals. Through its ability to prioritize funding, award hardship grants, and other policy levers, the State of California can play an important role in assisting LEAs in building new schools and repairing and modernizing existing schools to best support student success and overcome the deeply entrenched achievement gap experienced by low-income, African American, and Latino students. To ensure that school facility policies and funding decisions are made in the best interests of California's children, education data, facility information, and established priorities should be the guide. Strategic decisions can only be made with good information that is available to decision makers and the public.

- a. *Develop an inventory and assessment tool that measures the conditions and qualities of all California public school facilities*

**4) The California Department of Education should work with educators, communities, and design professionals to review the standards in California Code of Regulations, Title 5 to ensure they provide for effective and efficient public planning processes and are a sound basis for quality school facilities that contribute to sustainable communities.** The standards in *California Code of Regulations, Title 5* (Title 5) play an important role in shaping school planning and design at the local level. These design and condition (and other) standards for existing and new public school facilities are needed so that priorities and funding adequacy can be determined based on clear benchmarks. LEAs have wide latitude in the design of their schools and the standards are structured to allow for LEA customization so long as they demonstrate to the CDE that student safety and educational appropriateness are not compromised. The state must determine what spaces/physical components a school receiving state facilities funds should minimally include – independent of the wealth of the community. The review and updating of Title 5 also needs to take into consideration the state's new sustainable communities priorities including outlining standards for intergovernmental planning for the replacement, modernization, and expansion of existing schools; siting new schools in infill locations and/or adjacent to existing/planning development that promote compact development and walkability; and promoting joint use of school and community facilities.

- a. *Conduct a statewide comparison of existing building spaces, features, and amenities*
- b. *Ensure the review and update of Title 5 supports the state's new sustainable communities priorities*

**5) The state should set priorities for remedying inadequate facilities and supporting new construction.** A key priority for supporting high-quality education in California should be ensuring all schools meet the new minimum conditional standards. By having this type of funding prioritization in the short term, California will ensure that educational goals drive K-12 facility funding patterns. For example, if closing the achievement gap is a state education goal, then one step in that direction is closing the school facility condition gap. Following the statewide inventory and building conditions assessment (Recommendation 3), and the updating of Title 5 standards (Recommendation 4), the state can work with LEAs to identify statewide needs. The state (e.g., CDE) should work on a case-by-case basis with the LEAs of schools that fall below the standards to determine what investments need to be made, including building replacements and major modernizations. The state should also strategically strengthen its support to LEAs for new construction. The needs for this funding would fluctuate over

## California's K-12 Educational Infrastructure Investments

time in accordance with enrollment trends, regional growth, sustainable communities goals, and other factors. Overall, these priorities should both support high-quality education and align with the state's broader infrastructure investment and sustainable communities land development goals.

- a. *Identify the state-level need for full school modernization, building replacement, and new construction*
- b. *Establish criteria for ranking full school modernization, building replacement, and new construction projects*
- c. *Bring schools not being replaced or fully modernized up to minimum conditions standards by eliminating deferred maintenance needs*
- d. *Work with the legislature to develop a transparent and easily understood formula to direct state funds to the highest need projects*

**6) To protect the state's investment and aid in supporting educational achievement, funds for the state share in capital renewals should be provided to all school districts annually, adjusted for local wealth, need, and effort.**

To chip away at the physical conditions deficiencies in individual K-12 facilities across the state (especially those not addressed through building replacements and modernizations for education program delivery) and to keep levels of these deficiencies from rising in the future, the state should establish an ongoing program that provides funds annually to LEAs, to assist with capital renewals. Renewal is the scheduled replacement or restoration of basic building systems, components, and finishes that have exceeded their service life. Providing dedicated, predictable funding to LEAs for capital renewals will also curtail the process inefficiencies and facility deficiencies that result, in part, from California's current episodic and unstable bond-driven K-12 infrastructure investment pattern. Capital renewal funding will also help remedy the effects of increased LEA's "flexing" of deferred maintenance funds in recent years. It will also help safeguard the state from facility equity lawsuits in the future. An effective and well-managed capital renewals state program should have appropriate funding amounts to address prioritized needs (as outlined in this report) and a transparent formula with an established state share prioritizing low-wealth, high-need, and high-effort LEAs.

**7) The state should identify multiple revenue sources for contributing to LEA new construction, building replacements, modernizations, and capital renewals.** To ensure that the State of California is meeting its share of K-12 capital investment, multiple revenue sources will be needed. The state should assess options for more stable and adequate state funding sources rather than rely solely on debt financing through G.O. bonds.

- a. *Consider a statewide special tax to fund annual K-12 capital renewals*
- b. *Pass enabling legislation for public/public and public/private partnerships for school construction*
- c. *Continue to use periodic bond proceeds*

**8) The California State Legislature and the State Allocation Board should improve public accountability processes within the School Facility Program.** Improved accountability measures are needed to realize process efficiencies and achieve desired outcomes from state investment.

- a. *Produce an annual report on K-12 capital funding patterns*
- b. *Develop a state-level, interagency project management information system*
- c. *Establish a state level SFP "Citizen's Oversight Committee"*
- d. *Maintain the SAB's Implementation Committee as a mechanism for policy and regulatory feedback*
- e. *Coordinate and streamline SFP approval processes to increase efficiencies*
- f. *Support planning processes and technology tools to realize efficiencies*

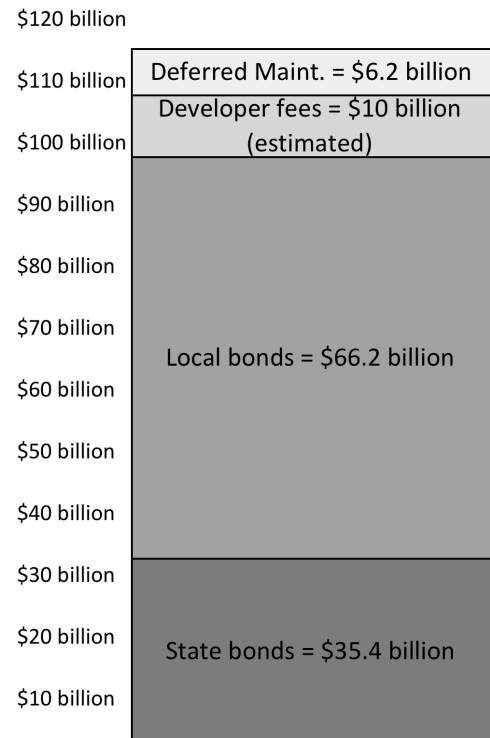
# I. A Decade of Progress for California's K-12 Educational Infrastructure

California's School Facility Program (SFP) has been a profoundly important K-12 infrastructure program for the state and its children. The most recent program began in 1998 and was structured as a state and local funding partnership. Since 1998, this funding partnership has invested \$101.6 billion in local and state general obligation (G.O.) bond funds in new construction and major building improvements throughout the state. State bond funds contributed \$35.4 billion of this total and Local Educational Agencies (LEAs) bond funds contributed the rest, about \$66.2 billion. On top of this, LEAs invested countless dollars from their annual school operating budgets towards facilities, an estimated \$10 to \$15 billion in local developer fees was raised, and the state contributed about \$6.2 billion in deferred maintenance funds that were matched by LEAs. Together, these capital funds – believed to total about \$118 billion – improved the health and safety of many school facilities, provided new schools for growing communities, relieved overcrowding through new construction and additions, contributed to community and environmental improvements in older neighborhoods, and have been a sizable job creation engine.

California's School Facility Program has made a profoundly important investment in the state and its children.

**This massive – and unprecedented – investment came at a time of enormous need among schools in the state.** Tens of thousands of students were on multitrack, year-round schedules with a shortened school year, attending classes in portable buildings, experiencing intense crowding, and/or being bused to less crowded schools located farther from their homes. Concurrently, student enrollment was growing. With strong voter support, state and local funds jointly addressed these concerns.<sup>1</sup> Between 1995 and 2004, California LEAs were only spending an average of \$492 per student per year on facilities. With the help of SFP funds, this rate jumped to an average of \$1,569 per student per year between 2005 and 2008. The investment saw California go from 36<sup>th</sup> to 6<sup>th</sup> nationally in total K-12 facility spending.<sup>2</sup> Under the state-local funding partnership established by the SFP, substantial improvements and expansions have occurred in the state's K-12 educational infrastructure. In recent years, the State of California has contributed about 30% of total LEA capital outlay, while LEAs have contributed 70% themselves.<sup>3</sup>

**Funding SOURCES  
for California K-12  
Facilities, 1998 - 2011**  
Estimated Total =  
**\$118 billion**



## California's K-12 Educational Infrastructure Investments

**But going forward, California faces major challenges in maintaining and prioritizing the state contribution to local K-12 facilities needs.**

- **Available state bond funds for K-12 facilities are nearly depleted and once gone there are no more state funds to distribute unless another state bond passes.** While the previous four statewide K-12 bonds had strong voter support, California's current economic climate is much different than when those bonds passed; the down economy and the concerns about rising debt service costs to the state's general fund make a new bond's success at the polls less predictable.
- **Based on what is known about school facility needs across the state, it is safe to assume there will be much more need – and demand – from LEAs for state matching funds than will be available.** California LEAs will need to continue to invest in their school facilities to enrich education, accommodate population growth, relieve school overcrowding, eliminate deferred maintenance, keep up with the normal life cycle of building systems and components, and modernize facilities to both enhance educational outcomes and utilize more efficient and sustainable technologies. Unfortunately, California does not have a solid estimate of the statewide school facility needs; an external 2008 study estimated statewide K-12 *deferred maintenance needs alone were \$25.4 billion.*<sup>4</sup> Not keeping up with the variety of needed investments places California's children at strong risk of experiencing the same facility-related problems the SFP was established in 1998 to alleviate. As numerous studies have shown, facility problems work against positive educational outcomes. As these problems mount, basic building conditions worsen over time. Additionally, educational enhancements – such as technology, science labs, other specialty spaces for a 21<sup>st</sup> century curriculum – are not occurring, particularly in schools serving low-income children. As a result many low-income children throughout the state are not building 21<sup>st</sup> century skills. These problems are a function of inadequate and inequitable school facilities funding – a concern that led to the *Eliezer Williams, et al., vs. State of California, et al.*, lawsuit and its settlement in 2004 (described later in the report).

**Most fundamentally, California must decide if and how it will maintain its long-standing commitment to funding K-12 educational infrastructure and ensure safe, adequate, and educationally appropriate learning environments for the state's 6 million students.** We assume that the State of California will continue some level of state funding for local K-12 school facilities – court decisions, various sections of the *Government Code*, *Education Code* § 15700, and the Leroy F. Green School Facilities Act of 1998, beginning at *Education Code* § 17070.10, suggest the state has an ongoing legal responsibility in this regard. Given the inescapable fact that K-12 school facilities require ongoing expenditures to remain safe and healthy, how will state funds be prioritized to promote the most beneficial outcomes?

**At the same time, California is establishing new policies to ensure land use, transportation, and infrastructure investments promote energy, resource use, and greenhouse gas emissions levels that are sustainable.** The state has made unprecedented policy shifts to better align statewide infrastructure investment towards more “sustainable communities.” Evidence of this shift can be seen in the

## California's K-12 Educational Infrastructure Investments

creation of the Strategic Growth Council (SGC) and enactment of climate change legislation, including Assembly Bill (AB) 32, Senate Bill (SB) 375, and SB 732 (described later in the report). As educational and community infrastructure, K-12 facilities not only affect educational outcomes, but they also affect land development, transportation patterns, housing prices, residential choices, and water and utility demands.

**However, despite the importance of schools as community infrastructure and their impact on the state's sustainable communities priorities, the state's K-12 facility program remains wholly disconnected from the broader efforts to align infrastructure investments around a common set of goals.** As California moves to align all of its infrastructure investment sectors, school facilities planning and investment should be connected to these efforts.

**To get the best value out of the state's K-12 school facility investments, the decisions on how to spend future state-level school facilities funds should be driven by both the state's educational priorities and its sustainable communities objectives.** Like any public policy decision, this will likely require making tradeoffs. But to be clear: *California's educational infrastructure investment program should first and foremost support high-quality education.* Important policy reforms are still needed to do that, as we will discuss. But, the state's educational infrastructure investment should also be supportive of – and not undermine – the state's sustainable communities goals and objectives. Thus, wherever possible, state-level K-12 facilities policies, regulations, and investments should harnesses “co-benefits” in multiple areas of state priorities, including the goals of high-quality “green” public schools<sup>5</sup> and more healthy and sustainable communities.<sup>6</sup> At the same time, the state program should ensure efficient public spending at both state and local levels. Leveraging benefits across multiple state goals will help guarantee better value of public funds spent.

**In this policy research report, the University of California, Berkeley's Center for Cities & Schools identifies barriers and presents recommendations to the State Superintendent of Public Instruction and the State Legislature for strategic improvements to California's state-level K-12 facilities investment and the prioritization of future funds.** Our recommendations build on those put forth in recent California Department of Education (CDE) reports, *Schools of the Future* (2011), *Blueprint for Great Schools* (2011), and *Re-Visioning School Facilities for the 21<sup>st</sup> Century* (2009). Our recommendations address policy, regulatory, and finance issues within a framework of public infrastructure best practice elements of:

- sound planning,
- effective management,
- adequate and equitable funding, and
- appropriate oversight.

The prioritization of the next generation of K-12 facilities funds should be driven by both the state's educational priorities and its sustainable communities objectives.

## California's K-12 Educational Infrastructure Investments

**We provide recommendations for a more coherent K-12 infrastructure program framework at the state level that will in turn incentivize the same sound planning and investment practices at the local level by LEAs and local governments.** Such recommendations result from recent policy reviews of California's infrastructure investments and better support multisectoral capital planning strategies.<sup>7</sup> Our recommendations will help California move forward towards this goal and realize co-benefits across multiple state priorities.

### ***Report Scope and Methodology***

This policy research report asks:

- ***How can the State of California better promote efficient and sound planning for K-12 school facilities across the state?***
- ***How should the next generation of California's state level K-12 school facilities funding be prioritized?***
- ***What policy and regulatory changes are needed to support sound planning and strategic prioritization of state funds?***

The research team took a multipronged approach to the complex, multifaceted issue of state-level K-12 facilities policy. First, we conducted extensive qualitative research, which included participant observation of convenings of statewide stakeholders (i.e., California Department of Education (CDE) School Facilities and Transportation Services Division's (SFTSD) Advisory Committee, Coalition for Adequate School Housing (CASH) membership meetings, legislative hearing on SB 132, Strategic Growth Council (SGC) meetings, and State Superintendent of Public Instruction (SSPI) Tom Torlakson's Schools of the Future Task Force), and more than 50 stakeholder interviews to understand facility-related challenges in schools and communities across the state. Interviewees included representation from school districts; local, county, and regional governments; the state legislature; state agencies; nonprofit advocacy groups; academic researchers; and policy experts from across the country. Second, we reviewed recent policy research on and recommendations for California's K-12 school facility program and infrastructure investment in general. In many cases, we found useful and applicable recommendations from earlier reports on this issue to adapt here. We also analyzed California *Government Code* related to school facilities. Third, we investigated state-level K-12 school facility policies nationwide to glean ideas for adaptation in California. Using national data on state school facility policies and programs, we examined the different policy, regulatory, and funding approaches, zeroing in on ones that appear informative for the California context.<sup>8</sup>

This report consists of five main sections. Section II describes California's state policy framework for K-12 infrastructure investment and the state's new infrastructure investment prioritization for more sustainable communities, and the growing interest in aligning the two. Section III outlines the research findings, outlining the barriers and challenges to K-12 infrastructure alignment. Section IV presents the policy

## California's K-12 Educational Infrastructure Investments

recommendations to ensure the wise and strategic use of California's state-level K-12 school facilities investment. Section V concludes with a charge for next steps in implementing the recommendations.

We focus only minimally on the complex issue of the source of state funds for K-12 facilities. While it is likely that the State of California will continue funding for local K-12 school facilities, the source of those funds remains an issue that looms on the horizon given that California's debt-service from bond funds has increased substantially according to the Legislative Analyst's Office.<sup>9</sup>

### ***Why K-12 School Facilities Matter for Educational Quality and Sustainable Communities***

Research increasingly affirms the important connections between K-12 educational infrastructure, educational outcomes, and sustainable communities and provide the rationale for why California should be more strategic in K-12 facilities funding.

- ***The conditions and qualities of K-12 school facilities and their environments affect teaching and learning.*** The research on school building conditions and student outcomes finds a consistent relationship between poor facilities and poor performance.<sup>10</sup> When school facilities are clean, in good repair, and designed to support high academic standards, there is likely to be higher student achievement independent of student socioeconomic status. Physical and environmental conditions both inside schools and classrooms – including the amount of natural light, the indoor air quality, the temperature, and the cleanliness – all impact student learning and teacher effectiveness. Thus, the condition and design of school facilities and grounds play a role in promoting healthy students, supporting educational performance, and closing the achievement gap.
- ***The conditions, qualities, and locations of K-12 facilities affect healthy and sustainable communities objectives, including land use, growth, and travel patterns.*** As public infrastructure, K-12 school facilities and grounds impact local and regional communities in many ways. School buildings signal school and neighborhood quality to potential residents, and new school siting and school closing choices contribute to the character of a community and travel modes to school for children. New or well-maintained school facilities can help revitalize distressed neighborhoods.<sup>11</sup> The activities that occur in and around school buildings can further help build neighborhood social capital and affect student achievement.<sup>12</sup> Investments in the construction and maintenance of school facilities inject money into local economies through job creation and supply purchases.<sup>13</sup> School siting choices are an important element in a sustainable school infrastructure program.<sup>14</sup> For example, U.S. Environmental Protection Agency (EPA) researchers found that schools built close to students reduce traffic, increase walking and biking by 13%, and could create a 15% emissions reduction as a result of decreased automobile travel to and from the school site.<sup>15</sup> In 2011, the EPA released its "Voluntary Guidelines for School Siting" in response to these connections between school site choices and land development and travel patterns and to address the vacuum in state policies and local government agency collaborative land use and infrastructure planning.<sup>16</sup>

## II. The State Role in K-12 Educational Infrastructure and Sustainable Communities

California's current economic and policy context presents both daunting challenges and new opportunities for K-12 educational infrastructure. In this section, we describe the long-standing state involvement in regulating and funding public K-12 school facilities and then point to its connections to the new state policy framework aimed at aligning all other sectors of state level infrastructure investment toward a common set of goals, with a particular focus on sustainable communities.

California's current economic and policy context presents both daunting challenges and new opportunities for K-12 educational infrastructure.

### *California's K-12 School Facilities Infrastructure*

With 9,903 public schools serving its 6.1 million students, California has one of the nation's largest inventories of public K-12 schools.<sup>17</sup> The majority (85% or 8,439) are common K-12 schools, including elementary schools, middle/junior high schools, and high schools. California also has 912 public charter schools – about 10% of the total, and growing in number.<sup>18</sup> The 8,439 traditional public schools represent an estimated 471 million gross square feet of building space, including 303,399 classrooms.<sup>19</sup> The CDE estimates that 71% (215,017) of classrooms in the state are more than 25 years old.<sup>20</sup> About 30% of them are at least 50 years old and about 10% are at least 70 years old.<sup>21</sup> About 25% of classrooms are temporary portable buildings. These portables number about 75,000+ and about 2 million students attend classes in them.<sup>22</sup> No state agency reports information on the amount of land owned by school districts, but we estimate it to be more than 125,000 acres of land statewide.<sup>23</sup>

California's public schools are operated and managed by 1,042 LEAs.<sup>24</sup> As in most states, the day-to-day responsibility for delivering educational services in California is given to LEAs, which are governed by elected school boards.<sup>25</sup> As a recent thorough review of the governance structure of California education noted,

Although the state 'holds the legal cards' in the sense that it has constitutional authority to organize the system as it wishes, the initial organic growth of local schools systems, and suspicion of central authority, meant that a significant degree of autonomy was ceded to local agents, school districts.<sup>26</sup>

In a school facility capital investment planning or construction endeavor, LEAs are the lead agency, not the state. This local control – and the LEA

#### *California K-12 School Facility Facts, January 2012*

Number of students	6.1 million
Number of LEAs	1,042
Number of schools	9,903
Number of charter schools	912
Total gross square feet	471 million
Number of classrooms	303,399
Percent over 25 years old	71%
Percent 50 or more years old	30%
Percent 70 or more years old	10%
Number of portable classrooms	75,000+
Total K-12 acreage	125,000

See source citations in text



## California’s K-12 Educational Infrastructure Investments

autonomy enshrined in California law – is an important structural context in which the state K-12 facility program operates; we refer to this local control throughout the report. Thus, the state program assists LEAs, who are fully responsible for projects.

### *The School Facility Program, 1998 to Present*

California’s School Facility Program (SFP) stems from a long history of state policy and financial support to LEAs for their facilities: in 1927 the CDE began to assist LEAs in capital planning; the Division of the State Architect (DSA) was charged with enforcing building code standards after the Long Beach earthquake of 1933; and in 1947 the state began limited state facility funding support for LEAs and the legislature established the State Allocation Board (SAB) to oversee allocation.<sup>27</sup>

The state’s financial support to LEAs ramped up in 1976 with the Lease-Purchase Program (LPP) and continues today under the SFP, which was established in 1998 by SB 50, the *Leroy F. Green School Facilities Act* (see the box summarizing the four statewide school construction bonds that have passed since 1998 to fund the SFP). Structured as a funding partnership between LEAs and the state, state funds are meant to match local dollars. (Local funds are typically some combination of local G.O. bonds and developer fees. State funds come in the form of statewide G.O bonds.) Guided by the legislation from SB 50, the SFP sets eligibility and fiscal standards and provides grant funds on a project-level basis for acquiring school sites, constructing new facilities, and modernizing existing facilities. Funding is allocated in per pupil grants that are project-specific. Supplemental grants for site development, site acquisition, and other project-specific costs are also awarded when warranted. This system has been described as “open-ended matching aid” from the state – state funds are meant to match locally raised dollars and in theory there is not a strict limit or cap on the total amount a project can receive.<sup>28</sup> The funding limit is calculated by a local eligibility determination.

<b>Statewide K-12 School Construction Bonds, 1998-2011</b>	
<b>Total = \$35.4 billion</b>	
<b>Prop 1A, November 1998</b>	<b>\$6.7 Billion</b>
New Construction	\$2,900,000,000
Modernization	\$2,100,000,000
Hardship	\$1,000,000,000
Class Size Reduction	\$700,000,000
<b>Prop 47, November 2002</b>	<b>\$11.4 Billion</b>
New Construction	\$6,250,000,000
Modernization	\$3,300,000,000
Critically Overcrowded Schools	\$1,700,000,000
Charter Schools	\$100,000,000
Joint Use	\$50,000,000
<b>Prop 55, March 2004</b>	<b>\$10.0 Billion</b>
New Construction	\$4,960,000,000
Modernization	\$2,250,000,000
Critically Overcrowded Schools	\$2,440,000,000
Charter School	\$300,000,000
Joint Use	\$50,000,000
<b>Prop 1D, November 2006</b>	<b>\$7.33 Billion</b>
New Construction	\$1,900,000,000
Modernization	\$3,300,000,000
Career Technical Education	\$500,000,000
High Performance Schools	\$100,000,000
Overcrowding Relief	\$1,000,000,000
Charter Schools	\$500,000,000
Joint Use	\$29,000,000

Since 1998, there has been \$35.4 billion in state bond funds made available to LEAs.

## California's K-12 Educational Infrastructure Investments

About 80% of these funds have gone toward two programs: the New Construction Program and the Modernization Program.<sup>29</sup> The rest of the funds have been used for nine smaller funding programs within the SFP: Career Technical Education Facilities Program; Charter School Facilities; Critically Overcrowded Schools Program; Facility Hardship Program; Seismic Mitigation Program; Financial Hardship Program; High Performance Incentive Grant Program; Joint-Use Program; and Overcrowding Relief Grant Program. (There is some overlap of funds between these programs and the New Construction Program and Modernization Program). Each program has its own eligibility requirements (see Appendix A for program descriptions). A few other smaller programs are administered by the SAB, but these are separate from the main programs (including the Deferred Maintenance Program, the Emergency Repair Program, and the now-phased-out State Relocatable Classroom Program).

Since 1998, the **New Construction Program** has had \$16.01 billion made available for allocation. The program provides state funds on a fifty-fifty state-local sharing basis for eligible projects that add capacity to an LEA.<sup>30</sup> Adding capacity can include the construction of a new school or the addition of classrooms to an existing school. Eligibility is determined at the district level (although there is an option to use high school attendance areas in some cases) and is based on an LEA's projected need to house pupils, which is determined by the gap between an LEA's projected enrollment and its existing classroom capacity. Eligibility translates directly into pupil grants. The pupil grant is a composite dollar figure that provides the state's share for project costs including design, construction, testing, inspection, furniture and equipment, and other costs closely related to the actual construction of the school buildings. The pupil grant amount is set in law and adjusted annually by the SAB based on recent construction costs. Supplemental grants augment pupil grant funding, including those for site acquisition, utilities, off-site, general site development, and other excessive cost hardships. To participate in the New Construction Program, LEAs must first raise funds locally to be eligible for the state match.

Since 1998, the New Construction Program has had about \$16 billion in funds authorized, helping to build more than 1,000+ schools and additions projects across the state.

Since 1998, the **Modernization Program** has had \$10.95 billion made available for allocation. The program provides state funds on a sixty-fifty state-local sharing basis for eligible improvements to educationally enhance existing school facilities (such as air conditioning, plumbing, lighting, and electrical systems). Eligibility for modernization funding is established separately for each school site (a fundamental difference from the New Construction Program, which is calculated at the district level). Eligibility translates directly into pupil grants, which vary by student grade level. To be eligible, a permanent building must be at least 25 years old and a relocatable building must be at least 20 years old. The facility must not have been previously modernized with state funding. The pupil grant is a composite dollar figure that provides the state's share for project costs including design, construction,

Since 1998, the Modernization Program has invested about \$11 billion. Considering there are 471 million square feet of K-12 facilities across the state, this is an average state investment of about \$23 per gross square foot, or about \$2.30 per gross square foot per year.

## California's K-12 Educational Infrastructure Investments

educational technology, testing, inspection, furniture, and equipment. The pupil grant amount is set in law and adjusted annually by the SAB based on recent construction costs. Supplemental grants augment pupil grant funding. For example, excessive cost hardship grants are available for the costs associated with accessibility and fire code upgrades. To participate in the Modernization Program, LEAs must raise the additionally needed project funds locally.

With these two main funding programs of the SFP, the vast majority of the funds are allocated on a “first-come, first-served” basis. LEAs assess their eligibility to qualify for state facility funds and then bring their projects forward for funding approval (assuming they meet the various mandated building design and site safety standards as outlined in *California Code of Regulations, Title 5 § 14001-14030*). LEA funding requests are processed in the order they are received. There is essentially no state prioritization of projects in terms of their urgency relative to other projects submitted or other schools throughout the state. Some of the additional funding programs allocation determinations operate in a more needs-based manner, including the Critically Overcrowded Schools Program, Critical Hardship component of the Deferred Maintenance Program, Emergency Repair Program, Facility Hardship Program, Financial Hardship Program, Overcrowding Relief Grant Program, and Seismic Mitigation Program (see Appendix A for program descriptions). However, together these programs represent less than 20% of the SFP funds since 1998.

The SAB is responsible for allocating state funds for K-12 school facilities by reviewing and approving applications for eligibility and funding, acting on appeals, and adopting policies and regulations for the programs it administers.<sup>31</sup> The Office of Public School Construction (OPSC) in the Department of General Services (DGS) serves as staff to the SAB and is responsible for verifying LEA eligibility and ensuring that funds are allocated properly and in accordance with the law and decisions made by the SAB.

The SAB is comprised of ten members: the Director of the Department of Finance or designee (appointed by the governor, this position has served as the traditional SAB chair); the Director of the Department of General Services or designee (appointed by the governor); the SSPI or designee (SSPI is an elected position); one person appointed by the governor to sit on the SAB; three State Senators, appointed by the Senate Rules Committee (two from the majority party and one from the minority party); and three State Assembly members; appointed by the Speaker of the Assembly (two from the majority party and one from the minority party).

Three other state agencies also have key roles in the SFP:

- The **California Department of Education, School Facilities and Transportation Services Division (SFTSD)** reviews and approves LEA sites and construction plans. The SFTSD review focuses mainly on the educational adequacy of the proposed facility and whether or not student and faculty needs and safety will be met. Review standards are set forth in *California Code of Regulations, Title 5*.

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- The **Department of General Services, Division of the State Architect (DSA)** reviews school facility plans and specifications to ensure that they comply with California's building codes, with an emphasis on structural and seismic safety in accordance with the Field Act.
- The **California Department of Toxic Substances Control (DTSC)** reviews LEAs environmental hazards assessment of potential new school sites or existing sites planned for major expansion. The DTSC will, if necessary, assist LEAs with the development and implementation of a mitigation plan.<sup>32</sup>

The SAB and these three state agencies oversee state-mandated facility standards and approval processes that LEAs must follow to access state funds. Additionally, the SAB established the Implementation Committee as an informal advisory body to assist with policy and legislation implementation.

The state's role has mostly focused on setting various facilities standards and, when available, providing construction and modernization funding. Enshrined in the current SFP is a high level of local control by LEAs for facility decision making and investment decisions. LEAs are responsible for adhering to state and local fire codes, other local ordinances, state and federal environmental regulations, and for keeping facilities code compliant over time. LEAs are fiscally independent agencies with taxing authority to raise capital funds through a public referendum process outlined in state law. When SB 50 went into effect in 1998, LEAs were somewhat more restricted in local bonding, having to pass them by two-thirds of voters. In 2000, the passage of Proposition 39 allowed LEAs to pass local bonds with a 55% voter approval. Following this change, many more LEA local bonds have passed than in previous years. The new law was meant to give LEAs increased ability to harness local support for K-12 facilities funding.

### ***New Priorities for State Infrastructure Investment***

California has made significant shifts toward aligning state-level infrastructure investments for more "sustainable communities," by developing plans, programs, and policies to meet the climate change goals outlined in AB 32 (*California's Global Warming Solutions Act of 2006*) and subsequent implementation legislation, including SB 375 (*California's Sustainable Communities and Climate Protection Act of 2008*).<sup>33</sup> These legislative changes place significant new conditions on the outcomes of state-level infrastructure investment and local land use decisions. A primary focus is on reducing greenhouse gas (GHG) emissions, particularly from vehicle miles traveled (VMT). SB 375 is the first law in the country to attempt to control GHG emissions by linking land use and transportation planning that curbs low-density automobile-centric development.

California has made significant shifts toward aligning infrastructure investments for more sustainable communities.

In September 2008, SB 732 established the California Strategic Growth Council (SGC), a cabinet level committee tasked with coordinating the activities of member state agencies to improve air and water quality, protect natural resources and agriculture

## California's K-12 Educational Infrastructure Investments

lands, increase the availability of affordable housing, promote public health. Improve transportation, encourage greater infill and compact development, revitalize community and urban centers, assist state and local entities in the planning of sustainable communities, and meeting AB 32 goals. A central role of the SGC is to recommend policies and fund efforts that are consistent with the state planning priorities in *Government Code* § 65041.1 (established with 2002's AB 857), which are "intended to promote equity, strengthen the economy, protect the environment, and promote public health and safety in the state, including in urban, suburban, and rural communities:"

- a) **To promote infill development and equity** by rehabilitating, maintaining, and improving existing infrastructure that supports infill development and appropriate reuse and redevelopment of previously developed, underutilized land that is presently served by transit, streets, water, sewer, and other essential services, particularly in underserved areas, and to preserving cultural and historic resources;
- b) **To protect environmental and agricultural resources** by protecting, preserving, and enhancing the state's most valuable natural resources, including working landscapes such as farm, range, and forest lands, natural lands such as wetlands, watersheds, wildlife habitats, and other wildlands, recreation lands such as parks, trails, greenbelts, and other open space, and landscapes with locally unique features and areas identified by the state as deserving special protection;
- c) **To encourage efficient development patterns** by ensuring that any infrastructure associated with development, other than infill development, supports new development that does all of the following: (1) uses land efficiently; (2) is built adjacent to existing developed areas to the extent consistent with the priorities specified pursuant to subdivision (b); (3) is located in an area appropriately planned for growth; (4) is served by adequate transportation and other essential utilities and services; and (5) minimizes ongoing costs to taxpayers.

State policy leaders continue to grapple with how to implement the planning priorities; the general approach appears to offer incentives for adhering to them. Incentives may include increased state funding for California Environmental Quality Act (CEQA) process streamlining for particular projects, which now includes schools under the recently passed SB 226 (Simitian, D-Palo Alto). Still, the planning priorities establish a framework for outcome goals associated with infrastructure investment. At present, SB 375 is one of the widest reaching implementation vehicles.

Two major emphases in SB 375 implementation have been incentivizing planning collaboration among local governments in the same region and reinvestment and redevelopment in existing urban and suburban areas through infill development and infrastructure improvement. Currently, California's 18 Metropolitan Planning Organizations (MPO) are developing Sustainable Communities Strategies (SCSs) as part of their Regional Transportation Plans (RTP). The SCSs will contain 25-year forecasts to meet the GHG targets established by the Air Resources Board (ARB) through land use and transportation plans.<sup>34</sup>

### ***Evidence of Converging Interests: Recent Steps Toward Aligning Educational and Community Infrastructure Investments***

K-12 facilities are by far one of the state's largest infrastructure investments, making up 35% of all the state G.O. bonds between 1972 and 2006 (there has not been a statewide K-12 infrastructure bond since 2006).<sup>35</sup> This level of spending is understandable considering that about one-sixth of California's population spends their day in public school buildings. Additionally, California school districts are called on to make this extensive infrastructure available to others for community use and as emergency shelters.<sup>36</sup>

Flowing from the significant extent of the state's funding over time for K-12 facilities, we outline below the growing interest among state policy leaders to better "connect" state-level sustainable communities goals and state-level K-12 facilities investments. Numerous policy activities from different state policy venues illustrate the interest for policy, regulatory, and funding integration.

#### ***California Department of Education and the State Superintendent of Public Instruction***

- In 2011, State Superintendent Tom Torlakson convened the ***Schools of the Future Task Force*** on school facility policy and funding reforms. The Task force developed recommendation on multiple topics, including: funding, governance, school siting, modernization, and incorporation of energy efficiency and green technologies.<sup>37</sup>
- In 2011, Superintendent Torlakson also released ***A Blueprint for Great Schools***, which documented recommendations from a 59-member Transition Advisory Team tasked to provide "innovative and strategic advice" for the development of a new mission and planning framework for the CDE. School facility/construction reform was one of eight key issues explored. The recommendations included better coordination of state SFP agencies; an inventory of school facilities; more energy efficient facilities; improved procurement processes; and more joint use agreements.<sup>38</sup>
- In 2008, CDE convened statewide educational stakeholders for a two-day policy summit, ***Re-Visioning School Facility Planning and Design for the 21st Century: Creating Optimal Learning Environments***, to craft recommendations for more optimal school facilities that support student achievement. The summit's recommendations included: establish a state vision and guiding principles on the role of school facilities in supporting student achievement and closing the achievement gap; incorporate the new vision and principles into the *California Code of Regulations, Title 5*; increase collaboration among state agencies to aid LEAs in the design of 21st century learning environments; increase state focus on standards and policy governing the modernization of existing schools to provide 21st century learning environments for the greatest number of students; and review and restructure the linkage between school facility finance and design. Following the summit, the CDE developed a vision and guiding principles for California's public

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school facilities (see text box).<sup>39</sup>

- In 2008, then-State Superintendent of Public Instruction Jack O'Connell released ***Closing the Achievement Gap: Report of the P-16 Council***. The report highlights the work completed by the California P-16 (pre-kindergarten through higher education) Council convened "to develop, implement, and sustain a specific, ambitious plan that holds the State of California accountable for creating the conditions necessary for closing the achievement gap."<sup>40</sup>
- CDE's 2006 report ***Healthy Children Ready To Learn: Facilities Best Practices*** draws from a growing body of evidence showing that good health supports improved student performance. The report made several school environment and facilities recommendations, including making sure schools have the kitchen facilities to provide healthy food, making sure there are ample and adequate indoor and outdoor physical activity spaces on school campuses, and making schools available for community use (joint use) and physical activity before and after school and on the weekends.<sup>41</sup>

### ***CDE's Vision and Guiding Principles for California Public School Facilities***

#### **Vision**

*The California Department of Education envisions school facilities that enhance the achievement of all students and are learner-centered, safe, sustainable, and centers of the community.*

#### **Guiding Principles for Implementing the Vision**

The siting and design of educational facilities will:

- 1) Reflect the Local Educational Agency's board-adopted facilities master plan and educational specifications.
- 2) Result from an open, community-based, and comprehensive planning process including all stakeholders and early dialogue with all involved planning agencies.
- 3) Accommodate a complete facility supporting the delivery of the adopted educational program, be accessible to all, and adaptable to future demographic, educational, and community needs.
- 4) Support students, parents, teachers, and staff in closing achievement gaps, and preparing students for the workforce, post-secondary education, and lifelong learning.
- 5) Consider the full spectrum of community facilities and support opportunities for joint-use and educational partnerships.
- 6) Ensure safety from existing and potential hazards and incompatible land uses.
- 7) Provide a secure environment with a focus on supervision.
- 8) Create comfortable, attractive, and stimulating environments that support collaboration and diverse learning styles and opportunities.
- 9) Promote sustainable practices that conserve natural resources, limit greenhouse gas emissions, optimize construction and life cycle costs, and encourage walking and bicycling.
- 10) Incorporate superior acoustics, indoor-air quality, and natural lighting.
- 11) Respond to current and future information, communication, and technology needs.
- 12) Support student health, nutrition, and physical fitness.

Source: <http://www.cde.ca.gov/ls/fa/re>

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### **Strategic Growth Council and the California Department of Public Health**

- In December 2010, the Strategic Growth Council's **Health in All Policies Task Force** released its report, which defined health as a core component of sustainable communities and detailed recommendations for state agencies to promote health. Led by the California Department of Public Health, the task force included 19 state agencies, offices, and departments, including the Department of Education. The report notes that, "[t]he health of California's population is largely determined by the social, physical, economic, and service environments in which people live, work, study, and play. These environments shape the choices that people make every day, as well as their opportunities and resources for health. People in disadvantaged communities often have fewer resources for health, which is reflected in significantly worse health outcomes." The report offered numerous recommendations, including expanding joint use opportunities for physical activity and ensuring active walking and bicycling to school options for children and families.<sup>42</sup>

### **California State Legislature**

- In the 2011 legislative session, three bills in particular about K-12 school facilities are worth noting. Although these bills did not advance out of committees, they illustrate areas of legislative interest. AB 220 (Sen. Brownley, D-Santa Monica) proposed a statewide new construction and modernization bond for the November 2012 ballot. SB 788 (Lowenthal, D-Long Beach), holds a place for potential future language aimed at an administrative restructure of the School Facilities Program. The third, SB 132 (Lowenthal, D-Long Beach) proposed that the SAB and the CDE coordinate to make sure their policies and procedures for approving LEA facility projects support the goals outlined in the state planning goals.
- In 2009, the **Senate Select Committee on State School Facilities** held two informational hearings: "K-12 School Facility Construction: Developing a Vision for California's Infrastructure Investment" (July 14) and "Schools as Centers of Sustainable Communities: A Vision for Future School Facility Construction" (December 15). Presentations were made by LEA superintendents and facility directors, architects, researchers, the U.S. Environmental Protection Agency, and a director from a metropolitan planning organization (MPO). A central issues discussed was the need to align school facilities planning and investment with both school and community improvement. In 2010, the select committee was changed to the **Senate Educational Subcommittee on Sustainable School Facilities**, which held a joint hearing with the Assembly Education Committee in November 2011.<sup>43</sup>

These activities are evidence of momentum for linking K-12 education and sustainable communities in California. There appear to be many complementary synergies between sustainable communities priorities, the needs of school facilities across the state, and the educational improvement efforts of the CDE and LEAs. For example, many older schools – in existing communities – are in dire need of repair, renovation, and technology upgrades. Many of these schools are in the very places SB 375 and the regional SCSs are targeting for development and population growth. They are also often the schools that many low-income and/or minority students attend, and these kinds of facility upgrades would reinforce efforts to close the



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achievement gap. Sustainable communities efforts generally aim for increased land development density, which means community reinvestment and infill growth in existing neighborhoods will be a priority. Current K-12 enrollment projections also point to synergies between school facility needs and sustainable communities. It is likely that there will be fewer new schools needed in outer suburban areas of the major metropolitan regions compared to the previous decade. There will also likely be growth in the Central Valley, creating opportunities for new development.

Additionally, many of the educational innovations being implemented in schools across California require facilities changes to support them. These include increased project-based learning activities, wider implementation of Career Technical Education (CTE) and other “multiple pathways,” increased community involvement in schools, creating more intimate learning experiences, (including small schools and small learning communities), expanding the number of themed schools, more off-campus student apprenticeships, and more public charter schools (many of whom operate in spaces not originally designed as schools).<sup>44</sup> All of these innovations support the general feeling among many educators that “concentrating students into larger school plants and using a factory model does not engage students well today.”<sup>45</sup> Many of the educational efforts noted above require rethinking the traditional notion of a “classroom” and realizing that learning experiences can happen anywhere. Therefore, the concept of a classroom should be expanded to include internet resources and other emerging technologies such as virtual classrooms and greater connectivity with the community outside the school walls. These can be useful in providing opportunities for students to learn about civic roles and potential career paths. Also, putting schools in nontraditional buildings, sharing facilities through joint use, and expanding student access to the community for learning activities could require school designs that help advance urban revitalization, infill development, and other sustainable communities goals.

State-level investment in K-12 school facilities should promote the synergies between educational needs and sustainable communities. As California investigates how to align all of its infrastructure spending, K-12 funds should be a part of that strategic discussion – a point also made by the 2010 Little Hoover Commission report *Building California: Infrastructure Choices and Strategy*. The report also states:

Providing quality infrastructure in challenging times and capitalizing on potential opportunities requires strategic thinking, integrated planning, and long-term goal setting that capitalizes on California's existing assets and strengths, both public and private. To date, this kind of coordinated planning and priority-setting is not being done on a statewide, cross-sector level with full input from all stakeholders and with openness to innovation in how infrastructure is funded, financed, delivered, and managed, though many of the pieces exist.<sup>46</sup>

There appear to be many synergies between sustainable communities priorities and the needs of school facilities across the state.

### III. Findings: Barriers to K-12 Infrastructure Alignment

In our research, we developed a framework for assessing the strategy and effectiveness of state K-12 school infrastructure programs. The framework has four elements – planning management, funding, and accountability – and was created from an intensive scan of school facilities literature and stakeholder interviews. Although very few academic resources exist best practices in state-level K-12 infrastructure best practices, we found three pieces from prominent policy sources that provided direction for thinking about California's SFP (see Appendix B for detailed descriptions).<sup>47</sup> We utilize the framework to assess California's K-12 infrastructure investment and identify barriers and challenges to the provision of high-quality school facilities and aligning of infrastructure investment.

#### *Planning Challenges*

##### ***California's K-12 infrastructure demands differ from those of a decade ago***

The SFP was established at a time when enrollments (had been and) were rising, and LEAs across the state needed to build new schools to keep up. California's public K-12 enrollment increased by nearly 20% between 1995 and the late 2000s. Not only were many new schools needed for growing suburbs, but new schools were also needed in many urban and older suburban areas that saw severe school overcrowding. According to data provided by CDE, since 2003 about 622 new schools have been approved throughout the state; this is an average of slightly less than 100 schools per year. Thus, the SFP and its funding priorities were arguably rightly designed to support the population and housing boom the state was experiencing in 1998 when the program was established. The strong economy and rapid growth were driving the demand and providing revenues for school construction.

But in 2012, the state finds itself in a significantly different situation relative to population growth, economic strength, and enrollment trends than it did in 1998. Overall population growth will continue, but it will likely slow somewhat from recent years. Like the rest of the country, California is experiencing a recession with a substantial housing market slowdown. Not only is there an overall housing market slowdown, but a new statewide study of California's housing market trends from the Urban Land Institute (ULI) finds that the market demand for housing is expected to be much different than it was over the past decades and the existing supply of conventional-lot single-family detached homes exceeds the projected demand for these homes in 2035. The report finds that "these long-term market trends represent a directional alignment between the real estate preferences expressed by consumers and the greenhouse gas reduction objectives expressed by the state of California in the form of SB 375."<sup>48</sup>

## California's K-12 Educational Infrastructure Investments

These shifts in population growth and housing demand will have implications for K-12 infrastructure. In tandem with the economic downturn and slower population growth, statewide K-12 enrollment projections have leveled off relative to those over the last decade. The Department of Finance projects a statewide net enrollment increase of only 1.8% between 2011-2012 and 2020-2021 (105,000 students).<sup>49</sup> While 343,000 new students are projected, some LEAs are expected to drop in enrollment. The findings from the ULI study noted above suggest that demand for new schools in the outer suburbs will likely drop off from levels of the past decade.

Current K-12 facility needs fall into a variety of categories, including: deferred maintenance, seismic improvements, capital renewals, modernization, and new construction. Unfortunately, the state does not have an inventory of K-12 facilities or a solid assessment of statewide K-12 capital investment needs. But a number of different sources help paint the picture. The CDE's most recent estimate (August 2009) of the state share of statewide new construction and modernization is \$11.3 billion.<sup>50</sup> But this is likely a substantial underestimate because it is based only on SFP eligibility documents on file with the OPSC as of August 2009 and projects for which only a design apportionment had been made at the time.

### ***California lacks clearly defined K-12 infrastructure investment priorities***

The lack of vision guiding all sectors of state infrastructure investment is California's biggest infrastructure challenge, and K-12 education infrastructure is not immune.<sup>51</sup> Having strategic, programmatic, and capital investment priorities will enhance infrastructure outcomes and performance.

Establishing the state's role in funding K-12 school facilities in 1947, the state legislature set the framework for its K-12 facility policy trajectory. *Education Code* § 15700 (which created the 1947 program) states (emphasis added):

The Legislature hereby declares that it is in the interest of the state and of the people thereof for the state to aid school districts of the state in providing necessary and adequate school sites and buildings for the pupils of the public school system, the system being a matter of general concern inasmuch as the education of the children of the state is an obligation and function of the state.

In adopting this act, the Legislature considers that the great need in school construction is for adequate classrooms for the education of the pupils of the public school system. ***It is the intent of the Legislature to first satisfy this primary need to the greatest extent possible before providing additional educational facilities, regardless of how desirable such additional facilities may be. To the end that school classrooms may be made available at once and to all school districts in need of such classrooms, provisions for other needed school facilities is necessarily subordinated.***

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*Education Code* § 15704 further states (emphasis added):

The board by the adoption of rules shall give priority in allocating funds to districts to those districts where the children will benefit most from additional schoolhouse facilities. ***This priority shall be based on acuteness of overcrowding, on sudden growth in attendance, on amount of local tax funds expended for housing of a character within the purposes of this chapter, and on the time the district's application has been ready for allotment.*** The board may make exceptions when it determines that it will be for the benefit of the children affected.

With these laws, the legislature established a state-level commitment to support school facilities provision and listed some priorities for doing so; however the order of prioritization is less than clear. For example, *Education Code* § 15700 appears to place the upkeep of existing schools ahead of new construction, while *Education Code* § 15704 specifies priorities such as overcrowding and addressing growth but does not mention existing schools specifically. Many of those interviewed for this study felt that 1998's SB 50 established and codified some legislative intents, such as the goals of efficiency in the program and maintaining local control. But the bill – and the SFP – currently lack clarity on the state's funding priorities particularly within the two main programs, New Construction and Modernization. For the most part, these programs award funds on a first-come, first-served basis and place no other prioritization on the use of state dollars.

### ***California's sustainable communities policies exclude K-12 infrastructure***

A recent report published by the National Resources Defense Council and the California League of Conservation Voters noted, “[w]here we live and how we get to work, go about our daily business, and take our kids to school matters a great deal in the fight against climate change.”<sup>52</sup> While school and community infrastructure clearly impact one another, schools, LEAs, and the SFP have been virtually left out of California's state policy framework on sustainable communities planning. For instance, at the state planning level, there is no K-12 infrastructure investment representation on the Strategic Growth Council, the body created to coordinate statewide infrastructure investment around a common set of goals. Considering K-12 school facilities funding has consistently been about two-thirds of total statewide G.O. bonds since the early 1970s, this is a glaring state level disconnect.

While substantial efforts are underway to better align the state's disjointed infrastructure investment across all sectors, K-12 school facilities remain outside these efforts. Two recent major state reports on infrastructure investment (2008's Statewide Infrastructure Plan and 2010's Little Hoover Report) both note state-level K-12 spending and its connection to supporting other state goals, but neither report focuses much at all on K-12 infrastructure in its recommendations. However as noted earlier, there are about 1,000 LEAs through which K-12 facility dollars are funneled and aligning these investments will likely take state legislative and regulatory action.

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State policies isolate LEAs from sustainable communities planning at the local/regional level. The SFP is exempt from meeting the state planning priorities established through the passage of AB 857 and LEAs generally do not participate in the regional land use and transportation planning coordination (e.g., Sustainable Communities Strategies) mandated by SB 375.<sup>53</sup> Some of our interviewees noted that too often they see examples of school facilities plans and community/regional plans that work at cross-purposes. For example, new school sites chosen in areas that do not also include planning for adjacent development and the issue of school closures in neighborhoods planned for infill housing development both affect land development and household travel patterns, two of SB 375's key elements.

### ***The School Facility Program has little authority over sustainable communities outcomes***

The SFP and its participating state agencies have little policy or regulatory authority over sustainable communities outcomes of K-12 school facilities planning decisions. The standards, especially those in *Title 5*, are designed for education – as they should be. However, they should be crafted to both support education and complement broader sustainability goals. Or, at least, not undermine or conflict with them.

On the surface, numerous elements of California's codes and the regulations within the SFP appear consistent with common sustainable communities outcomes. For example, for new school sites, *Title 5* states that LEAs: 1) are required to prepare an environmental impact report or negative declaration in compliance with CEQA; 2) shall show how the site is appropriate in size as justified by the LEA's facility master plan; 3) shall choose sites to promote joint use of parks and other public services; and 4) shall site schools within proposed attendance area to encourage student walking and avoid excess busing. LEAs are also required to "certify compliance" with CDE verification by checking off project attributes on approval forms (such as CDE's School Site Report 4.02) along with the other student health and safety requirements found in *Title 5* and the *Education Code*.<sup>54</sup>

*Title 5's* site approval process is most heavily focused on the important health and safety criteria and not those relating more directly to sustainable communities outcomes (such as walkability, joint use, and minimizing excess bussing). Rightly, a project cannot get approval until it meets the health and safety standards. But projects regularly get approval without showing they meet the sustainable communities related criteria. The main reason for this appears to be that the state code language is worded softly on these latter items, and so the enforcement is equally soft. On the other hand, the health and safety criteria tend to have more specific standards (and/or performance-based measures) against which a more objective assessment can be made. As such, *Title 5* has a strong system for evaluating new school site choices to meet health and safety standards but not for evaluating the sustainable communities outcomes associated with a particular site choice. Thus,

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the code and regulations do not necessarily conflict with sustainable communities goals, but they fall far short of fully complementing them.

Two frequently cited concerns by interviewees working on sustainable communities issues were perceptions that the SFP and LEA capital planning process: 1) does not prioritize the modernization/expansion of existing schools in older neighborhoods (especially when local/regional governments have identified those areas for infill or related development), and 2) promotes new school sites on suburban fringe locations that are either not sited adjacent to existing or planned development and/or are only accessible by automobile. Regarding the former, the concern is that in order to entice and support development in older neighborhoods, high-quality schools with capacity must be located there. On the latter, the concern is that remote new school sites lead to increased travel to school by car or bus rather than by walking or bicycling, working against the mandated regional GHG emission reduction targets. For example, the unadopted 2003 Governor's Environmental Goals and Policy Report states, "The location of new schools...has an important influence on land use, but siting decisions are not always made in cooperation with local land use planning agencies. This is one of the most volatile and troublesome problems in California land use planning."<sup>55</sup> LEAs often note that there are few, if any, alternative sites available that meet state standards or are affordable. They also claim that local governments and developers seldom set aside land for school sites in more amenable locations. Urban sites in particular may have environmental issues associated with toxins, power lines, and traffic, that LEAs either avoid because of cost issues and safety concerns or because they do not meet the *Title 5* standards. Also, schools are sometimes seen as competing with commercial land uses and their property tax potentials in urban cores. To ensure the property tax capture, LEAs and municipalities have been known to join forces to develop new sites in the suburbs instead.

A key reason behind the lack of strong sustainable communities enforcement linkages cited by interviewees is that the state codes provide state agencies with little discretionary power for projects. SB 50, in fact, made K-12 infrastructure funding nondiscretionary. A tension remains between the benefits of moving toward a nondiscretionary system and allowing state agencies to assess the performance of project outcomes more subjectively, yet within the parameters of the law.

CEQA and its requirements for LEAs has been the primary vehicle linking school infrastructure investments with land use and broader environmental impacts. As set forth in the *Public Resources Code*, LEAs must go through the CEQA process when building new schools on new sites. Modernization of existing schools is generally exempt from CEQA, but when a project is not exempt, the LEA must do a self-assessment to determine the extent of potential environmental impacts. From there, a "negative declaration," a "mitigated negative declaration," or an "environmental impact report" is produced, depending on the issues identified. Changes to CEQA in the context of supporting SB 375 are currently being developed by the Governor's

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Office of Planning and Research (OPR). The passage of SB 226 in 2011 directed the state to develop options for the streamlining of CEQA requirements, including those for school districts.<sup>56</sup>

### ***Policy and regulatory guidance for local intergovernmental planning is insufficient***

Typically, the infrastructure planning work of LEAs and other local/regional governments rarely intersects, even though school quality and community quality are closely connected. These entities tend to collaborate infrequently even on matters related to both educational and community issues, such as new school siting, school renovation and expansion, changes to school attendance boundaries, coordinated school transportation services, and new family housing developments.<sup>57</sup> This “silo planning” phenomenon is largely a function of state policy, or, more accurately, the *lack* of state policy that would create incentives for collaboration, support cross-agency accountability, or mandate that planning and educational entities work together. Most often, the local entities have not developed the relationships and capacity to collaborate as a normal course of action for mutually beneficial outcomes.

California has established a system of strong local control, particularly with regard to school facilities. As is the case in most states, California LEAs are autonomous jurisdictions that operate under a distinct set of state policies and regulations, which differ significantly from those that guide municipal practice. Four structural policy challenges hinder local interagency planning collaboration:

- **Jurisdiction.** LEA geographic boundaries often differ from municipal and/or a metropolitan region's boundaries. An LEA may serve multiple municipalities and/or a city may be host to several LEAs.
- **Calendar.** Planning time horizons typically differ between LEAs, municipalities, and regional agencies. LEAs typically create 5- to 10-year capital plans, while municipal and/or regional plans often look 20 or more years into the future.
- **Workflow.** Development timelines and budgetary processes differ for school, housing, transportation, and other infrastructure development. This can interfere with securing approvals for joint planning, design, or development of facilities or programs and other operational procedures.
- **Communications Systems.** LEAs and municipalities or planning organizations rarely share data systems that would support better knowledge about a wide range of community and educational indicators. State education reporting rules and school boards tend to drive LEA data collection, while municipal and regional agencies maintain their own data, often reflecting what is collected through the U.S. Census. Furthermore, planning agencies tend to develop models and projections based only on the data they can access; without shared systems, education data may never enter into regional modeling and forecasts.<sup>58</sup>

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As a result of these structural challenges, there is uneven technical capacity for local agency collaboration across the state. Few localities have developed an institutional framework and a system of relationships, policies, and/or procedures that enable them to coordinate school modernization and other community investments, link school siting decisions and broader land development, and promote walking/bicycling to school. OPR's *Annual Planning Survey Results 2012* report found that more than 40% of California's local governments do not work at all with LEAs on ensuring school siting, making capital improvement decisions (including closures), and aligning operational policies with general plans, Regional Transportation Plans or Sustainable Communities Strategies.<sup>59</sup> More often than not, stakeholders interviewed in our research described planning collaboration among LEAs and other local governments as minimal, contentious, and quite often full of distrust.

A frequently cited reason for this was the mixed and weak signals California state policies send on the issue of local collaboration between school districts and other local governments for infrastructure and land use planning. On the one hand, some elements in the state code support local collaboration:

- "It is the intent of the Legislature in enacting this section to foster improved communication and coordination between cities, counties, and school districts related to planning for school siting" (*Government Code* § 65352.2). As such, these entities must notify each other of plan changes/amendments and provide time for comment and, if requested, a meeting. However, the entity is not required to adjust plans based on these external comments.
- A school district shall give written notice to the local planning agency having jurisdiction to review the proposed school site or addition to an existing school site and request a written report from the local planning agency of the investigations and recommendations for each proposed site with respect to conformity with the adopted general plan (*Public Resources Code* § 21151.2 and *Government Code* § 65402). Similarly, the code states that the local city/county shall be notified and consulted on site selection if the site is general planned and zoned agriculture (*Education Code* § 17215.5). Again, no action is required based on the nature of the comments received.
- Municipal general plans must include a "land use element that designates the proposed general distribution and general location and extent of the uses of the land for housing, business, industry, open space, including agriculture, natural resources, recreation, and enjoyment of scenic beauty, education..." (*Government Code* § 65302). Local governments have the option of including an education element in their general plan. In 2011, only 40 cities and counties (out of 494) had an education element in their plan.<sup>60</sup>
- As part of its application, a school district shall certify that it has considered the feasibility of the joint use of land with other governmental entities in order to minimize school facilities costs (*Education Code* § 17070.90 and § 35275). While there are no criteria for certification, there are implementing regulations that promote joint use and count joint use acreage in the minimum acreage recommendation (*Title 5* § 14010).



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On the other hand, countering state code seems to foster conflicting dynamics between LEAs and other local governments:

- School boards may exempt themselves from local zoning requirements for school facilities (but not non-school facilities such as bus yards or administrative offices) with a two-thirds majority vote of the school board (*Government Code* § 53094).
- The CDE has minimum school site acreage recommendations, which, while being very flexible, are often cited by sustainable communities advocates as a barrier to creating walkable communities. Critics charge that the recommended minimums are so large that to find enough space, new schools are often located on the outskirts of existing or planned development. The CDE contends that sites must be large enough to accommodate the programs, activities, and infrastructure every school needs, especially physical activity space. It appears that there is a misunderstanding by numerous stakeholders about how flexible these state acreage recommendations are. Urban LEAs in particular (most notably the Los Angeles Unified School District) have sited and built new schools in recent years that are much smaller than the CDE recommended minimums by demonstrating the smaller sites provided a complete educational program, including physical education opportunities.

The state codes noted above illustrate the complexity and lack of cohesion that exists in state policy about school district and local government coordination. Many interviewees noted that very little joint planning collaboration occurred locally in part because state laws require very little collaboration, and state agencies provide little guidance on how to do it should local agencies wish to. Frequently, interviewees described what they felt was a change in local “power dynamics” after the SFP was established in 1998 with SB 50. The shift had to do with the revised rules on developer fees. Prior to SB 50, municipalities had more ability within state law to condition development approvals on adequate funding for school facilities. Interviewees felt that this situation ended up forcing greater collaboration locally. However, a policy compromise in SB 50 led to significant reduction in the ability of local governments to condition development on school funding. To accommodate the disappearance of conditioning development approvals, LEAs were given the ability to potentially collect higher developer fees for school facilities in many instances. SB 50 established three levels of developer fees that are still in use today. According to some interviewees, that came at the expense of local government collaboration.

A recent push by an LEA and municipality for state legislative action illustrates how the complexity and lack of cohesion in state code lead to misperceptions in state policy. Emery Unified School District and the City of Emeryville are currently working together to plan, design, and build the Emeryville Center of Community Life, a new facility that will integrate school and community services on one site. Their interpretation of California law was that it stood in the way of their local partnership; they felt school districts were not authorized to enter into leases and agreements relating to real property and buildings to be used jointly by the district and a local

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governmental agency and could only do so with a private person, firm, or corporation, pursuant to specified provisions. In response, AB 1080 was passed in October 2009 allowing school districts and municipalities to enter into the types of joint occupancy agreements Emeryville was interested in. A few of our interviewees felt that the law already allowed the kind of partnership Emeryville was looking to forge and AB 1080 only ended up better clarifying the matter. But the message is clear; even when districts and cities do work together, they still perceive state policies as obstacles because they are complex, unclear, and send mixed signals.

### ***Management Challenges***

#### ***California lacks the information to guide strategic K-12 infrastructure decisions***

The State of California does not collect, compile, and report the needed information to make strategic school facilities investment decisions. The problems associated with a lack of good information to guide state investments in K-12 school facilities have been cited in almost every California study on the SFP and its predecessor program.<sup>61</sup> While the state does collect data on LEA enrollment growth and has tracked overcrowding patterns, unfortunately, there is little systematic information to understand the facility improvement needs of existing schools across the state. If the State Legislature or the Governor issued an order to bring the 100 poorest condition schools up to some level of good repair/condition, then there would be no way to generate that list of schools.<sup>62</sup> Without such knowledge, making strategic investments based on need is virtually impossible.

#### ***Concerns of distrust and inefficiency plague the School Facilities Program***

Concerns over trust, transparency, and efficiency have been prominent findings of many reports on California's K-12 infrastructure program, and were significant themes of interviews for this research. While the interviewees generally agreed that the SFP has been an immensely successful program in terms of generating funds for K-12 school facilities and getting them into the hands of LEAs, they also expressed many concerns about the program's priorities and processes going forward.

Numerous interviewees felt that there has been a significant cultural shift within the program – and especially within the agency administering the program, OPSC – over the last few years. This shift has been both one of implementation and one of trust. Numerous interviewees felt that there was widespread stakeholder participation in brokering a unique structure with SB 50 in 1998 that reaffirmed K-12 school facility cost coverage as a “partnership” between the state and LEAs. In the partnership there were clearly defined roles and responsibilities for both LEAs and the main state entities in the program.<sup>63</sup> As such, for many years there was an appropriate culture of partnership, collaboration, and trust – both horizontally among state agencies and vertically between state agencies and LEAs. However, many interviewees feel the deal has unraveled as economic times, administrations, and needs have changed.

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They perceive a strong distrust among state agencies and between LEAs and state agencies. Many interviewees felt that, by extension, the pervasive distrust results in process and approval inefficiencies that undermine the program's effectiveness and contribute to increased costs. Indeed, trust and positive relationships among parties involved in construction is widely seen in the construction industry as having a direct impact on the ultimate costs of a construction project.<sup>64</sup>

Interviewees frequently pointed to the "grant adequacy" debate in recent years as a defining example of the culture shift. The central aspect of this debate is adequate funding and the intent of SB 50. LEAs claim that the state has not been allocating grant funds that cover 50% of project costs. Many LEAs and other stakeholders have forcefully questioned the grant amount calculations, and the OPSC has increased its scrutiny of the project costs submitted by LEAs, which OPSC believes may include some expenses not intended to be covered by the SFP. A shared feeling among many interviewees is that the unresolved grant adequacy debate remains a stumbling block for the SFP. There is no agreed upon methodology for determining how much it costs to build a school in California. As we have noted before, part of the problem here is one of inaccurate and/or inconsistent reporting of data and information.

Stakeholders interviewed for this report also frequently described the state approvals process as complex and confusing and felt that it added time and cost to their projects. A particular concern is that there is no single point of entry into the SFP for LEAs. Instead LEAs must separately contact the four agencies with a role in the SFP over the course of their project, and as a result, the various project reviews happen more-or-less sequentially rather than simultaneously, which many interviewees believed would cut down on project time and thereby save money. Under the current approval structure, coordination among state agencies is limited, which leaves LEAs with little project management support, elevates distrust, decreases transparency, and ultimately invites inefficiencies.

### ***California's K-12 facility grants lack flexibility for planning and design for 21<sup>st</sup> century learning***

The per pupil grants in the New Construction Program and the Modernization Program are seen by many stakeholders interviewed for this research as being inflexible to meet local needs. As such, their inflexibility can constrain LEA planning and management of their capital programs. The SFP's funding focus is on classrooms; when the classroom numbers for the school are determined, there is a prescribed calculation of the number of students expected to be housed by each classroom. Allocation of funds is based on this number. New Construction grants fund "teaching stations," that is, traditional four-walled classrooms. But, as stated in the CDE's 2009 *Re-Visioning School Facility Planning and Design for the 21st Century: Creating Optimal Learning Environments* report, students and teachers are increasingly engaging in nontraditional learning techniques that are not best supported by a traditional classroom. Rather, innovative teaching and learning is better supported by

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school design best practices of distributed space, nontraditional workspaces, increasing use of technology for learning, and hybrid teaching strategies. Many interviewees for this research believe that the SFP funding model specifically works against these types of designs and further ignores the provision of critical support facilities such as libraries and administration buildings.

Another example of inflexible funding is illustrated by the fact that the SFP does not provide funding for a growing local reality across the state: many school buildings are beyond their useful life and need replacing. About 30% of public schools in California are more than 50 years old, according to the CDE. Many of these schools are beyond their useful life cycle and may need to be replaced, or if they have significant historic value may need to be fully modernized. Many interviewees described local examples of this and how the SFP encouraged them to spend money on “bandaids” for these buildings – money they often felt was not wisely spent. The underlying problem here is that LEAs more often qualify for Modernization Program funds for such schools (because their classrooms are more than 25 years old), than they do for New Construction Program funds (which are determined by enrollment growth related to existing capacity). The SFP treats the school in need of replacement as existing capacity, thereby making the LEA ineligible for New Construction funds. Given the high and growing number of schools throughout the state that are beyond their life cycle, many interviewees would like to see this flaw in the state program addressed to better meet their local needs.

Yet another example of inflexibility can be seen in that there are no state funds available to support LEA capital planning. The SFP provides only bricks-and-mortar funding. Yet, K-12 capital planning is complex and intensive. LEAs vary greatly in their capacity to plan and manage construction and renovation projects. Thoughtful processes of planning and management are needed to ensure K-12 capital funds are always spent as wisely as possible.

### ***Funding Challenges***

The State of California has an ongoing responsibility for school facility conditions and funding, judging by the State Constitution (Article 9), applicable statutes (e.g., *Education Code* § 15700 and *Education Code* § 15704), and court decisions (e.g., *Williams v. California* and *Godinez v. Davis*). The overarching issues the State faces around K-12 facility infrastructure funding are determining the level of need for funding, identifying adequate revenue sources for state aid, determining how LEAs qualify to receive these funds, and establishing the state criteria for allocation of state aid. To meet the State of California's interests and responsibilities for school facilities, the state K-12 infrastructure program needs funding capacity for stable, adequate, and equitable funding to LEAs.

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### ***Funding of modernizations for health, safety, and education quality has fallen short***

The court cases, the research studies, and the interviews conducted for this report all point to the reality that while California's state-level school construction and renovation investment since 1998 has been large, it has not been enough to keep all existing school facilities safe, healthy, and educationally appropriate. This includes catching up on deferred maintenance and making general improvements to schools, such as renovated classrooms, seismic retrofits, improving natural light, upgrading science labs, or incorporating new technology to support teaching and administrative activities. Since 1998, the SFP has contributed about \$11 billion towards local maintenance and modernization. Considering there are 471 million square feet of K-12 facilities across the state, this means state funds have made a statewide average investment of about \$23 per gross square foot over the last decade (or, about \$2.30 per gross square foot per year). The state's Deferred Maintenance Program has provided about \$3.1 billion in funds since 1998, which equates to about another \$6.58 per gross square foot statewide (or, about \$0.66 per gross square foot per year). This puts the 1998 to 2011 total state investment in existing K-12 school facilities at about \$14 billion (or, \$3 per gross square foot per year).

Between 1998 and 2011, total state investment in existing K-12 school facilities was about \$14 billion (or, \$3 per square foot per year).

Many stakeholders interviewed for this research noted that the available Modernization funds were not sufficient to make the necessary enhancements to support modern education program delivery – what these funds were intended to do as envisioned by the language in SB 50. This includes upgraded science facilities, performing arts spaces, and technology. Rather, the funding went toward basic life and safety repair and upgrades. In a 2008 testimony to the Committee on Education and Labor of the United States House of Representatives regarding federal stimulus legislation, the director of the CDE's School Facilities and Transportation Services Division stressed this issue:

Modernization for educational program changes and improvements is just not occurring. Our state modernization dollars simply cover access compliance, paths of travel, and systems upgrades. Many districts are being asked to choose between making American with Disability Act (ADA) improvements and completing other modernization work on the campus thus resulting in facilities that continue to have aging infrastructure.<sup>65</sup>

On top of this, many stakeholders interviewed for this research felt that California's current SFP prioritized new construction over modernization, in part, because New Construction grants did a better job of contributing to total project/building needs than the Modernization grants. The current method of determining Modernization grants appears not to account for the true needs of buildings needing modernization.

Even schools built 30 years ago may still be in good condition physically, but need to be modified to meet the instructional requirements of today's curriculum content and/or standards and pedagogy. For example, specialized facilities are needed to support Common Core Standards, STEM (Science, Technology, Engineering, and

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Math) curriculum, and Career Technical Education (CTE), all of which are actively promoted by the CDE. Additionally, the explosion in the use of technologies by teachers and students in all classes is aided or hindered by facilities capabilities.

On top of this, our interviews also revealed concern among many stakeholders that there is a growing backlog of basic maintenance projects caused by budget cuts and changes in state law on deferred maintenance spending requirements by LEAs. In recent years, state law changed to allow LEAs to use these funds to cover general fund expenses. The Legislative Analyst's Office (LAO) finds that in recent years 70% of LEAs reported moving funds away from deferred maintenance and 31% have shifted all funds from deferred maintenance.<sup>66</sup> However, because the state does not have a statewide inventory of the conditions of school facilities, there is no definite cost amount. But, recent estimates all point to the same conclusion: it is huge.

A 2008 national study of California's statewide K-12 deferred maintenance need alone was \$25.4 billion.<sup>67</sup> This likely represents only a fraction of the true need for modernizations and other enhancements. A 2011 survey of the nation's major urban school districts paints an even more sobering picture for California; four California districts (Fresno Unified, Los Angeles Unified, San Diego Unified, and San Francisco Unified) alone have a deferred maintenance estimate of \$6.2 billion and a total estimate for new construction, repair, renovation, and modernization, and deferred maintenance needs of \$36.8 billion.<sup>68</sup> The total projected funding need for these four large school districts – who together enroll about 15% of California's public school students – is equal to the total statewide K-12 G.O. bonds passed since 1998.

Part of the reason for the poor state of so many California school buildings is age. Many of California's schools were built in the post-World War II construction boom of the 1950s and early 1960s. As noted previously, about 30% of the state's K-12 schools are at least 50 years old. About 10% are at least 70 years old.

### ***California's K-12 infrastructure spending has been inequitable***

An important additional concern are the patterns of inequitable investment in California's K-12 facilities that have been found. Two studies looking at statewide K-12 capital spending trends found inequities in the late 1990s through the mid-2000s. A 2008 UC Berkeley study analyzed total capital spending by California school districts between 1995 and 2004 in relation to student income, neighborhood income, and neighborhood racial composition. The researchers found LEAs enrolling the lowest income students spent almost half as much per student on school construction and renovation as did higher income LEAs.<sup>69</sup> The study also found that urban and older suburban areas spent much less per student compared to rural and suburban areas. The researchers argued that these findings revealed a strong emphasis on new construction in the more affluent suburbs at the expense of maintaining, upgrading, and expanding existing schools. This, they argued, represented a disinvestment in existing school facilities.

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A 2006 Stanford University study found disparities in the amount of state facility funding LEAs received during 1998-2005.<sup>70</sup> The Stanford study found wide variation in the amount of funds LEAs received from the state, which was in large part related to differences in an LEA's ability to pay its share for school facilities. The study's author notes that this is "systematically related to the assessed value of property within districts. Districts with higher assessed value per pupil are able to raise substantially more revenue through local general obligation bond issues and consequently, tend to have substantially higher total revenue per pupil."<sup>71</sup>

It is likely that equity patterns in LEA total capital outlay and SFP funding distribution have improved somewhat in more recent years. For example, since 2004 there was significant investment in urban schools via the Overcrowding Relief Grant (ORG) and the Critically Overcrowded Schools (COS) programs. It is clear that California's significant investment in more recent years was in part making up for the low levels of funding in prior years. However, no more up-to-date analysis exists from either state or independent sources.

The equity patterns in California's K-12 school facility funds have not gone unnoticed, especially by the courts. Two major legal settlements involved court challenges to the deferred maintenance levels and substandard building conditions in schools serving low-income students. The 2000 *Godinez* settlement resulted in the creation of a special state funding process to alleviate the increasing number of overcrowded schools in California. *Godinez* funds have contributed greatly to reducing overcrowding. In the 2004 *Williams* settlement the state agreed to provide \$800 million for the state's General Fund for emergency school repairs in certain schools across the state and review school conditions annually. In *Williams*, plaintiffs argued that the state agencies responsible for providing education to the state's children failed to provide students with equal access to instructional materials, safe and decent school facilities, and qualified teachers. According to testimony in the case, problems of inadequate facility conditions tend to be more prevalent in urban schools and schools with high numbers of minority students, English language learners, and low-income students.<sup>72</sup>

In response to these cases and other pressures, the legislature has included few equity-oriented elements in the SFP, most notably the hardship grants within the New Construction and Modernization programs. However, these hardship grants were not created to be equity remedies, but rather to assist low-wealth LEAs that could not raise their local funding match with "other" costs beyond the base grant.<sup>73</sup> But these amounts have been a relative drop in the bucket compared to statewide school facility needs (such as the estimated \$25.4 billion in deferred maintenance needs noted previously) and are small fraction of the total funds being spent in the SFP as a whole. The result is that California's SFP does not attempt to structurally address inequities in K-12 facility conditions or funding.

## California's K-12 Educational Infrastructure Investments

### ***LEAs will still need funding assistance for new school construction***

While new school construction will likely slow from rates of the previous decade, many LEAs will still need to build new schools. In some cases, this will be to address continued enrollment growth. Statewide enrollment is still expected to continue to increase, but much more steadily than previously thought, from the current 6.2 million to more than 6.3 million students by 2020-2021. Enrollment growth is likely to be uneven from district to district, with some seeing sharp increases and others losing students. The growing LEAs are expecting to gain about 343,000 new students; but given the predicted decline in other LEAs the Department of Finance estimates a net gain of 105,000 students by 2020.<sup>74</sup> However, from a facility perspective, LEAs must provide facilities for all new students and typically not just the net gain because the gains and the declines are expected to occur in different geographic areas.

LEAs will continue to depend on state support to help meet their new construction and modernization needs. This is especially true with the current reality of dropping real estate values (district wide assessed property value drives local capital financing ability), debt limit restrictions, and state cuts to basic educational funding. Developer fees, which have played – and will likely continue to play – a strong role in local fund generation, often do not provide the needed resources.

### ***California's episodic and unstable schedule for K-12 infrastructure funding creates inefficiencies***

There is no dedicated source of revenue for financing K-12 school construction and modernization in California. When the political will exists to get a bond bill through the legislature and the voters approve, then there are state-level K-12 school facility funds. When that political will is absent, state funds disappear. Long-range planning by LEAs is more difficult under an episodic and unstable state funding program. The instability and unpredictable nature of the funding results in significant inefficiencies across state and local systems when they must ramp up and ramp down in response to state funding levels.

Buildings always require basic maintenance and repair. Unfortunately, because of budget constraints, many California's school buildings have not been properly maintained as LEAs struggle to raise adequate funds. Cumulative effects of deferred maintenance can mean very poor conditions and render buildings beyond repair.

### ***Over the next decade, California K-12 school facilities need an estimated \$117 billion in capital investments to ensure safe, modern, equitable, and sustainable learning environments for all students***

In this section we quantify the statewide funding needs for California's K-12 school facilities over the coming decade. Doing so was a recommendation in the SSPI's 2011 *Schools of the Future* report, and, is a crucial component of any discussion about the future of the State of California's role in K-12 school facilities funding. We find that,



## California's K-12 Educational Infrastructure Investments

statewide, California's K-12 school facilities need about the same level of total investment over the coming decade as was expended over the past decade. As we outline below, the bulk of the need is found in existing facilities, which includes major modernization work and establishing the best practice of making adequate investments in capital renewals to keep buildings in good repair and maximize their lifespan. Achieving this level of total statewide investment (from all sources) will make good on the historic investment of the past decade, and, will greatly reduce future facilities funding needs statewide.

Considering current enrollment growth patterns (see Planning Challenges, page 17) and what is known about statewide school building conditions noted earlier, today's need is much different than the past decade, which largely emphasized new construction to address issues of overcrowding and enrollment growth. As noted previously, about \$14 billion in state funds went toward existing facilities between 1998 and 2011 in the form of Modernization Program grants (30% of the \$35.4 billion in statewide school construction bonds) and deferred maintenance funding (about \$3 billion in non-bond deferred maintenance funds divided across roughly 1,000 LEAs). While all LEAs received state deferred maintenance funds, not all schools or LEAs received competitive Modernization Program grants (in part, because a local funding "match" was required). Our research found that these state funds for existing school facilities have not allowed LEAs to adequately leverage local funding and address facilities needs statewide: funding of modernizations for health, safety, and education quality have fallen short (see Funding Challenges, page 27); deferred maintenance backlogs are believed to have grown substantially (as also noted previously, a 2008 study found a total of \$25.4 billion (2008 \$) in statewide K-12 deferred maintenance); and more and more facilities are outmoded and underequipped to properly support 21st century learning. Many of our interviewees described these concerns. We heard numerous accounts of growing maintenance backlogs caused by recent budget cuts and changes in state law on LEA maintenance spending requirements. Recent Legislative Analysts Office (LAO) surveys found that 70% of the state's LEAs have been shifting funds away from maintenance.<sup>75</sup> As a result, it is likely that deferred maintenance needs will be above \$25.4 billion

There are three major areas of capital requirements for schools: 1) new construction; 2) modernization of existing facilities; and 3) capital renewal of facility systems, components, and finishes. Below, we define these categories and estimate the statewide K-12 facilities needs each. By using the best available information from a variety of sources and estimating costs based on recent capital spending and enrollment trends, we provide guidance for state leaders on what Californians should look to invest in public school infrastructure over the coming decade. Our estimates are meant to account for all normal project-related costs, regardless of the source of the funds. We would expect these costs to be met by a combination of local (local bonds, developer fees, etc.) and state funds, and perhaps, in the future, a portion of federal funds. We do not take into account any extreme circumstances that might

## California's K-12 Educational Infrastructure Investments

greatly increase a given project's cost (such as unusually high environmental cleanup needs). As a rather conservative assumption, we use an estimated \$375 per square foot for new construction cost for K-12 schools in California. This number was taken from looking at recent K-12 construction trends and talking with LEA facility planners across the state. We do not take into account cost escalation sure to occur over the decade. Thus, we feel our estimates are certainly on the conservative side.

### ***New Construction: \$36 billion***

New construction funding is designated for building new facilities to address increases in enrollment growth and existing overcrowding. Additionally, new construction funds would be available for replacing existing facilities that do not merit modernization or significant capital investment because of underlying problems with site, design, or basic building structure.

- **New construction to address enrollment growth and/or crowding: \$12 billion.** Current California Department of Finance data projects an increase of about 343,000 new students by 2020.<sup>76</sup> Using an estimated 90 square feet per student,<sup>77</sup> housing these new students will require at least 31 million new square feet of school facilities (or, calculating at a 25:1 loading means about 13,700 new classrooms, plus circulation and other spaces). To accommodate these new students with new schools will cost about \$11.6 billion at \$375 per gross square foot for all hard and soft costs.
- **Building replacements: \$18 billion.** Given the fact that some schools suffer from poor or outdated original design/construction, as well as high levels of deferred maintenance needs, we estimate that at least 10% (47 million square feet) of the K-12 facilities inventory needs full building replacement. At \$375 per gross square foot for all hard and soft costs, needed building replacements would cost \$17.6 billion.
- **Site costs: \$6 billion.** For entirely new schools and building replacements there will inevitably be exterior work needed in addition to the hard costs of construction. For new schools, this includes site acquisition and cleanup/preparation. For building replacements this will include building demolition and site cleanup/preparation. We estimate that an additional 20% (\$6 billion) of the total costs (\$30 billion) for new construction and building replacements will be required in these projects.

### ***Modernization of Existing Facilities: \$28 billion***

Modernization funding is designated for significant upgrades to existing facilities. Because we found that funding of modernizations for health, safety, and education quality has fallen short across the state, it is necessary to divide modernization needs into two categories: 1) modernizations for health, life-safety, and ADA; and 2) modernizations for educational program delivery. The former category includes general improvements to schools, such as renovated classrooms, seismic retrofits, improving natural light, or access compliance. Modernizations for educational program delivery respond to the fact that educational programs, services, and administration are changing to adapt to 21<sup>st</sup> century learning needs, including early childhood, special education and secondary school program specializations (such as in science), and various career and technical educational curricula. Modernizations for education program delivery can include upgrades for modern technology use,

## California's K-12 Educational Infrastructure Investments

science labs, classroom size and shape configurations, performing arts spaces, gymnasiums, and other athletic facilities. Many of these upgrades can also assist LEAs in meeting the growing demands for increased community use (i.e., “joint use”) of their facilities. Projects that increase the extent and ease of sharing space have the potential to benefit communities and promote sustainability as well as improve school programming.

- **Modernizations for health, life-safety, and ADA: \$7 billion.** Based on the fact that about one-third of California's K-12 schools are more than 50 years old, we estimate that 30% (141 million) of the total gross square feet statewide (471 million) needs modernization work for health, life-safety, ADA, and seismic upgrades (at \$50 per square foot) to meet the various compliance standards. (Note: this is in addition to the 10% of schools that should be fully replaced.)
- **Modernizations for educational program delivery: \$21 billion.** Based on the fact that about one-third of California's K-12 schools are more than 50 years old, we also estimate that 30% (141 million) of total gross square feet statewide (471 million) needs substantial modernization work (at \$150 per square foot) to greatly improve the ways the buildings support the educational program, including small additions.

### ***Capital Renewal of Facility Systems, Components, and Finishes: \$53 billion***

The life of all building systems, components, and finishes is limited. Renewal is the scheduled replacement or restoration of basic building systems, components, and finishes that have exceeded their service life.<sup>78</sup> Capital projects, such as roof and window replacements; installation of high efficiency heating, ventilation, and air-conditioning systems; electrical and lighting upgrades; inoperable drinking fountain replacement, athletic field refurbishing; and interior paint, carpet, or flooring upgrades are among the many types of capital renewals projects. While the schedule for renewal will depend upon a building's maintenance, use, and the quality of original design and construction, capital renewals and modernizations should be planned together. Flexibility in how modernization and capital renewal funds are allocated support the efficiencies gained by combining them. Adequate capital renewal investment chip away at remaining deferred maintenance needs over time.

- **Capital renewals for efficient, reliable operations: \$53 billion over the decade.** The building industry standard for annual capital renewal spending is 2% to 4% of replacement value.<sup>79</sup> These investment percentages indicate that a facility would fully depreciate over 25 to 50 years. The estimated building replacement value of the California K-12 statewide inventory of 471 million gross square feet at \$375 per gross square foot for all hard and soft costs equals \$177 billion. At this level, we estimate that statewide, Californians should be spending about \$3.5 to \$7.1 billion (2% to 4%) per year on existing K-12 school facilities just to keep them in a state of good repair as advised by industry standards. Given the high levels of deferred maintenance across the state, we suggest investing 3% annually, which equals \$5.3 billion per year, or about \$53 billion over the decade.

Replacing 10% of schools and fully modernizing another 30% will greatly reduce modernization needs and will also take care of another major concern identified

## California's K-12 Educational Infrastructure Investments

throughout the state: the 75,000+ portable classrooms sitting on campuses that were meant to be temporary facilities. These portable classrooms often take up valuable outdoor physical activity space on many campuses and have been found to have poor indoor air quality and other problems, which deter teaching and learning.<sup>80</sup>

	Capital Outlay Category	Cost per Gross Square Foot (GSF)	GSF Affected Space	Total Cost Over Decade	Factors Affecting Estimates	Scope	
<b>New Construction</b>	Enrollment growth/crowding	\$375	31 million	\$12 billion	343,000 students at a minimum of 90 GSF per student	New construction to address enrollment growth and shifts.	<b>\$36 billion</b>
	Building replacements	\$375	47 million	\$18 billion	10% of existing square footage	New construction to replace an existing facility.	
	Site costs	n/a	n/a	\$6 billion	20% of Project Costs	Demolition, site clean-up; site acquisition.	
<b>Modernization of Existing School Buildings</b>	Modernization for health, life-safety and ADA	\$50	141 million	\$7 billion	30% of the total 471 million GSF	Facility design modifications to meet modern access, health and life-safety codes, including seismic.	<b>\$28 billion</b>
	Modernization for educational program delivery	\$150	141 million	\$21 billion	30% of the total 471 million GSF	Building and grounds design modifications, including capital furniture, fixtures and equipment that support educational program delivery.	
<b>Capital Renewal of Facility Systems, Components, and Finishes</b>	Capital renewals for efficient, reliable operations	\$113 (\$11.30 per GSF per year)	471 million	\$53 billion (\$5.3 billion annually)	Depreciated replacement value over 33 years	Facility system, component, and finish replacements and upgrades, including exterior systems, components, and treatments for school yards and athletics.	<b>\$53 billion</b>
<b>TOTAL</b>							<b>\$117 billion</b>

It is critical for Californians to understand that the full benefits of the level of funding we have identified will only be realized if the state and LEAs reform their capital planning and management policies and innovate their processes and practices to ensure efficiency, accountability, equity, and sustainability. This level of capital funding will also fall short if LEAs do not provide adequate operating funds for cleaning and basic maintenance and repairs, which results in shorter life spans for building systems, components, and finishes. Making these changes – which we outline in the recommendations – will secure the full value of K-12 facilities expenditures for the taxpayers of California.

### ***Accountability Challenges***

#### ***California lacks the metrics and systems needed to ensure high value return on state and local K-12 educational infrastructure investment***

While the SFP has some accountability measures built into it, key pieces of accountability to ensure trust, inform equity issues, and aid in strategic prioritization of future SFP funds are missing. Three key issues in particular need strengthening: 1) establishing minimum condition standards for K-12 schools across the state, 2) bolstering public participation in program decision making, and 3) providing program outcome assessments.

In particular, the lack of adequate program outcome assessments hinders the state's ability to make improvements. California voters have approved more than \$35 billion in statewide school construction bonds since 1998. However, very little analysis of allocation patterns or how those investments have improved learning outcomes in schools is available. Very recently the OPSC has improved the information available on their website on what the state funds have paid for and some analysis of allocation patterns. While these are a welcome addition to previous reporting, this information is mostly presented at aggregate state or large regional patterns and does not provide adequate information on educational and community outcomes.

## IV. Recommendations: Leveraging the State's Role for Quality School Facilities in Sustainable Communities

California's K-12 educational infrastructure investment should advance LEAs' provision of high-quality, educationally superior school facilities that also contribute to sustainable communities outcomes. Now is the right time to revisit the tenets, principles, and outcomes of the School Facility Program (SFP) – and related policies and regulations – to guide the state's role in future funding for K-12 capital investments.

Our research findings illustrate the need for a shift in the state's role in K-12 infrastructure to address issues of inequitable facility conditions, inadequate investment, lack of trust and efficiency, and lack of local government collaboration for infrastructure and land use decision making. Our recommendations outline a framework and plan that includes guidelines, standards, incentives, technical support, and investment priorities for K-12 facilities policy and funding in California.

Central to our recommendations is the immediate necessity for a state prioritization plan, which will address the massive amount of deferred maintenance needs across the state, especially in low-wealth LEAs. The explicit rationale for this approach is to significantly reduce the vast disparities in school environment conditions experienced by students. This can be done through targeted funding for replacing buildings beyond their useful life, full modernizations for education program delivery, new schools needed to address enrollment growth, and the establishment of an annual ongoing 'capital renewals' allocation to LEAs, determined by formula and adjusted for local wealth, need, and effort. These strategies involve various policy, regulatory, and accountability adjustments to leverage multiple (and enhanced) benefits from the significant K-12 capital investment Californians make. Within the prioritization plan, special attention and resources should be devoted to advancing the components of a strategic and effective state K-12 school infrastructure program: *sound planning, wise management, adequate and equitable funding, and appropriate accountability.*

Our recommendations emphasize three fundamental tools the state can use to ensure strategic and effective K-12 infrastructure funds:

- **Policy reforms**, including both incentives and mandates, can and should play a role in improving K-12 infrastructure investment.
- **Process innovations**, at both state and local levels, can increase flexibility and wise planning for K-12 capital investments.
- **Technology tools** that can harness policy and process innovations are available, but they need to be identified, adapted to public processes, and implemented.

## California’s K-12 Educational Infrastructure Investments

Implementing these changes not only make public processes more efficient and accountable but they will also make LEAs better clients for the private sector, who provide the vast majority of planning and construction services undertaken by LEAs.

### *A Look at Other States*

To inform California’s options for improving its K-12 infrastructure policy and regulatory approaches, we wanted to understand how other states structured their approaches. However, no comprehensive repository of this information exists. It is not collected or reported by the federal government nor is it readily available from individual states. Similarly, there is very little academic research on state level K-12 school facility policy and funding approaches. A further challenge to a detailed state-by-state assessment is the fact that state policies and programs on K-12 facilities frequently change, such as when a state comes into or runs out of funds as a result of a bond, legislative mandate, or court ruling.

Fortunately, we were given access to findings from a 2010 national survey on state policies on K-12 capital infrastructure conducted by the 21st Century School Fund. Some but not all of the survey findings had been previously published. The survey, undertaken with support from the National Clearinghouse for Educational Facilities, collected detailed information from state agencies on funding amounts and specific policies and regulations. For our research, we drew on these national survey findings, corroborating and supplementing them with our own research on individual states. Our aim was to learn about strategies and best practices, and to glean ideas for adaptation in California. In our recommendations, we summarize national trends on specific policies, and when possible, point to more detailed state-specific examples.

Looking across the states reveals three important realities:

1. Enormous variation exists in how states structure their K-12 school facilities policy, regulation, and funding.
2. State programs each have their own unique level of complexity in funding determinations and approvals process. In general, the complexity is related to the state level commitment to equity.
3. No state appears to have an “ideal” program as measured by our recommended best practices for a strategic and effective state K-12 infrastructure program.

<b>14 states and the District of Columbia provide 50% or more of LEA total capital outlay.</b>	Alabama, Alaska, Delaware, District of Columbia, Hawaii, Iowa, Kansas, Maine, Massachusetts, New Jersey, New Mexico, New York, Ohio, Tennessee, Wyoming
<b>10 states and the District of Columbia reported 20 or more state level staff dedicated to capital related program activities.</b>	Arkansas, California, District of Columbia, Florida, Hawaii, Maryland, Massachusetts, New Jersey, New Mexico, New York, Ohio

For more details, see Appendices C and D.

### ***Comparing California to Other States***

Comparing California to other states, we found the following:

- From 1995 to 2004, California LEAs ranked 36th nationally in total capital expenditures (from all sources) per student (\$492 per student per year)
- From 2005 to 2008, California LEAs ranked 6th nationally in total capital expenditures (from all sources) per student (\$1,569 per student per year)
- From 2005 to 2008, California ranked 23rd nationally in state share of LEA total capital expenditures (30% of total LEA capital outlay was from state funds)
- California has among the nation's most robust state K-12 school facility policy frameworks. However, key elements to support a strategic and effective state program that supports high-quality schools and aligns with California's broader infrastructure investment goals are missing or need strengthening

For more detail, see Appendices C and D.

Source: Building Educational Success Together. (2006). Growth & Disparity: A Decade of U.S. Public school Construction. Washington, DC: BEST. Available online: [http://citiesandschools.berkeley.edu/reports/BEST\\_2006\\_GrowthandDisparity\\_final.pdf](http://citiesandschools.berkeley.edu/reports/BEST_2006_GrowthandDisparity_final.pdf).

Source: 21st Century School Fund. (2010). State Capital Spending on PK-12 School Facilities. Washington, DC: 21CSF. Available online: <http://www.21csf.org/csf-home/Documents/FederalStateSpendingNov2010/StateCapitalSpendingPK-12SchoolFacilitiesReportNov302010.pdf>.



## California's K-12 Educational Infrastructure Investments

### ***1: The California State Legislature should adopt a vision and master plan for the state's K-12 infrastructure investment***

**11 states and the District of Columbia reported that they had state level educational facility master plans.**

Alabama, Alaska, Arkansas, Delaware, District of Columbia, Georgia, Hawaii, Illinois, Kentucky, Massachusetts, Ohio, Rhode Island

A solid vision and master plan is needed for California to strategically invest its state-level K-12 school facilities funds. The state's aim should be to first and foremost address educational needs, but also to support the state's broader goals of sustainable communities. As we found in our research, the state's investment priorities on K-12 infrastructure are falling short on both. To remedy this, California needs policy, regulatory, and funding adjustments that can be realized by an aligned vision, more direct state policy supports, and increased fostering of intergovernmental local planning collaboration.

The State Legislature should establish a task force (or equivalent) to develop a vision with guiding principles and a master plan for the state K-12 facilities program. The task force should use this report as a guide. The vision, principles, and plan should then guide all state level agencies involved with K-12 facilities. We propose that the legislature consider the following in adopting a vision:

*Policy Reform*

1. Standards for educational environments that are based on up-to-date information and best practices for enhancing **educational quality**.
2. Allocation that is in accordance with principles of **equity**.
3. Processes that ensure **efficiency** in project delivery.
4. Policies and regulations that are **integrated** with other infrastructure investment.

The vision and principles will help create an integrated policy framework for multi-sectoral strategic capital planning and align the goals of K-12 infrastructure investment with the state's broader infrastructure investment goals. The principles should clarify the state's interests, intent, and approach with K-12 infrastructure investment. At their core, they should be connected to the state's broader goals of education, community, and regional growth and prosperity, and they should address the challenges presented in this report. Central to the principles should be ensuring that Californians get the most value for their tax dollar by wisely investing in the future. Without a state-level vision and guiding principles for K-12 infrastructure investment, an appropriate accountability system for the state's roles and responsibilities will remain elusive.

With a sound vision and guiding principles, a state K-12 infrastructure master plan can be established. The master plan should be based on the recommendations in this report, including conducting a true assessment of statewide K-12 facility needs. As we will discuss, a statewide inventory of school facility conditions and qualities, and

## California's K-12 Educational Infrastructure Investments

LEA facility master plans will guide the statewide master plan. A K-12 statewide facility master plan could use the 2008 California Five-Year Infrastructure Plan as a model.<sup>81</sup>

### ***a. K-12 school infrastructure should have representation on the Strategic Growth Council***

Currently, the SFP (the state's second largest infrastructure funding program) lacks any connection with the SGC, which is tasked with coordinating state-level infrastructure investment around common goals. Formalizing the relationship might mean giving the SAB or the CDE a seat on the SGC. We recommend that such SFP representation include a primary role for the CDE to ensure that educational priorities are adequately positioned in decision making. Executive or legislative action may be required to add a seat to the SGC.

As part of the SFP's inclusion in the SGC, the SAB should be required to specify how its prioritization plan for state-level school infrastructure funding is consistent with the state's infrastructure priorities, just as all other state agencies requesting state level infrastructure funds must do in accordance with 2002's AB 857 (*Government Code* § 65041.1). Currently, there is no prioritization plan driven by the on-the-ground needs in local schools and/or communities. Our report outlines a plan for funding prioritizations in Recommendations 3 through 6.

Process Innovation

## ***2: The state should more actively promote local planning that advances quality education and sustainable communities***

Improved clarity in state codes on local intergovernmental planning is needed for a collaborative shift toward ensuring high-quality schools and sustainable communities for California. State policies can play a role by establishing mandates and incentives to encourage local leaders to work together.

Because school facilities planning and management in California is a local LEA responsibility, state policies should be designed to encourage and support well-managed local capital planning programs in addition to providing funding assistance and setting various standards. In our research we looked broadly at the practice of school facilities planning and management in California and found that while the state SFP, local LEA planning, and individual LEA construction projects are inextricably related, the processes of each are distinct. It is essential to look at the two local pieces when searching for effective state program requirements because the state program should be structured to support sound local planning. Additionally, one of the major emphases in the state's sustainable communities policy framework approach is incentivizing planning collaboration among local governments for more sustainable communities outcomes.

<p>Maryland</p>	<p>The 2011 state plan, <i>PlanMaryland</i>, notes the role K-12 schools play in supporting sustainable communities. The plan encourages “[m]aximizing investments in community-centered schools, emphasizing co- location of public facilities, land banking, use of compact sites and design, proximity to residential neighborhoods, energy efficiency, and integrated walking and bicycle networks to connect the school to the entire community.” The plan also notes that “...as part of their comprehensive plan revision process, [local governments should] coordinate preparation of their comprehensive plan with local school boards, other units of local government, adjacent municipalities, counties, metropolitan planning organization and applicable State agencies.”</p>
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**a. K-12 school infrastructure should be included in sustainable communities policy and implementation**

As one of the major implementation vehicles for sustainable communities goals, SB 375 offers opportunities for including K-12 schools for “win-win” outcomes. SB 375 requires the creation of regional land use and transportation plans – called Sustainable Communities Strategies (SCSs) – for reducing vehicle miles traveled and greenhouse gas emissions throughout the state. The SCS process should be structured in a way that encourages (or incentivizes) regional and local government collaboration with LEAs to ensure that areas targeted for growth have adequate school facilities and that regional plans address access to schools and educational equity.

Policy Reform

Currently there is little-to-no consideration of schools in the SCSs nor is there widespread participation by LEAs in the planning processes. For example, there is no requirement for metropolitan planning organizations (MPOs) to consider the effect their plans may have on school capacities in the areas targeted for infill development. The MPOs should be instructed to include LEAs in the SCS processes and consult with them on plan preparation, population and enrollment projections, and assessment of how the SCS plans may impact school enrollments/capacities and need for school sites.

<p>New York</p>	<p>New York’s Smart Growth Public Infrastructure Policy Act of 2010 (Article 6 of the <i>Environmental Conservation Law</i> (ECL § 6-0105) makes state financial assistance for educational infrastructure contingent upon adherence to smart growth principles. The smart growth principles must be followed to the extent that they are “practicable” by the entity requesting the financial assistance.</p>
<p>New Hampshire</p>	<p>In July 2010, the New Hampshire legislature passed SB 59, which requires state funded renovation projects to solicit input from the public and pertinent governmental agencies (new construction was already subject to this requirement) and the Department of Education to certify that statewide smart growth principles are adhered to before any new construction is funded.</p>

Three specific mechanisms can be used to connect SB 375 related implementation issues and K-12 school facilities planning, as described in the next sub recommendations.

## California’s K-12 Educational Infrastructure Investments

### ***b. School districts need standards-based Educational Facilities Master Plans***

<p>23 states reported that they require LEAs to prepare educational facility master plans.</p>	<p>Alabama, Alaska, Arizona, Arkansas, California, Delaware, Florida, Georgia, Kentucky, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oregon, Rhode Island, Washington, West Virginia, Wyoming</p>
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Having a well-thought-out plan for the upkeep, modernization, and expansion of an infrastructure portfolio is a best practice. Up-to-date, standards-based K-12 facility master plans that include a thorough educational specifications component should be a requirement for state funding and approvals. Currently, the CDE requires board-adopted educational specifications for state-funded new school plans and requires a district-wide facilities master plan or capital funding study for state-funded sites. Ideally, the master plans should be required regardless of an LEA’s request for state facility funds.

The CDE should develop up-to-date standards for necessary elements in educational facilities master plans.<sup>82</sup> In addition to the current robust standards for student safety, health, and educational appropriateness of school facility designs, the master plan guidelines should instruct LEAs on how to incorporate sustainable communities goals/standards.

*Process Innovation*

Facility master plan guidelines would be further supported by the development of guidelines and/or best practices for local public participation processes that allow for community and local agency feedback on the plans. For example, LEAs should demonstrate the coordination and adherence to local and regional plans, beyond the Planning Commission notification required.

Within its suite of services, the CDE should at minimum provide technical assistance to support best practices in educational facility master planning and site specific planning. Many LEAs are likely not to engage in comprehensive and regular educational facilities planning because they lack the resources and expertise. Ideally, there would be some planning funds made available to LEAs for this purpose. A permissible use of state bond funding should be the allocation of a small percentage for use in LEA planning to cover master plan development, feasibility studies, and other assessments needed to make strategic investments. Providing a requirement for planning along with the concomitant funding and technical expertise needed to support a community-based planning effort will help ensure that the state’s investment in K-12 facilities will have the maximum benefits possible for children and communities.

<p>Oregon</p>	<p>In Oregon, LEAs with more than 2,500 students are required to have a long-range facility master plan and to coordinate it with the local jurisdiction (ORS 195). The plan must include population projections, desirable school sites, physical improvements needed, financial plans, an analysis of alternatives to new school construction and major renovation and measures to increase the efficient use of school sites, a 10-year capital improvement plan, and site acquisition schedules and programs.</p>
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## California’s K-12 Educational Infrastructure Investments

### ***c. Policy, regulatory, and best practices guidance from state agencies should be available to support local intergovernmental collaboration***

<p>36 states reported that they provide some level of technical assistance on school facilities funding or management to local school districts.</p>	<p>Alabama, Alaska, Arizona, Arkansas, California, Colorado, Delaware, Florida, Georgia, Hawaii, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Minnesota, Mississippi, Montana, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Rhode Island, South Carolina, Texas, Utah, Vermont, Washington, West Virginia, Wyoming</p>
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To facilitate the recommendations above and provide guidance on intergovernmental planning for education and sustainable communities, the CDE should collaborate with other state agencies for regulatory reform and best practices guidance. The Governor’s Office of Planning and Research (OPR), in particular, is well-positioned to work with CDE’s School Facilities and Transportation Services Division (SFTSD) on connecting intergovernmental guidelines, regulations, and policies. The SFTSD reviews and approves state-funded LEA sites and school designs, and upholds the standards in the *California Code of Regulations, Title 5*. Serving the Governor and his Cabinet as staff for long-range planning and research, OPR is in effect the comprehensive state planning agency.<sup>83</sup> OPR provides local governments with regulatory support and best practice guidelines on land use and environmental planning, including local general plan guidelines and the current efforts at CEQA streamlining under SB 226. OPR also partners closely with other state agencies working on climate change and sustainable communities implementation, including the Air Resources Board and the Department of Public Health.

*Process Innovation*

The CDE should work with OPR to outline best practices and guidance for LEAs and local/county/regional governments to conduct interagency planning as a normal course of action. Together, they should also promote efforts in school facilities planning that align with the state’s sustainable communities goals and planning priorities, such as replacing, modernizing, and expanding existing schools; siting new schools in infill locations and/or adjacent to existing/planning development; and promoting joint use of school and community facilities. Improved outcomes on these issues would help address concerns of inadequate school facilities master planning; school siting choices that do not promote compact, walkable development; expanding the joint use of school facilities; establishing accurate enrollment projections in the context of the SCSs; and lack of LEA participation in SCS planning.

Specific recommendations for CDE and OPR (and possibly the California Department of Public Health) collaboration include:

- Developing LEA master plan standards and guidelines.
- Establishing standards and/or best practices for local interagency planning.
- Reviewing and updating the standards and guidelines on school facilities planning and design in *California Code of Regulations, Title 5* to better address both educational goals and sustainable communities priorities (see Recommendation 4). This should also include simultaneous review and updating of CDE’s *School Site*

## California's K-12 Educational Infrastructure Investments

*Selection and Approval Guide* (“Blue Book”) and the *Guide to School Site Analysis and Development* (“Yellow Book”).<sup>84</sup> Reviews and updates should seek to improve support for high quality learning environments, support Safe Routes to School goals, and complement Complete Streets objectives (see below), etc. An important starting point for review and update is the detailed recommendations outlined in the 2009 and 2010 policy memos to CDE from the Ad-Hoc Coalition for Healthy School Siting (a group of five entities from across California, that included sign-on support from 42 California-based organizations).<sup>85</sup>

- Including Complete Streets implementation objectives in LEA master plan guidelines and updates of CDE’s “Blue Book” and “Yellow Book.” California’s 2008 Complete Streets Act (AB 1358) requires local entities to consider the needs of all users (including bicyclists, pedestrians, transit riders, and motorists) of streets, roads, and highways when revising the circulation element of their general plan. OPR is currently working with the SGC’s Health in All Policy Task Force (HiAP) (led by the California Department of Public Health). on the HiAP implementation plan.<sup>86</sup>
- Developing CEQA streamlining and/or new incentives for LEAs, as required by SB 226 (discussed in more detail later in the report).
- Connecting K-12 infrastructure planning and investment to the forthcoming Environmental Goals and Policy Report (EGPR) for the state, which will outline the state’s environmental goals and define a framework for aligning decision making with these goals and developing assessment metrics. OPR is currently preparing a new EGPR, as required by AB 857. The EGPR offers an opportunity to connect K-12 infrastructure planning and investment with sustainable communities outcomes.<sup>87</sup>

In general, the CDE should have appropriate input on OPR efforts, where warranted, as they relate to K-12 schools. Likewise, OPR should have appropriate input on the CDE’s planning regulations and guidelines for LEAs.

### Maryland

In 2008, the Maryland Department of Planning released, “Smart Growth, Community Planning and Public School Construction: Models and Guidelines” to support LEAs and other local governments in planning to support the Smart Growth and Neighborhood Conservation Act of 1997.  
(<http://www.mdp.state.md.us/PDF/OurProducts/Publications/ModelsGuidelines/mg27.pdf>)

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### ***d. K-12 facilities projects receiving state funding should meet minimum green building criteria***

16 states and the District of Columbia have green school construction/renovation requirements in statute. (Source: USGBC)	Arizona, California, Colorado, Connecticut, District of Columbia, Florida, Hawaii, Illinois, Kentucky, Maryland, Massachusetts, New Jersey, Ohio, Pennsylvania, Rhode Island, South Carolina, Washington
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California leads the nation in “green” technologies, innovations, and private companies in the industry sector and has done much to promote and incentivize green building techniques among LEAs, including offering the High Performance Incentive (HPI) grants and promoting LEA participation in LEED for Schools (Leadership in Energy and Environmental Design),<sup>88</sup> CHPS (Collaborative for High Performance Schools),<sup>89</sup> and the DSA’s Grid Neutral Schools Program.<sup>90</sup> Many interviewees for this report noted that very few LEAs do *not* including green elements in their projects, and, that by requiring certain green building elements the state could improve its promotion of sustainability in local communities, assist in lowering LEA energy expenses, and increase market demand for green building products.

Policy Reform

Ohio	In 2007, the Ohio School Facilities Commission (OSFC) passed <i>Resolution #07-124</i> , approving the incorporation of energy efficiency and sustainable design features into all future and some previously approved school projects. All K-12 public school projects approved by the OSFC are required to meet a minimum of LEED for Schools Silver certification and are strongly encouraged to achieve the Gold level. There is additional emphasis on maximizing Energy & Atmosphere Credits. The resolution directs OSFC to cover all LEED registration and certification fees and to supplement project budgets for the incorporation of sustainable, green strategies.
Pennsylvania	In 2000, the state legislature amended the school construction reimbursement rates and provided hundreds of dollars of funding per pupil for public schools that could prove they qualified for LEED Silver certification or higher, or two Green Globes or higher.
Washington	Since 2006, the State of Washington has required all projects exceeding 5,000 square feet and receiving state capital funds to be certified to the LEED Silver standard. The code also requires that all K-12 schools be certified to the LEED Silver standard or built to comply with the Washington Sustainable Schools Protocol.

### ***e. CEQA should be used to identify and implement land use and school site planning changes to support more sustainable communities***

Extending new CEQA streamlining incentives to schools should be pursued in tandem with including schools in state sustainable communities legislation and requiring appropriate LEA educational facilities master plans. As part of SB 375 implementation, residential and mixed-use projects that are SCS-consistent are eligible for CEQA exemptions. Currently, however, stand-alone schools are not eligible. Streamlining incentives should be crafted for LEAs, especially those that align new school siting choices and the replacement of poor-quality existing school facilities with the priority development areas in an SCS. The CDE, OPR, and California Environmental Protection Agency should collaborate on crafting CEQA incentives for LEAs. The recent passage of SB 226, which creates new CEQA streamlining incentives

Policy Reform

## California’s K-12 Educational Infrastructure Investments

in infill areas – and includes schools – provides another opportunity to examine how CEQA benefits may be extended to schools that are located in sustainable communities.

CEQA reforms should also play a more prominent role in discouraging new school siting choices that work against sustainable communities outcomes. Currently, CEQA streamlining aims to encourage sustainable communities outcomes by reducing the regulatory burdens for projects that support sustainable communities. However, it does not do much to otherwise discourage site choices that may undermine sustainable communities outcomes. Thus, complementary approaches to streamlining alongside more fundamental CEQA reform efforts may be warranted. For example, a new General Plan standard or CEQA threshold for cumulative transportation and land use (and/or GHG) impacts for new school sites could be established. Currently, some of California’s Air Quality Management Districts (AQMDs) are instituting GHG thresholds for numerous types of development. The CDE, OPR, ARB, and other state agencies should discuss whether it would be appropriate to create GHG emissions thresholds for new school projects.

### ***3: The state should assemble the necessary information to strategically prioritize funding for school facilities with the highest needs***

<p>22 states reported that they maintained a publicly accessible database of the state's public school facilities inventory.</p>	<p>Alaska, Arizona, Arkansas, Colorado, Delaware, Florida, Hawaii, Illinois, Iowa, Maine, Maryland, Massachusetts, Minnesota, Montana, New Hampshire, New Jersey, New York, North Carolina, South Carolina, Washington, West Virginia, Wyoming</p>
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High levels of deferred maintenance and other facility deficiencies are a significant concern for California, most importantly because when a school has a significant amount of these deficiencies, teaching and learning are hindered and education, health, safety, and other state goals are not met. Through the ability to prioritize funding, award hardship grants, and other policy levers, the State of California plays an important role in assisting LEAs in building new schools and repairing and modernizing existing schools to best support student success and overcome the deeply entrenched achievement gap experienced by low-income, African American and Latino students. To ensure that school facility policies and funding decisions are made in the best interests of California’s children, education data, facility information, and established priorities should be the guide. Strategic decisions can only be made with good information that is available to decision makers and the public.



## California's K-12 Educational Infrastructure Investments

### ***a. Develop an inventory and assessment tool that measures the conditions and qualities of all California public school facilities***

Funding decisions should be informed by a longitudinal database of the state's K-12 public school facilities. The database would serve as a statewide inventory of schools and should include a building conditions assessment that is periodically updated. The assessment would ideally include physical conditions and lifecycle information for systems, components and finishes, and ideally would also provide information on technology capabilities, energy use, and educational appropriateness. The inventory could also be linked to existing information already collected by state agencies, including CDE's educational data and DSA and OPSC project numbers.

Policy Reform,  
Process  
Innovation, &  
Technology Tool

Establishing a state inventory and building conditions assessment of school facilities in the state has been a consistent recommendation in previous reports, including the Legislative Analyst's Office and the Little Hoover Commission. However, the political will has not existed to overcome the logistical data challenges involved. But advances in technology make the task of compiling and linking various databases much easier than even a few years ago. Additionally, models now exist in other public sectors to build upon. Two in California provide especially promising possibilities:

- The ***California Protected Areas Database (CPAD)*** is a GIS (Geographic Information System) inventory of all protected park and open space lands in California and may provide a template for how to create and maintain a statewide school facility inventory. CPAD contains lands held in fee ownership by public agencies and nonprofits. Federal, state, county, city, special district, and nongovernmental agency holdings are included and have been mapped at high levels of accuracy. CPAD was created and is managed by the GreenInfo Network, a nonprofit technology support organization, and has been financially supported by many public agencies, foundations, and nonprofit groups. The data are readily assessable online for mapping and can also be downloaded. Once established, data upkeep is "crowd sourced," that is, local agencies and groups are able to update, correct, and make notes on the data. More information can be found at: <http://www.calands.org>.
- The ***FUSION (Facilities Utilization, Space Inventory Options Net)*** is a database of all California community college facilities that tracks the condition assessments and develops cost modeling for maintenance projects, which enables colleges to plan budgets and help facilitate the passing of much-needed bond measures. FUSION is maintained as a partnership between the Foundation for California Community Colleges, California Community Colleges Chancellor's Office, and the contributing community college districts. More information can be found at: <http://www.foundationccc.org/WhatWeDo/FUSION/tabid/76/Default.aspx>.

Using these examples as possible guides, the inventory approach for K-12 facilities will require a unique and tailored approach to ensure it is manageable and useful. Most important is that the inventory is longitudinal, not a static snapshot in time. It should be update at specified time intervals. We recommend the following specifications for an efficient longitudinal database inventory for K-12 facilities:

## California's K-12 Educational Infrastructure Investments

- A web-based state information system using the facility data information system guide and data definitions provided by the National Center for Education Statistics (NCES) as a starting point.<sup>91</sup>
- Data for three levels of geography: an accurate center point showing the latitude and longitude of the school; campus or site footprints (based on assessor parcels, which also identify ownership and lease terms (if any), including identifying separate users of the campus such as a charter or special school/program); and building and grounds features (building outlines and/or 3D models of structures and grounds).
- Data on facility condition, design, utilization, and location. Many LEAs already collect some of this information. A few of them established a Facility Condition Index (FCI) (most notably, Los Angeles Unified School District. Typically the index calculates the cost of deficiency upgrades over replacement cost. Ideally, California would establish a state-level FCI that connects facility quality information to enrollment and educational performance data. Facility attribute information can be easily connected with geographic information through use of a standard linking ID name or number – this increases the analytical usefulness of the inventory.
- Collaborative development and implementation. State agencies and LEAs should be required to regularly input select pieces of data.
- Report module that can project building component lifecycle cost analyses.
- Regular data updates and system maintenance.

Once in place, the inventory will enable school facility decisions to be viewed in relation to basic school demographic, program, and achievement data, as well as with municipal demographic, planning, housing and community development, and transportation data. Such analysis will help guide both state and local level funding priorities and greatly assist local school facility master planning, capital improvement planning, and maintenance and operations planning.

The initial inventory of sites and campus footprints can be established with available and easily acquired information using lightweight web mapping and data capture tools. This initial work will provide preliminary data for testing and determining where to concentrate more intensive data gathering efforts, as well as for demonstrating the potential uses of such an inventory.

Florida	Florida has one of the most extensive and readily accessible K-12 facility inventories, the Florida Inventory of School Houses (F.I.S.H.), which is online and updated annually. ( <a href="http://www.fldoe.org/edfacil/fishreports.asp">http://www.fldoe.org/edfacil/fishreports.asp</a> )
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## California’s K-12 Educational Infrastructure Investments

### ***4: The California Department of Education should work with educators, communities, and design professionals to review the standards in California Code of Regulations, Title 5 to ensure they provide for effective and efficient public planning processes and are a sound basis for quality school facilities that contribute to sustainable communities***

22 states and the District of Columbia reported that they have comprehensive facility standards on school size, siting, planning, design, construction, and sustainability.

Arizona, Arkansas, California, Connecticut, District of Columbia, Florida, Georgia, Hawaii, Kentucky, Maine, Maryland, Massachusetts, Minnesota, New Jersey, New Mexico, Ohio, Oklahoma, Rhode Island, South Carolina, Utah, Vermont, West Virginia, Wyoming

The standards in *California Code of Regulations, Title 5* play an important role in shaping school planning and design at the local level. These design and condition (and other) standards for existing and new public school facilities are needed so that priorities and funding adequacy are based on clear benchmarks. *Title 5* currently outlines minimal school design standards, which were first adopted by the State Board of Education in 1993 and were last amended in 2000. They fall into three categories: *process* standards (including local hearings, environmental proceedings, and school board actions), *quantifiable* standards (including site acreage and minimum classroom square footage), and *performance* standards (including acoustical, lighting, parking, and vehicle circulation).

Policy Reform

LEAs have wide latitude in the design of their schools and the standards are structured to allow for LEA customization so long as they demonstrate to the CDE that student safety and educational appropriateness are not compromised. Some school components, such as gyms and multipurpose rooms, are not required in schools. As a result, schools across the state can look very different – often a result of the level of funding for a project and the wealth of the LEA sponsoring the project. This variation raises concerns of inequities in conditions from school to school, particularly for students in lower versus higher wealth communities.

#### ***a. Conduct a statewide comparison of existing building spaces, features, and amenities***

The state must determine what spaces/physical components a school receiving state facilities funds should minimally include – independent of the wealth of the community. Determining this will likely involve looking at all three types of state standards (process, quantifiable, and performance) and ensuring they promote and uphold the state’s educational goals. The standards need to be flexible enough to encourage creativity, but not so vague as to make it impossible to make appropriate comparisons.

## California’s K-12 Educational Infrastructure Investments

One way to do this review is to conduct a statewide comparison of standard versus non-standard spaces, building features and amenities of the new schools constructed since 1998 with SFP funding. An analysis of these designs and their building features and local wealth in the LEAs will aid educators, communities, and design professionals in determining what are considered minimal features or basic elements, and which are “exceptional quality” features.

### ***b. Ensure the review and update of Title 5 supports the state’s new sustainable communities priorities***

The review and updating of *Title 5* also needs to take into consideration the state’s new sustainable communities priorities. Ideally, this should include some cross-agency collaboration with OPR and DPH (and possibly others). Many of these pieces are described in the previous recommendation, including outlining standards for intergovernmental planning for the replacement, modernization, and expansion of existing schools; siting new schools in infill locations and/or adjacent to existing/planning development that promote compact development and walkability/bicycling; and promoting joint use of school and community facilities. CDE should revisit the detailed recommendations on updating *Title 5* presented in the 2009/2010 memos to CDE from the Ad-Hoc Coalition for Healthy School Siting.<sup>92</sup>

## ***5: The state should set priorities for remedying inadequate facilities and supporting new construction***

<p>13 states and the District of Columbia have had lawsuits that established new state funding programs and/or shifted aspects of existing funding programs.</p>	<p>Arizona, Arkansas, California, Colorado, Connecticut, District of Columbia, Kentucky, Montana, New Jersey, New Mexico, New York, Ohio, West Virginia, Wyoming</p>
<p>23 states reported factoring local wealth into funding formulas.</p>	<p>Alaska, Arkansas, Colorado, Connecticut, Delaware, Florida, Hawaii, Idaho, Illinois, Kansas, Kentucky, Massachusetts, Montana, New Hampshire, New Jersey, New Mexico, New York, Ohio, Pennsylvania, Rhode Island, South Carolina, Texas, Utah</p>
<p>15 states reported factoring building condition (not just building age) into funding formulas.</p>	<p>Alaska, Arkansas, Colorado, Delaware, Florida, Georgia, Hawaii, Kentucky, Maine, Massachusetts, New Jersey, New York, Vermont, West Virginia, Wyoming</p>

A priority for supporting high-quality education in California should be ensuring all schools meet the new minimum conditional standards (established by Recommendation 4). By having this type of funding prioritization, California will ensure that educational goals drive K-12 facility funding patterns. For example, if closing the achievement gap is a state education goal, then one step in that direction is closing the school facility condition gap. If attracting and retaining quality teachers – particularly in the lowest performing schools – is a statewide goal, then providing teachers with better professional settings to do their work is critical.

## California’s K-12 Educational Infrastructure Investments

Following the statewide inventory and building conditions assessment, and the updating of *Title 5* standards, the state (e.g., CDE) can work directly with LEAs to identify statewide needs. The rationale for this objective is the growing evidence demonstrating the negative effects substandard school facility conditions have on teaching and learning outcomes, as described earlier.<sup>93</sup>

The state should also strategically strengthen its support to LEAs for new construction. The needs for this funding would fluctuate over time in accordance with enrollment trends, regional growth, and other factors. Overall, these priorities should both support high-quality education and align with the state’s broader infrastructure investment and land development goals.

Establishing funding priorities – informed by our facility funding needs estimates – will align the state’s school facilities funding approach with the state’s goals on both education and healthy, sustainable communities. Making the needed level of investment will enable schools to provide quality learning environments that support student success and lead to reduced LEA operating expenses through the incorporation of “greener” and more efficient building component technologies.

### ***a. Identify the state-level need for full school modernization, building replacement, and new construction***

As described earlier, both the state and LEAs should develop K-12 facility master plans (Recommendations 1 and 2, respectively). The CDE should play a lead role in using the statewide inventory, facility condition assessments, and LEA master plans to identify the overall statewide needs each year. The CDE should work with other state agencies, such as OPR and the SGC, to identify the needs – and do so in alignment with the state infrastructure plan and other major statewide plans such as the (forthcoming update of the) Environmental Goals and Policy Report.

New York	In New York, state law requires that LEAs conduct building assessments every five years. The state has developed a standardized assessment format and pays for the assessments. Assessments have been completed in 2000, 2005, and 2010.
Kentucky	In response to 2010’s Senate Bill 132, the Kentucky Facilities Inventory and Classification System (KFICS) was established to assess the physical condition, educational suitability, and technology readiness of the schools relative to Kentucky’s regulations and standards. The assessment evaluated every school and established the Kentucky School Score, a weighted score that combines the physical condition (75%), educational suitability (20%), and technology readiness (5%) scores. The purpose is to provide the General Assembly with data that can be used to inform school building funding decisions.

### ***b. Establish criteria for ranking full school modernization, building replacement, and new construction projects***

Clear criteria for assessing the merits of modernization, replacement, and new construction projects will need to be developed to ensure wise and strategic use of state K-12 infrastructure funds. Three components are important in establishing the

## California's K-12 Educational Infrastructure Investments

criteria that promote both high-quality education and sustainable communities:

- Assess projects against the *Title 5* standards (CDE already does this) and against the new minimum conditional standards (as described in Recommendation 4).
- Establish building life cycle cost guidelines for determining whether modernizing or replacing a school building is the more efficient use of funds. Standards to assess whether all or part of a school is beyond its life cycle will need to be adopted, but these should be easily adapted from building industry standards. Additional incentives to protect historically significant school buildings will also be necessary. Establishing the statewide inventory recommended above will enable the state to know precisely the age (and condition) of all its schools and aid its prioritization of dedicated replacement funds to schools in the greatest need of being replaced.
- LEAs should demonstrate how their projects support their standards-based educational facility master plan and are not in conflict with local/regional land use plans by other local agencies (as described in Recommendation 2). The CDE SFTSD should assist in aligning projects with local educational facilities master plans and local/regional land use plans by other local agencies. Finding ways to link an LEA's new school site selection with other land use planning has long been a topic of contention in California. Numerous legislative bills have tried to address the issue over the years, but none has made it into law – in part because of the political difficulty involved. LEAs are strongly resistant to giving up control of their site selection authority. This resistance is understood, especially given the fact that cities and counties have not played strong proactive roles in assisting LEAs with finding appropriate sites, as discussed earlier.

The SB 375 policy context presents opportunities, particularly for LEAs in the state's 18 Metropolitan Planning Organizations (MPOs) creating regional Sustainable Communities Strategies (SCSs). For example, new analytical tools that support integration of schools have been developed for the SCS processes. The legislation has encouraged MPOs to upgrade their travel models, which are the tools used to estimate regional GHG emissions. Upgraded models now account for school trips, which means it is possible in many regions (or soon will be) to analyze the impact of school location on regional VMT and GHG emissions. Specifically, the California Transportation Commission could specify that MPOs model school trips in its modeling guidelines. This would be an important step in linking SCSs and K-12 facility planning.

LEAs could also demonstrate that their new construction plans are consistent with the SCSs under SB 375 by showing that the increase in school capacity in transit priority areas aligns with SCS growth projections for these areas or by referring to results from a regional travel model demonstrating a decrease in vehicle travel and GHG emissions from fewer auto trips to school. LEAs would also be able to include the impact assessment of the regional plans on their enrollment capacity, as outlined in the preceding recommendation. This would allow for the SFP to account for how the SCS plan would impact LEA enrollment – a factor that may need to be considered in determining an LEA's funding eligibility. Coordination with MPOs and other local governments would further allow LEAs to explore opportunities for increasing joint use projects that enable public agencies to share facilities and accommodate a mix of uses and activities.

## California’s K-12 Educational Infrastructure Investments

Linking SCSs and school facility planning will enable MPOs to support new schools in infill locations and thereby accommodate infill development identified in the SCS. MPOs may have grant programs that could assist with infill school development, but they would likely be limited to providing multimodal transportation improvements that foster access to schools (such as Safe Routes to School). Additionally, MPOs may be able to utilize transportation funding to fund transportation demand management programs that cut down on the number of auto trips to school.

To assist LEAs not in MPO regions, updated *Title 5* planning and design standards promoting sustainable communities outcomes will be especially important.

### Wyoming

The Wyoming School Facilities Commission has developed a tool that combines the scores from a facility condition assessment, educational functionality, and building capacity into a prioritized statewide needs index to identify the most critical projects across the state.

### ***c. Bring schools not being replaced or fully modernized up to minimum condition standards by eliminating deferred maintenance needs***

A priority for supporting high-quality education in California should be ensuring all schools meet the new minimum conditions standards (established by Recommendation 4). Following the statewide inventory and building conditions assessment, the state (e.g., CDE) should work on a case-by-case basis with the LEAs of schools that fall below the standards to determine needed capital investments. The rationale is the growing body of research revealing the negative effects substandard school facility conditions have on teaching and learning outcomes, as described earlier. By having this type of funding prioritization in the short term, California will ensure that educational goals drive K-12 facility funding patterns.

### ***d. Work with the legislature to develop transparent and easily understood formulas to direct state funds to the highest need projects***

LEA projects for full modernization, building replacements, deferred maintenance needs, and new construction that meet the criteria above and that are in accordance with the statewide plan and consistent with regional/local growth plans should qualify for competitive grants. A transparent and easily understood funding formula should be developed. In particular, a special funding formula will need to be developed for replacements. These programs should also have an “Ability-to-Pay Adjustment” that addresses the disparities in local wealth and equalizes per pupil renewal and maintenance revenues across LEAs.

***6: To protect the state's investment and aid in supporting educational achievement, funds for the state share in capital renewals should be provided to all school districts annually, adjusted for local wealth, need, and effort***

To chip away at the K-12 facility deficiencies across the state (especially those not addressed through building replacements and modernizations for education program delivery) and to keep these deficiencies from rising in the future, the state should establish an ongoing program that funds annually to LEAs to support the state share in capital renewals. A regular and adequate capital renewal investment of state funds [\*Policy Reform\*](#) has been a repeated recommendation by the Little Hoover Commission, Legislative Analyst's Office, and others over the years. The state should transition from its reactive structure of the (minimal) Deferred Maintenance program to a proactive capital renewal program that more appropriately contributes to true facility needs.

Providing dedicated, predictable funding to LEAs for capital renewals has numerous benefits. First, it curtails the process inefficiencies and facility deficiencies that have resulted, in part, from the current California K-12 state level infrastructure investment that is episodic and unstable and from the recent practice of "flexing" local deferred maintenance funds. (Again, about 70% are diverting part of their deferred maintenance funds, and 31% are diverting all such funds.) LEAs generally do not wish to participate in this latter trend, but when faced with tough economic challenges, difficult choices have to be made. Curtailing deferred maintenance buildups in turn reduces the state's vulnerability to facility equity lawsuits. Furthermore, consistent capital renewal funding supports the long-term planning efforts of LEAs that are requisite for keeping schools safe, healthy, and conducive to learning. Finally, a predictable and stable K-12 capital program supports a stable building industry (a major economic sector in the state) by avoiding uneven demand as a result of the current episodic facilities funding paradigm.

A well-managed state program of annual capital renewal funds should have a transparent, easily understood formula for a defined state share. In keeping with the intent of SB 50 for a state program based on a state-local funding partnership, LEAs should be indexed by wealth, facility needs, and the local effort that has been made to invest in facilities. Favor should be given to low-wealth, high-need, and high-effort LEAs. High-effort LEAs are those that have made consistent good faith efforts to raise local capital funds (either successfully or unsuccessfully) and demonstrate the implementation of a thoughtful facilities master plan. Facility needs should be based on the statewide inventory and conditions assessment tool described above. Needs will be determined, in part, using the minimum standards set forth by CDE as described in Recommendation 4. As such, the CDE (and possibly the State Board of Education) should play a prominent role in setting guidelines and processes and



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managing the data and information necessary to guide the funding formula, and thereby ensure investments that promote improved teaching and learning.

Indexing LEAs by wealth, facility needs, and local effort will inherently build into the formula an “ability-to-pay adjustment” and better address the disparities in local wealth and equalizes per pupil renewal and maintenance revenues across LEAs. The Legislative Analyst’s Office (LAO) put forth a similar recommendation in its 2001 report, *A New Blueprint for California School Facility Finance*.

New Mexico	Following New Mexico's school finance court case in 1998, the state established a Public School Facilities Authority, which has assessed each school in the state against the state adequacy standards (which include building condition, crowding, and other factors). The schools were ranked against the standards. State funding has gone to LEAs to improve the worst condition schools first. The adequacy standards are minimum facility requirements determined to meet the educational program needs. The adequacy standards serve as a trigger for state funding, which funds just up to meeting the minimum standards.
Ohio	In Ohio, state K-12 facility funds are prioritized by wealth of LEAs. Lowest-wealth LEAs receive funding first. The Ohio School Facilities Commission (OSFC) provides matching grants to LEAs based on legislative formula and ranking of LEAs on an equity list.

### ***7: The state should identify multiple revenue sources for contributing to LEA new construction, building replacements, modernizations, and capital renewals***

At least 9 states provide some amount of regular annual allocation to LEAs for capital expenses.	Arizona, Florida, Indiana, Kentucky, Minnesota, South Carolina, Tennessee, Utah, West Virginia
9 states and the District of Columbia have state revenues dedicated to repaying state K-12 construction bonds.	Alabama, District of Columbia, Idaho, Illinois, Iowa, Massachusetts, New Hampshire, New Mexico, North Carolina, Ohio

Multiple revenue sources are needed to ensure that the State of California is meeting its share of K-12 capital investment. Statewide bonds are likely not the best choice as the *only* source of funding; debt service from G.O. bonds has increased substantially, raising concerns over long-term fiscal responsibility.<sup>94</sup> The state should follow the recommendation of the Little Hoover Commission’s 2010 infrastructure report that suggests assessing options for more stable and adequate state funding sources rather than relying solely on debt financing through bonds.<sup>95</sup> Here we provide three options for consideration, in addition to possibly using general fund dollars.

#### ***a. Consider a statewide special tax to fund annual ongoing K-12 capital renewals***

To establish annual funding to LEAs for the state share in capital renewals, California should identify dedicated sources that can provide ongoing revenues to help LEAs keep up with the \$5.3 billion in annual capital renewal needs described previously.

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The State Legislature should determine what the state share of these expenses should be. If the state share is 40% or 60%, then the state share would be \$2.1 billion or \$3.2 billion annually. One option for providing these funds is a statewide special tax. Numerous states have implemented special taxes to fund part or all of the state’s share in K-12 capital funding. These tax revenues can be dispersed directly to LEAs (such as in Iowa) or they may be used to repay state school construction bonds.

Iowa	In Iowa, there is a 1% statewide sales tax dedicated to a K-12 school infrastructure fund, which is dispersed by formula to LEAs. Prior to 2008, the tax was only a local option to levy.
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### ***b. Pass enabling legislation for public/public and public/private partnerships for school construction***

LEAs face the conundrum of limited resources and a list of projects in their capital plan that far exceed revenues. In most communities, other local governments (e.g., city and county agencies) also have needs for land and capital projects to support their specific program requirements. The State Legislature should establish policy guidance that specifically enables LEAs and other local governments, as well as LEAs and private sector entities, to do joint planning, joint development, and joint financing of projects that include school facilities. These are generally considered public/public and public/private partnerships. A public/public partnership occurs between two or more public agencies. Public/private partnerships include at least one public agency and private entity (for-profit or nonprofit). Through early and collaborative land use planning efforts, the LEA and the municipal should be able to develop projects that utilize land and funds more efficiently (and sustainably) and realize financial savings (Recommendations 2 and 4 will aid in this). Possible savings include site acquisition expenses, design fees, construction or renovation costs, operating expenses, and maintenance costs. Harnessing opportunities with public/private partnerships was a strong recommendation from the Little Hoover Commission’s 2010 infrastructure report.<sup>96</sup>

Policy Reform

Development partnerships increase opportunities for the joint use of public school facilities and joint use helps schools serve as centers of their communities and promotes more sustainable, healthy communities. Joint use also supports sustainable communities outcomes by using land and public funds efficiently and minimizing travel distances between frequented community resources, especially for families with children.<sup>97</sup> Joint use is encouraged through existing language in *Title 5* and can be found in both CDE and DSA guidance documents for LEAs. Additionally, a joint use funding incentive has been built into the last three statewide school construction bonds.

Virginia	Virginia’s Public/Private Education Facilities and Infrastructure Act of 2002 (PPEA) is one of the most extensive state laws defining K-12 infrastructure public/private partnerships. The act has been invoked many times, and the state legislature has revised pieces of it in response to lessons learned from early projects. Virginia Legislative Services maintains a website dedicated to the use of public-private partnerships: <a href="http://dls.state.va.us/ppea.htm">http://dls.state.va.us/ppea.htm</a> .
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## California's K-12 Educational Infrastructure Investments

### ***c. Continue to use periodic bond proceeds***

K-12 school construction bonds will likely remain one source of funds for the state's share in K-12 capital needs. Bonds can continue to be used for the periodic infusion of full modernization, building replacement, and new construction needs throughout the state. The timing for these bonds should be determined by the trends in enrollment growth and facility needs as they are dynamically experienced over time across the state. But, with ongoing state support for capital renewals, pressure on these more major construction and renovation demands – and the bond funds to support them – should be somewhat reduced over the long term.

## ***8: The California State Legislature and the State Allocation Board should improve public accountability processes within the School Facility Program***

A variety of accountability measures are needed to improve performance and achieve desired outcomes from the state's K-12 educational infrastructure investment.

### ***a. Produce an annual report on state K-12 capital funding patterns***

To increase public accountability in the SFP, the SAB should issue an annual report on allocation patterns of the SFP, including:

- Allocations by funding program and LEA wealth (e.g., percent of students qualifying for reduced-priced lunch programs and local assessed property value)
- Allocations by funding program and geography (including LEA, municipal, county, metropolitan region, and census tract levels)
- Elements included in each modernization project and cross-referenced with LEA wealth data
- Outcomes-based assessment of funding patterns (e.g., the impact of funding on deficiencies shown by the statewide facilities inventory)

Process Innovation  
& Technology Tool

The administrative data used in the report should be made available to the public in electronic database format to allow more detailed analysis by the public and researchers of funding patterns and the relationships between facilities conditions, facilities, spending, and learning outcomes.

### ***b. Develop a state-level, interagency project management information system***

As a funding partner in so many local K-12 school facility projects, the State of California should have an interagency project management information system to assist in project tracking and quality control. Numerous private sector vendors have developed such platforms that are used widely by both public and private entities. These can be used to help efficiently manage an individual project or an entire capital

Process Innovation  
& Technology Tool

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program. The system should be designed collaboratively between the relevant state agencies, including the CDE, DSA, OPSC, and the SAB.

The state's K-12 facility project management system would organize and track all project information, from master plans to bond measure language, education specifications, designs, Requests for Information (RFI), Requests for Proposals (RFP), invoices, change orders, approvals, emails, and contracts, all in a structured relational database. The chart "School Building Process" (see Appendix E) developed by the Los Angeles Unified School District (LAUSD) illustrates the complex K-12 construction process they follow – the statewide project management information system would organize these steps and assist with keeping projects on schedule and on budget.

To begin, the system should compile the information that LEAs already provide to the various state agencies as part of the SFP's approval and funding process. LEAs and their project partners (e.g., architects and general contractors) will then need to provide additional information to the system, just as they often do on most private sector jobs. Thus, private sector contractors and consultants who already collect and manage many pieces of information as standard operating procedure would not experience significant information management costs under this new system. The individual state agencies can retain their current responsibilities and lines of authority, which will be made more efficient and trustworthy by use of a comprehensive, single source data system.

The state's oversight of the project management information system should more than pay for itself in cost savings from reduction of time between approvals and from vertical alignment of critical path approvals. The transparency of this system would reduce LEA and state risks. Based on the heavy emphasis on good information and data collection in the infrastructure best practices literature, this should be an effective use of state funds.

### ***c. Establish a state level SFP "Citizen's Oversight Committee"***

Oversight committees consisting of diverse public membership are an important best practice in large-scale infrastructure investments. A "Citizen's Oversight Committee" should be established to aid in the public transparency and accountability of state level policy, processes and decisions, and evaluate how well the state K-12 facility related agencies are meeting their obligations under the law and in accordance with their principles and standards. The committee should make regular recommendations to the SAB and should have some level of staff support from OPSC.

*Process Innovation*

### ***d. Maintain the SAB's Implementation Committee as a mechanism for policy and regulatory feedback***

The Implementation Committee is widely seen by stakeholders as a useful feedback loop that was on hiatus for parts of 2010 and 2011. Steps should be taken to ensure the Committee remains a useful venue for improving aspects of the program.

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### ***e. Coordinate and streamline SFP approval processes to increase efficiencies***

Every state agency with a role in the School Facility Program must ensure reasonably efficient and transparent reviews, approvals, and funding as a good faith requirement in the SFP's local-state funding partnership. Reasonable turnaround times save money in the planning and construction processes and ensure that projects are completed with minimal disruptions to schools or communities. Each aspect of the state approval processes and the state distribution/reimbursement of funds should have established predictable timelines. The process innovations and technology tools identified in this report – e.g., collaborative development and administration of a statewide inventory – support alignment and process clarification/streamlining.

Process Innovation

More fundamentally, the state should explore alternatives that *might* involve agency restructuring. However, with improved cross-agency processes this may not be necessary. At the least, a legislatively mandated full performance review of the SFP and related K-12 facilities funding processes should be considered. The current program is straddled across multiple agencies and the lines of accountability remain unclear. State agencies should be directed to clarify the critical path of their responsibilities and processes and work to align them vertically as much as possible. The process innovations and technology tools described in this report provide opportunities for streamlining and coordinating work across agencies. Still, restructuring agencies may prove necessary. The CDE's 2011 *Schools of the Future's* "Funding and Governance Sub-Committee" section provided some possible alternatives.

### ***f. Support planning processes and technology tools to realize efficiencies***

To ensure efficiencies from its massive K-12 capital investment, the state should devote a small percentage of state funds to support the planning, management, and accountability policy reforms, process innovations, and technology tools recommended in this report. These changes are aimed at ensuring efficient delivery systems and fair allocation, which will in turn ensure that the public is getting the best value for its investment. In addition to supporting more efficient and accountable public processes, these changes will make LEAs more favorable clients for the private sector construction-related industry, which provides the majority of planning and construction services undertaken by LEAs. We point to possible innovative funding mechanisms in the conclusion of this report.

Process Innovation  
& Technology Tool

## V. Conclusion: Meeting the Challenge

Ensuring high-quality K-12 infrastructure for all children that contributes to sustainable communities is a complex state and local responsibility. But it can be done. Now is the right time to revisit the tenets, principles, and outcomes of California's School Facilities Program, including the related policies and regulations that guide the state's role in K-12 infrastructure investments. The policy framework and plan outlined in this report should guide California's policy discussion on changes to the SFP and how to craft the next statewide K-12 construction bond (possibly in 2014). Our belief is that the policy reforms, process innovations, and application of technology tools described in this report are necessary to ensure that any future funding for K-12 facilities is wisely and strategically spent, and thereby leverage multiple benefits for all Californians.

Implemented properly, the fiscal impact of many of these recommendations is modest. For example, by using just 1% or less of the value of the next bond program or other funding source, the state and local capacity for integrated planning, effective management, and public accountability can be provided. Having the state and local capacity for harnessing the best practices of integrated planning, efficient and effective project management, and appropriate internal controls and accountability processes illustrated in this report – including the policy reforms, process innovations, and technology tools – will give Californians greater value for their investment. In turn, this will likely save taxpayers millions of dollars each year.

In the coming debate on the SFP's future and the next state K-12 bond, we hope this report helps policy makers and the public wrestle with these fundamental questions:

- What is the state's responsibility for LEA capital support?
- What level of support is appropriate and necessary?
- How should the state financially maintain its K-12 capital commitment?
- How much flexibility should LEAs have when spending state capital funding?
- What is an LEA's "fair share"?

Only by addressing these questions can the best state policy and investment options for K-12 educational infrastructure be found. It is our hope that the State Legislature, State Superintendent of Public Instruction, state agency leaders, and advocates in education, community sustainability, and child health will be active participants in the discussion, especially in the time between now and the next statewide school bond. And each of these stakeholders will demand shared accountability, mutual understanding, and accurate information to guide the debate. California's 6 million children deserve no less.

## List of Abbreviations

AB	Assembly Bill	LEED	Leadership in Energy and Environmental Design
AQMD	Air Quality Management District	LHC	Little Hoover Commission
ARB	Air Resources Board	LPP	Lease-Purchase Program
CASH	Coalition for Adequate School Housing	MPO	Metropolitan Planning Organization
CDE	California Department of Education	NCES	National Center for Education Statistics
CEQA	California Environmental Quality Act	OPR	Governor's Office of Planning and Research
CHPS	Collaborative for High Performance Schools	OPSC	Office of Public School Construction
COS	Critically Overcrowded Schools	ORG	Overcrowding Relief Grant
CPAD	California Protected Areas Database	PPIC	Public Policy Institute of California
CTE	Career Technical Education	RFI	Request for Information
DGS	Department of General Services	RFP	Request for Proposal
DPH	Department of Public Health	RTP	Regional Transportation Plan
DSA	Division of the State Architect	SAB	State Allocation Board
DTSC	Department of Toxic Substances Control	SB	Senate Bill
EGPR	Environmental Goals and Policy Report	SBE	State Board of Education
EPA	U.S. Environmental Protection Agency	SCS	Sustainable Communities Strategy
FCI	Facility Conditions Index	SFP	School Facility Program
FUSION	Facilities Utilization Space Inventory Options Net	SFTSD	School Facilities and Transportation Services Division, CDE
GHG	greenhouse gas	SGC	Strategic Growth Council
GIS	Geographic Information System	SSPI	State Superintendent of Public Instruction
G.O.	general obligation bonds	STEM	Science, Technology, Engineering, and Math
GSF	Gross Square Foot	TSA	Transit Station Areas
HPI	High Performance Incentive	ULI	Urban Land Institute
HiAP	Health in All Policies	VMT	vehicle miles traveled
LAO	Legislative Analysts Office		
LEA	Local Education Agency		

# Endnotes

<sup>1</sup> Local GO bonds for K-12 school construction have received overwhelming support, particularly since the voter threshold was lowered from 2/3 to 55% by Proposition 39 in 2000. Since 1982, all but one statewide K-12 bond put up to the voters has passed.

<sup>2</sup> K-12 facility spending trends taken from data on total capital spending from all sources as reported by public school districts to the U.S. Census of Governments (<http://www.census.gov/govs/>). Sources: Building Educational Success Together. (2006). Growth & Disparity: A Decade of U.S. Public School Construction. Washington, DC: BEST. Available online:

[http://citiesandschools.berkeley.edu/reports/BEST\\_2006\\_GrowthandDisparity\\_final.pdf](http://citiesandschools.berkeley.edu/reports/BEST_2006_GrowthandDisparity_final.pdf); Source: 21<sup>st</sup> Century School Fund. (2010). State Capital Spending on PK-12 School Facilities. Washington, DC: 21CSF. Available online: <http://www.21csf.org/csf-home/Documents/FederalStateSpendingNov2010/StateCapitalSpendingPK-12SchoolFacilitiesReportNov302010.pdf>.

<sup>3</sup> K-12 facility spending trends taken from data on total capital spending from all sources as reported by public school districts to the U.S. Census of Governments (<http://www.census.gov/govs/>). Source: 21<sup>st</sup> Century School Fund. (2010). State Capital Spending on PK-12 School Facilities. Washington, DC: 21CSF. Available online: <http://www.21csf.org/csf-home/Documents/FederalStateSpendingNov2010/StateCapitalSpendingPK-12SchoolFacilitiesReportNov302010.pdf>.

<sup>4</sup> Crampton, F. and Thompson, D. (2008). Building minds, minding buildings: School infrastructure funding need: A state-by-state assessment and an analysis of recent court cases. American Federation of Teachers: Washington, DC.

<sup>5</sup> For example, see two recent reports by State Superintendent of Public Instruction Tom Torlakson: A Blueprint for Great Schools (2011) and Schools of the Future Report (2011).

<sup>6</sup> For example, see two recent documents by the California Strategic Growth Council: Health in All Policies Task Force Report (2010) and State of California Regional Blueprint Program Recommended Policy Performance Goals (2010).

<sup>7</sup> Dowall, D. (2000). California's Infrastructure Policy for the 21st Century: Issues and Opportunities. San Francisco: Public Policy Institute of California; Dowall, D. and Whittington, J. (2003). Making Room for the Future: Rebuilding California's Infrastructure. San Francisco: Public Policy Institute of California; Dowall, D. and Reid, R. (2008). Improving California's infrastructure services: the California infrastructure initiative. Berkeley: University of California, Berkeley, Institute of Urban & Regional Development. Pastor, M. Jr. and Reed, D. (2005). Understanding Equitable Infrastructure Investment for California. San Francisco: Public Policy Institute of California; State of California. (2008). California Five-Year Infrastructure Plan. [http://www.dof.ca.gov/capital\\_outlay/reports/documents/Infra-Plan-08-w.pdf](http://www.dof.ca.gov/capital_outlay/reports/documents/Infra-Plan-08-w.pdf)

<sup>8</sup> The majority of these data come from a 2010 national survey conducted by the 21st Century School Fund with support from the National Clearinghouse for Educational Facilities. Some of their findings are reported in: State Capital Spending on PK-12 School Facilities. Washington, DC: 21CSF. Available online: <http://www.21csf.org/csf-home/Documents/FederalStateSpendingNov2010/StateCapitalSpendingPK-12SchoolFacilitiesReportNov302010.pdf>.

We also identified six states for deeper investigation: states that provided between 20 and 60% of local K-12 total capital outlay in recent years (2005-2008), states with "green" criteria for new construction, and states with more than 750,000 students (Arizona, Florida, Maryland, New Jersey, Ohio, and Washington). In these six states, we reviewed state codes and conducted interviews with state agency representatives. We also investigated the programs of three countries that have significant public investment in K-12 school facilities: United Kingdom, Australia, and Portugal, all



three of which have or have recently had national K-12 capital programs. In each country, the program was aimed largely at economic stimulus. However, given the radically different governmental structure in these countries, lessons for California were not as plentiful as we had hoped.

<sup>9</sup> Legislative Analyst's Office. (2011). *A Ten-Year Perspective: California Infrastructure Spending*. Sacramento: LAO.

<sup>10</sup> For reviews of the research, see: Schneider, M. (2002). *Do School Facilities Affect Academic Outcomes?* Washington, DC: National Clearinghouse for Educational Facilities; Higgins S., Hall, E., Wall, K., Woolner, P. and McCaughey, C. (2005). *The Impact of School Environments: A literature review*. The Centre for Learning and Teaching, School of Education, Communication and Language Science, University of Newcastle. Available online: <http://www.cfbt.com/PDF/91085.pdf>; Earthman, G.I. (2004). *Prioritization of 31 Criteria for School Building Adequacy*. American Civil Liberties Union Foundation of Maryland. Available online: <http://www.aclu-md.org/aTop%20Issues/Education%20Reform/EarthmanFinal10504.pdf>; and Uline, C. (editor). (2009). *Special Issue: Building high quality schools for learners and communities*. *Journal of Educational Administration* 47(3).

<sup>11</sup> Weiss, J. (2004). *Public Schools and Economic Development: What the Research Shows*. Cincinnati, Ohio: KnowledgeWorks Foundation.

<sup>12</sup> Blank, M.J., Melaville, A. and Shah, B.P. (2003). *Making the Difference: Research and Practice in Community Schools*. Washington, DC: Institute for Educational Leadership.

<sup>13</sup> Filardo, M. (2008). *Good buildings, better schools: An economic stimulus opportunity with long-term benefits*. Washington, DC: Economic Policy Institute; Economics Center for Education and Research. (2003). *The Economic Impact of Implementing the Cincinnati Public Schools' Facilities Master Plan on Greater Cincinnati*. University of Cincinnati. Available online: <http://www.economiccenter.org/research/reports/economic-impact-implementing-cincinnati-public-schools-facilities-master-plan-great>.

<sup>14</sup> PACE and Center for Cities & Schools. 2009. *Smart Schools, Smart Growth: Investing in Education Facilities and Stronger Communities*. A Joint Working Paper by PACE (Policy Analysis for California Education) and Center for Cities & Schools. Berkeley: University of California, Institute of Urban and Regional Development; U.S Environmental Protection Agency. 2003. *Travel and Environmental Implications of School Siting*. Washington, DC: U.S. EPA; Council of Educational Facilities Planners International and U.S. Environmental Protection Agency. (2003). *Schools for Successful Communities: An Element of Smart Growth*. Washington, DC: CEFPI and EPA.

<sup>15</sup> U.S Environmental Protection Agency. (2003). *Travel and Environmental Implications of School Siting*. Washington, DC: U.S. EPA.

<sup>16</sup> U.S. Environmental Protection Agency. (2011). *Voluntary School Siting Guidelines*. Available online: <http://www.epa.gov/schools/siting/>

<sup>17</sup> Data obtained from California Department of Education as of January 2012, unless otherwise noted.

<sup>18</sup> California Charter Schools Association. (2011). *CSCA Factsheet*. Available online: [http://www.calcharters.org/CCSA\\_Fact\\_Sheet.pdf](http://www.calcharters.org/CCSA_Fact_Sheet.pdf)

<sup>19</sup> The only known estimate of total statewide K-12 square footage comes from: California Department of General Services, Division of State Architect. (2002). *AB300 Seismic Report*, page V: <http://www.documents.dgs.ca.gov/Legi/Publications/2002Reports/FinalAB300Report.pdf>.

<sup>20</sup> California Department of Education, School Facilities and Transportation Planning Division. *School Facilities Fingertip Facts*. Available online: <http://www.cde.ca.gov/ls/fa/sf/facts.asp>.

<sup>21</sup> School facility age calculations were also estimated using: California State Department of Health Services. (1998). *Lead Hazards in California's Public Elementary Schools and Child Care Facilities*. Report to the Legislature. Sacramento: DHS. Pg. 26. DHS reports that in 1959 California had 2,874 schools.

<sup>22</sup> In 2004, the California Air Resources Board estimated there were 80,000 portables across the state. See: [http://www.arb.ca.gov/research/indoor/pcs/leg\\_rpt/pcs\\_r2l\\_es.pdf](http://www.arb.ca.gov/research/indoor/pcs/leg_rpt/pcs_r2l_es.pdf). As of April 2012, the state's Overcrowded Relief Grants (ORG) have helped fund 1,334 classrooms.

<sup>23</sup> Acres estimated taking the total number of schools by grade configuration and multiplying by the CDE minimum acreage recommendations. Because many schools are older and smaller than the current acreage recommendations, we adjusted down.

<sup>24</sup> LEAs include elementary districts, unified districts, high school districts, county offices of education, the California Youth Authority, and State Special Schools. Charter schools operate differently: LEAs grant a "charter" to an entity to operate a public charter school with public funds. The charter operator is given increased autonomy to meet a set of established outcomes. Charter schools are public schools that may provide instruction in any of grades K-12 that are created or organized by a group of teachers, parents, community leaders or a community-based organization. For more on California's charter school laws, see: <http://www.cde.ca.gov/sp/cs/>.

<sup>25</sup> For example, see *California Education Code* § 35160: On and after January 1, 1976, the governing board of any school district may initiate and carry on any program, activity, or may otherwise act in any manner which is not in conflict with or inconsistent with, or preempted by, any law and which is not in conflict with the purposes for which school districts are established. For a recent, thorough review of the governance of public education in California, see: Brewer, D. (2008). Evaluating the "Crazy Quilt": Educational Governance in California. [http://irepp.stanford.edu/documents/GDF/STUDIES/08-Brewer/8-Brewer\(3-07\).pdf](http://irepp.stanford.edu/documents/GDF/STUDIES/08-Brewer/8-Brewer(3-07).pdf)

<sup>26</sup> Brewer, D. (2008). Evaluating the "Crazy Quilt": Educational Governance in California. Palo Alto: IREPP. Pg. 28. [http://irepp.stanford.edu/documents/GDF/STUDIES/08-Brewer/8-Brewer\(3-07\).pdf](http://irepp.stanford.edu/documents/GDF/STUDIES/08-Brewer/8-Brewer(3-07).pdf)

<sup>27</sup> For a more detailed overview of the history of state involvement in K-12 facilities, see: Gorsen, M.F. et al. (2006). *California School Facilities Planning: A Guide to Laws and Procedures for Funding, Siting, Design, and Construction*. Point Arena, CA: Solano Press Books.

<sup>28</sup> Duncombe, W. and Wang, W. (2009). School Facilities Funding and Capital-Outlay Distribution in the States. *Journal of Education Finance* 34(3): 324-350.

<sup>29</sup> Descriptions of the SFP and its funding programs are adapted from Office of Public School Construction sources, including: "An Overview of the State School Facility Program," "School Facility Program Handbook (2008)," and the OPSC website. Available online: <http://www.dgs.ca.gov/opsc>. For a list of current K-12 facility funding programs, see OPSC: <http://www.dgs.ca.gov/opsc/Programs.aspx>.

<sup>30</sup> In recent years, there has been frequent discussion at SAB meetings about the adequacy of the SFP grants to truly reflect 50% of actual costs. This "grant adequacy" debate continues as of this writing and we discuss it in more detail later in the report.

<sup>31</sup> OPSC. (2008). *School Facilities Program Handbook*. Sacramento: OPSC.

<sup>32</sup> Description of state agency roles adapted from OPSC. (2008). *SFP Handbook*. Other state agencies can be involved in certain project circumstances.

<sup>33</sup> In 2006, the Legislature passed and Governor Schwarzenegger signed AB 32, the Global Warming Solutions Act of 2006, which set the 2020 greenhouse gas emissions reduction goal into law. It directed the California Air Resources Board (ARB) to develop actions to reduce greenhouse gases while also preparing a scoping plan to identify how best to reach the 2020 limit. The reduction measures to meet the 2020 target are to be adopted by the start of 2011 (See <http://www.arb.ca.gov/cc/ab32/ab32.htm>). SB 375 is the nation's first law to control greenhouse gas emissions by curbing sprawl. SB 375 provides emissions-reducing goals for which regions can plan, integrates disjointed planning activities, and provides incentives for local governments and developers to follow new conscientiously planned growth patterns. Aimed at enhancing the ARB's ability to reach AB 32 goals, SB 375 requires the ARB to develop regional greenhouse gas emission reduction targets to be achieved from the automobile and light truck sectors for 2020 and 2035. California's 18

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metropolitan planning organizations (MPOs) will prepare a “sustainable communities strategy” to reduce the amount of vehicle miles traveled (VMT) in their respective regions and demonstrate the ability for the region to attain ARB’s targets (See: <http://gov.ca.gov/fact-sheet/10707/>).

<sup>34</sup> For a summary of the SB 375 requirements for the RTPs and SCSs to be created by the MPOs, see: TransForm. (2011). SB 375 Fact Sheet and Timeline. Available online: <http://www.climateplan.org/wp-content/uploads/2011/03/TransForm-SB-375-4-page-Statewide-Oct-2011.pdf>. For the most up-to-date information on the status of the SCS process, see the Air Resources Board website: <http://www.arb.ca.gov/cc/sb375/sb375.htm>.

<sup>35</sup> State bond totals for 1972 to 2006 taken from: Public Policy Institute of California. (2008). Financing Infrastructure: Just the Facts. San Francisco: PPIC. Overall state infrastructure bond spending has shifted somewhat more recently, with K-12 school facilities seeing a slightly declined share as transportation funding has increased. Between 2000-2010 transportation garnered the largest share of state infrastructure spending, largely due to the fact that the last K-12 school facilities bond was in 2006, while transportation has received an upward trend in bond funds since that year. Source: Legislative Analyst’s Office. (2011). A Ten-Year Perspective: California Infrastructure Spending. Sacramento, CA: LAO.

<sup>36</sup> See *Civic Center Act, California Education Code § 38130-38139*.

<sup>37</sup> California Department of Education. (2011). Schools of the Future Report. Sacramento: CDE. Available online: <http://www.cde.ca.gov/ls/fa/sf/documents/sotfreport.pdf>.

<sup>38</sup> California Department of Education. (2011). A Blueprint for Great Schools: Transition Advisory Report. Sacramento: CDE. Available online: <http://www.cde.ca.gov/eo/in/bp/documents/yr11bp0709.pdf>

<sup>39</sup> California Department of Education. (2009). Re-Visioning School Facility Planning and Design for the 21st Century: Creating Optimal Learning Environments. Sacramento: CDE. Available online: <http://www.cde.ca.gov/ls/fa/sf/documents/roundtablereport.pdf>.

<sup>40</sup> California Department of Education. (2008). Closing the Achievement Gap: Report of Superintendent Jack O’Connell’s California P-16 Council. Sacramento: CDE. Available online: <http://www.cde.ca.gov/eo/in/pc/documents/yr08ctagrpt0122.pdf>.

<sup>41</sup> California Department of Education. (2006). Healthy Children Ready to Learn: Facilities Best Practices. Sacramento: CDE. Available online: <http://www.cde.ca.gov/ls/fa/sf/documents/hcrtlfacilities.pdf>.

<sup>42</sup> Health in All Policies Task Force Report to the Strategic Growth Council. (2010). Sacramento: SGC. Pg 7. Available online: [http://sgc.ca.gov/hiap/docs/publications/HIAP\\_Task\\_Force\\_Report.pdf](http://sgc.ca.gov/hiap/docs/publications/HIAP_Task_Force_Report.pdf)

<sup>43</sup> See: <http://sedn.senate.ca.gov/substainableschoolfacilities>.

<sup>44</sup> These educational innovations are described in CDE’s 2009 report, Re-Visioning School Facility Planning and Design for the 21st Century: Creating Optimal Learning Environments. Also, AB 2648 required the State Superintendent of Public Instruction to develop a report that explores the feasibility of expanding the multiple pathways approach in California: California Department of Education. (2010). Multiple Pathways to Student Success: Envisioning the New California High School. Sacramento: CDE. Available online: <http://www.cde.ca.gov/ci/gs/hs/mpfgen.asp>.

<sup>45</sup> University of California, Berkeley Professor Bruce Fuller. Quoted in California Department of Education. (2009). Re-Visioning School Facility Planning and Design for the 21st Century: Creating Optimal Learning Environments. Sacramento: CDE.

<sup>46</sup> Little Hoover Commission. (2010). Building California: Infrastructure Choices and Strategy. Sacramento, CA: LHC. P. 24.

<sup>47</sup> U.S. General Accounting Office. (1998). Leading Practices in Capital Decision-Making (GAO/AIMD-99-32). Washington, DC: US GAO; 21st Century School Fund, Scientex Corporation, and the World Bank.

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<sup>48</sup> Nelson, A.C. (2011). The New California Dream How Demographic and Economic Trends May Shape the Housing Market: A Land Use Scenario for 2020 and 2035. Washington, DC: Urban Land Institute. Available online:

<http://www.uli.org/ResearchAndPublications/~/media/ResearchAndPublications/Report/ULI%20Voice%20Nelson%20The%20New%20California%20Dream.ashx>.

Specifically, the study makes five main findings (quoted from the executive summary): 1) First, the existing supply of conventional-lot (over one-eighth acre), single-family detached homes exceeds the projected demand for these homes in 2035. This finding does not mean there is no market for new conventional-lot homes in niche markets. It does mean that overall the expansion of the supply of conventional-lot, single-family detached homes would be in excess of current and projected demand; 2) Second, housing and neighborhood preference surveys indicate that Californians consider transit options to be far more important in choosing a location in which to live than the rest of the nation: 71 percent in California, compared with 47 percent nationally. The demand in 2035 for residences located within one-half mile of public transit stations—called transit-station areas, or TSAs—will exceed the aggregate amount of current supply plus all new residential units built in these metropolitan areas between 2010 and 2035; 3) Third, through modest redevelopment that will happen anyway, existing developed land with nonresidential uses could be sufficient to accommodate all new jobs created over this period. In particular, existing and potential TSA development may have sufficient capacity to accommodate 7 million jobs, or more than enough to absorb all new jobs between 2010 and 2035; 4) Fourth, changing demographics in combination with changes in home mortgage finance will reduce the rate of homeownership in California by up to 5 percent from 2010 levels and perhaps by as much as 10 percent over the long term. A 5 percent reduction represents a market condition where three-quarters of the demand for new housing in the state's largest metropolitan planning organization (MPO) areas will be for rental housing. This demand should lead to an increase in existing residential units being used to house multiple or intergenerational households as well as to a variety of hybrid or new housing formats, such as accessory dwelling units or new nontraditional multifamily housing options; and 5) Fifth, these long-term market trends represent a directional alignment between the real estate preferences expressed by consumers and the greenhouse gas reduction objectives expressed by the state of California in the form of SB 375.

<sup>49</sup> State of California, Department of Finance. (October 2011). California Public K–12 Graded Enrollment and High School Graduate Projections by County — 2011 Series. Available online: <http://www.dof.ca.gov/Research/demographic/reports/projections/k-12/view.php>.

<sup>50</sup> This CDE estimate represents the state share of funding, including district financial hardship costs, for approved but unfunded projects and for projects for which eligibility documents have been filed with the Office of Public School Construction as of August 26, 2009. Source: California Department of Education. School Facility Fingertip Facts. <http://www.cde.ca.gov/ls/fa/sf/facts.asp>.

<sup>51</sup> Little Hoover Commission. (2010). Building California: Infrastructure Choices and Strategies. Sacramento: LHC.

<sup>52</sup> Adams, T. et al. (2009). "Communities Tackle Global Warming: A Guide to California's SB 375." Natural Resources Defense Council and California League of Conservation Voters.

<sup>53</sup> Rose, E. (2010). Leveraging a New Law: Reducing Greenhouse Gas Emissions under SB 375. Berkeley: Center for Resource Efficient Communities, Institute of Urban and Regional Development, University of California, Berkeley.

<sup>54</sup> California Department of Education. <http://www.cde.ca.gov/ls/fa/sf/forms.asp>.

<sup>55</sup> Governor's Office of Planning and Research. (2003). Governor's Environmental Goals and Policy Report. Sacramento: OPR. Available online: <http://opr.ca.gov/docs/EGPR--11-10-03.pdf>.

<sup>56</sup> See: [http://opr.ca.gov/s\\_sb226.php](http://opr.ca.gov/s_sb226.php).

<sup>57</sup> McKoy, D.L., Vincent, J.M., and Makarewicz, C. (2008). Integrating Infrastructure Planning: The Role of Schools. ACCESS. 33(4), 18-26.

<sup>58</sup> Bierbaum, A.H., Vincent, J.M., and McKoy, D.L. (2011). Growth and Opportunity: Aligning High-Quality Public Education and Sustainable Communities Planning in the Bay Area. Berkeley, CA: Center for Cities and Schools, University of California-Berkeley.

<sup>59</sup> Governor's Office of Planning and Research. 2012. Annual Planning Survey Results. Sacramento: OPR. Available online: [http://www.opr.ca.gov/docs/2012\\_APSR.pdf](http://www.opr.ca.gov/docs/2012_APSR.pdf).

<sup>60</sup> Governor's Office of Planning and Research. (2011). The California Planners' Book of Lists. Sacramento: OPR. Available online: <http://opr.ca.gov/docs/2011bol.pdf>

<sup>61</sup> Including: Legislative Analyst's Office. (1998). A New Blueprint for California's School Facilities. Sacramento: LAO; Little Hoover Commission. (2000). To Build a Better School. Sacramento: LHC.

<sup>62</sup> In the *Williams* case, API deciles were used as a proxy for school district qualification for repair funds. While a useful proxy, there will not necessarily always be a reliable correlation between API deciles and facility conditions.

<sup>63</sup> A prominent part of SB 50 was the funding structure: the needed funds would come from the "three-legged stool" of state G.O. bonds, local G.O. bonds, and developer fees. The developer fee element made sense at the time, when there was strong economic growth. However now, many districts (even those in the outer suburbs) report that developer fees have significantly dwindled. But of course, this situation will vary greatly from LEA to LEA and likely fluctuate over time.

<sup>64</sup> 21st Century School Fund, Scientex Corporation, and the World Bank. (1999). Basic Elements of a Well-Managed K-12 Capital Improvement Program. Washington, DC: 21csf.

<sup>65</sup> "Modern Public School Facilities: Investing in the Future." Testimony of Kathleen J. Moore, Director of the School Facilities Planning Division, California Department of Education to the Committee on Education and Labor, United States House of Representatives. February 13, 2008. Washington, D.C.

<sup>66</sup> Legislative Analyst's Office. (February 2011). The 2011-12 Budget: Year-Two Survey Update on School District Finance in California. Sacramento: LAO. Available online: [http://www.lao.ca.gov/analysis/2011/education/ed\\_survey\\_two\\_020711.pdf](http://www.lao.ca.gov/analysis/2011/education/ed_survey_two_020711.pdf). Legislative Analyst's Office. (May 2, 2012). Year-Three Survey Update on School District Finance in California. Sacramento: LAO. Available online: <http://www.lao.ca.gov/reports/2012/edu/year-three-survey/year-three-survey-050212.pdf>.

<sup>67</sup> Crampton, F. and Thompson, D. (2008): Building Minds, Minding Buildings: School infrastructure funding need: A state-by-state assessment and an analysis of recent court cases; American Federation of Teachers: Washington, DC.

<sup>68</sup> Council of Great City Schools. (2011). Facility Needs and Costs in America's Great City Schools. Washington, DC.

<sup>69</sup> Vincent, J.M. and Filardo, M.W. (2011). "School Construction Investments and Smart Growth in Two High-Growth States: Implications for Social Equity." In *School Siting and Healthy Communities: Why Where We Invest in School Facilities Matters*. Edited by Rebecca Miles, Adesoji Adelaja, and Mark Wyckoff. Michigan State University Press. The analysis purposefully excluded Los Angeles Unified School District's \$20 billion school construction program, which dwarfs any other LEA's investment program and was made mostly in low-income schools and neighborhoods. "High income" neighborhoods received nearly three times the investment per student in existing schools as both "low income" and "moderate income" neighborhoods. Very low-income school districts (75 percent or more of their students qualifying for free or reduced-price lunch) spent an average of \$3,746 per

student over the decade compared to an average of \$7,062 in the high-income school districts (less than 10 percent, qualifying for free or reduced-price lunch). Similarly, more affluent and less minority neighborhoods received much greater spending per student than poor and minority neighborhoods. "High income" neighborhoods received nearly three times the investment per student in existing schools as both "low income" and "moderate income" neighborhoods. Highest average expenditures occurred in California neighborhoods that were "majority white" with per pupil spending at \$4,383; the lowest spending was in "predominantly minority" neighborhoods with per pupil spending at \$2,344 over the ten-year period.

<sup>70</sup> Brunner, E.J. (2006). *Financing School Facilities in California (Getting Down to Facts Series)*. Palo Alto, CA: Institute for Research on Education, Stanford University.

<sup>71</sup> Brunner, E.J. (2006). *Financing School Facilities in California (Getting Down to Facts Series)*. Palo Alto, CA: Institute for Research on Education, Stanford University. Pg. 11.

<sup>72</sup> For in-depth information on the Williams settlement, the testimonies, and papers filed with the court, see: <http://www.decentschools.org/index.php>.

<sup>73</sup> In Williams, API deciles were used as a proxy for LEA qualification for repair funds. While a useful proxy, there will not necessarily always be a reliable correlation between API deciles and facility conditions.

<sup>74</sup> State of California, Department of Finance. (October 2011). *California Public K–12 Graded Enrollment and High School Graduate Projections by County — 2011 Series*. Available online: <http://www.dof.ca.gov/Research/demographic/reports/projections/k-12/view.php>.

<sup>75</sup> Legislative Analyst's Office. February 2011. *The 2011-12 Budget: Year-Two Survey Update on School District Finance in California*. Sacramento: LAO. Available online: [http://www.lao.ca.gov/analysis/2011/education/ed\\_survey\\_two\\_020711.pdf](http://www.lao.ca.gov/analysis/2011/education/ed_survey_two_020711.pdf). Legislative Analyst's Office. May 2, 2012. *Year-Three Survey Update on School District Finance in California*. Sacramento: LAO. Available online: <http://www.lao.ca.gov/reports/2012/edu/year-three-survey/year-three-survey-050212.pdf>.

<sup>76</sup> State of California, Department of Finance. (October 2011). *California Public K–12 Graded Enrollment and High School Graduate Projections by County — 2011 Series*. Available online: <http://www.dof.ca.gov/Research/demographic/reports/projections/k-12/view.php>.

<sup>77</sup> We use 90 square feet per student as an estimate based on several factors. Data reported by School Planning and Management's "Annual School Construction Report" from 2010 and 2011 show median square feet per student in new construction to be 91 SF and 92 SF, respectively for Region 11 (which includes Arizona, California, Hawaii, and Nevada). See: Abramson, Paul. (2011). *16<sup>th</sup> Annual School Construction Report*. School Planning and Management. Available online: [www.peterli.com/spm/pdfs/SchoolConstructionReport2011.pdf](http://www.peterli.com/spm/pdfs/SchoolConstructionReport2011.pdf); and Abramson, Paul. (2010). *15<sup>th</sup> Annual School Construction Report*. School Planning and Management. Available online: [www.peterli.com/spm/pdfs/SPM-Construction-Report.pdf](http://www.peterli.com/spm/pdfs/SPM-Construction-Report.pdf). In 2006, the same source reported a Region 11 average of 100 square feet per student, as described in California Department of Education. (2007). *Report on Complete Schools*, presented at the State Allocation Board Meeting, May 23, 2007. Available online: [www.cde.ca.gov/ls/fa/sf/documents/completeschool.doc](http://www.cde.ca.gov/ls/fa/sf/documents/completeschool.doc).

<sup>78</sup> Bello, M. A. and Loftness, V. (2010) "Addressing Inadequate Investment in School Facility Maintenance." Carnegie Mellon University, School of Architecture. Paper 50. Available online: <http://repository.cmu.edu/architecture/50>

<sup>79</sup> In a widely cited report, the National Research Council of the National Academy of Sciences found that an appropriate budget allocation for routine building maintenance and repair should be 2 to 4% of replacement value of a facility. The Building Owners and Managers Association International (BOMA) also recommends spending 2% to 4% of replacement value annually in capital renewals for infrastructure. See: National Research Council. (1990) *Committing to the cost of ownership, maintenance, and repair of public buildings*: Washington, D.C.: National Academy Press.

## California's K-12 Educational Infrastructure Investments

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- <sup>80</sup> California Air Resources Board and California Department of Health Services. 2004. Report to the California Legislature, Environmental Health Conditions in California's Portable Classrooms. Available online: [http://www.arb.ca.gov/research/indoor/pcs/leg\\_rpt/pcs\\_r2l.pdf](http://www.arb.ca.gov/research/indoor/pcs/leg_rpt/pcs_r2l.pdf)
- <sup>81</sup> Available online: [http://www.dof.ca.gov/capital\\_outlay/reports/documents/Infra-Plan-08-w.pdf](http://www.dof.ca.gov/capital_outlay/reports/documents/Infra-Plan-08-w.pdf)
- <sup>82</sup> A new source of guidance is: 21st Century School Fund. (2011). PK-12 Public Educational Facilities Master Plan Evaluation Guide. Washington, DC: 21csf. Available online: <http://www.21csf.org/csf-home/Documents/21CSFMFEvaluationChecklistAugust2011.pdf>.
- <sup>83</sup> See: <http://opr.ca.gov/>
- <sup>84</sup> Current versions of both documents available online: <http://www.cde.ca.gov/ls/fa/mp/>
- <sup>85</sup> See: [http://citiesandschools.berkeley.edu/reports/School\\_Siting\\_Policy\\_Brief\\_013108.pdf](http://citiesandschools.berkeley.edu/reports/School_Siting_Policy_Brief_013108.pdf)
- <sup>86</sup> See the HiAP Task Force Implementation Plan, "Support Active Transportation through SB 375 and Complete Streets Implementation," endorsed by the SGC on January 24, 2012. Available online: [http://www.sgc.ca.gov/hiap/docs/publications/HiAP\\_Implementation\\_Plan\\_Active\\_Transportation\\_and\\_Complete\\_Streets\\_final\\_endorsed.pdf](http://www.sgc.ca.gov/hiap/docs/publications/HiAP_Implementation_Plan_Active_Transportation_and_Complete_Streets_final_endorsed.pdf).
- <sup>87</sup> For status of the EGPR, see: [http://opr.ca.gov/s\\_egpr.php](http://opr.ca.gov/s_egpr.php).
- <sup>88</sup> For the U.S. Green Building Council's LEED for Schools Program, see: <http://www.usgbc.org/DisplayPage.aspx?CMSPageID=1586>.
- <sup>89</sup> For CHPS, see: <http://www.chps.net>
- <sup>90</sup> See: <http://www.dgs.ca.gov/dsa/Programs/progSustainability/gridneutral.aspx>.
- <sup>91</sup> NCES recently revised its facilities data definitions guide for 2012. The definition and data structure should assist states and LEAs in maintaining and aligning information. See: National Forum on Education Statistics. (2012). Forum Guide to Facilities Information Management: A Resource for State and Local Education Agencies. (NFES 2012-808). Washington, DC: National Center for Education Statistics, U.S. Department of Education. <http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2012808>.
- <sup>92</sup> See: [http://citiesandschools.berkeley.edu/reports/School\\_Siting\\_Policy\\_Brief\\_013108.pdf](http://citiesandschools.berkeley.edu/reports/School_Siting_Policy_Brief_013108.pdf)
- <sup>93</sup> See, for example: National Clearinghouse for Educational Facilities. Impact of Facilities on Learning-Academic Research Studies. [http://www.ncef.org/rl/impact\\_research\\_studies.cfm?date=4](http://www.ncef.org/rl/impact_research_studies.cfm?date=4).
- <sup>94</sup> Legislative Analyst's Office. (2011). A Ten-Year Perspective: California Infrastructure Spending. Sacramento: LAO.
- <sup>95</sup> Little Hoover Commission. (2010). Building California: Infrastructure Choices and Strategy. Sacramento, CA: LHC.
- <sup>96</sup> Little Hoover Commission. (2010). Building California: Infrastructure Choices and Strategy. Sacramento, CA: LHC.
- <sup>97</sup> Filardo, M., Vincent, J.M., Allen, M. and Franklin, J. (2010). Joint Use of Public Schools: A Framework for a New Social Contract. Washington, DC and Berkeley, CA: 21<sup>st</sup> Century School Fund and Center for Cities & Schools.

# Appendices

## Appendix A: Additional Current California SFP Funding Program

SFP Funding Program	Funds Approved Since 1998	Bond Funds	Description	Eligibility and Formula
Career Technical Education Facilities Program	\$500 mil	Y	Incentive funding to integrate CTE programs into school facilities	LEA must provide amount equal to state contribution. LEA must have an advisory committee pursuant to <i>Education Code</i> § 8070. Funding and funding order based on CTE score. Maximum grants: \$3 mil (new) and \$1.5 mil (modernization)
Charter School Facilities	\$900 million	Y	Allows site based charter schools to access state funding	To qualify must be deemed financially sound by (CSFA)
Critically Overcrowded Schools Program	\$4.14 billion	Y	Reserved funding for projects to relieve critically overcrowded schools	CDE overcrowding certification
Facility Hardship Program	Funding from new construction and modernization programs	Y	Repair or replacement of facilities that pose an imminent threat to students	Demonstrate an imminent threat to students
Seismic Mitigation Program	\$199.5 million from new construction funds	Y	Provides for the seismic repair, reconstruction, or replacement of the “most vulnerable” school facilities	Obtain a letter from the Division of the State Architect stating that the facility is a qualifying Category 2 building
Financial Hardship Program	Funding from new construction and modernization programs	Y	Assists schools that cannot provide required local contribution	Demonstrate effort and limits on local funds
High Performance Incentive	\$100 million	Y	Additional funds for using high performance/ efficient building materials and designs	High Performance Rating Criteria (HPRC) criteria
Joint-Use Program	\$129 million	Y	Assists joint-use projects	Qualify as Type I or Type II. Grant amounts are: \$1 million, \$1.5 million, or \$2 million
Overcrowding Relief Grant	\$1 billion	Y	Assists replacement of portable classrooms with permanent classrooms	Determined by population density

*Note: Amounts are estimated totals and do not reflect current apportionments or funds remaining. The list also does not include any program that existed during this timeframe but is currently inactive.*



## **Appendix B: Best Practice Frameworks for Infrastructure Investment**

U.S. General Accounting Office (1998)	21 <sup>st</sup> Century School Fund, Scientex Corporation, and the World Bank (1999)	Dowall and Reid (2008)
<i>Capital Decision-Making Framework</i>	<i>Six basic elements of a well-managed local K-12 capital improvement program</i>	<i>Eight interrelated activities of the framework for Performance Based Infrastructure in California</i>
1. Vision	1. Accurate information system	1. Visioning
2. Strategic Planning Principle 1: Integrate organizational goals into the capital decision-making process Principle 2: Evaluate and select capital assets using an investment approach Principle 3: Balance budgetary control and managerial flexibility when funding capital projects Principle 4: Use project management techniques to optimize project success Principle 5: Evaluate results and incorporate lessons learned into the decision-making process	2. Sound planning	2. Determining what infrastructure services are needed
3. Information and data systems	3. Process for needs based decision making	3. Choose the best method of project delivery
4. Communication	4. Sufficient and stable funding	4. Ensure value for money
	5. Skilled project management	5. Promote demand aggregation
	6. Effective oversight and monitoring	6. Provide technical and policy assistance
		7. Help negotiate
		8. Share knowledge

U.S. General Accounting Office. 1998. Leading Practices in Capital Decision-Making (GAO/AIMD-99-32). Washington, DC: US GAO.

21st Century School Fund, Scientex Corporation, and the World Bank. 1999. Basic Elements of a Well-Managed K-12 Capital Improvement Program. Washington, DC: 21csf. The authors note, “All six elements are required to ensure that capital funds are spent effectively, efficiently, and equitably.”

Dowall, David E. and Robin Reid. 2008. Improving California’s Infrastructure Services: the California Infrastructure Initiative. Working Paper 2008-06. Berkeley: Institute of Urban and Regional Development. The same year that the Governor introduced the Strategic Growth Council (2008) he also introduced the Performance Based Infrastructure Initiative (PBI California). To inform these efforts, UC Berkeley’s David Dowall, an infrastructure policy specialist, outlined a framework for performance-based infrastructure in California. The framework “operates at four levels: 1) helping to set investment priorities for new infrastructure in ways that meet the strategic development goals of the state; 2) identifying which infrastructure projects are the most effective means for providing critical services; 3) determining what is the most effective projects delivery method; and 4) ensuring that existing infrastructure services are provided efficiently (pg. 3).”

### Appendix C: Capital Outlay by the States, 2005-2008

STATE NAME	Number of Schools (1)	% State Funding for School Construction (2005-2008)	Facility Staff at State Education Agency	Additional Facility Agency Staffing	State Facility Plan	State Requires LEA Facilities Master Plan	State Technical Assistance to LEAs	Publicly Available State-Level K-12 Facilities Inventory	State PS12 Facility Standards	Green School Construction / Renovation Requirements (2)
Alabama	1,605	52%	4	1	Y	Y	Y	N	None	N
Alaska	501	85%	5	N/A	Y	Y	Y	Y	Limited	N
Arizona	2,135	32%	0	13	N	Y	Y	Y	Comprehensive	Y
Arkansas	1,121	19%	21	N/A	Y	Y	Y	Y	Comprehensive	N
California	9,983	30%	27	116	N	Y	Y	N	Comprehensive	Y
Colorado	1,757	1%	7.5	N/A	N	N	Y	Y	None	Y
Connecticut	1,117	18%	9	N/A	N	N	N	N	Comprehensive	Y
Delaware	235	64%	1.5	N/A	Y	Y	Y	Y	None	N
District of Columbia	244	100%	30	N/A	Y	N	N	N	Comprehensive	Y
Florida	3,935	21%	31	N/A	N	Y	Y	Y	Comprehensive	Y
Georgia	2,452	15%	12	N/A	Y	Y	Y	N	Comprehensive	N
Hawaii (3)	287	100%	363	N/A	Y	N	Y	Y	Comprehensive	Y
Idaho	727	11%	0.1	No info	N	N	N	N	None	N
Illinois	4,399	8%	10	No info	Y	N	Y	Y	Limited	Y
Indiana	1,970	0%	1	N/A	N	N	Y	N	None	N
Iowa	1,511	61%	1	N/A	N	N	Y	Y	None	N
Kansas	1,422	61%	2	N/A	N	N	Y	N	None	N
Kentucky	1,528	41%	8	3	Y	Y	Y	N	Comprehensive	Y
Louisiana	1,470	0%	0	N/A	N	N	N	N	None	N
Maine	670	84%	5	N/A	N	Y	Y	Y	Comprehensive	N
Maryland	1,453	32%	4	22	N	Y	Y	Y	Comprehensive	Y
Massachusetts	1,878	100%	0	45	Y	Y	Y	Y	Comprehensive	Y
Michigan	4,096	0%	5	N/A	N	N	N	N	None	N
Minnesota	2,679	21%	3	N/A	N	N	Y	Y	Comprehensive	N
Mississippi	1,068	0%	4	N/A	N	N	Y	N	Limited	N
Missouri	2,417	0%	0	N/A	N	N	N	N	None	N
Montana	831	12%	0.2	0	N	N	Y	Y	None	N
Nebraska	1,143	0%	2	N/A	N	N	N	N	None	N
Nevada	610	0%	0	N/A	N	N	N	N	None	N
New Hampshire	488	31%	1.5	N/A	N	Y	Y	Y	Limited	N
New Jersey	2,591	57%	20	330	N	Y	Y	Y	Comprehensive	Y
New Mexico	851	52%	0	51	N	Y	Y	N	Comprehensive	N
New York	4,631	52%	20	N/A	N	Y	Y	Y	Limited	N
North Carolina	2,516	15%	8.5	N/A	N	Y	Y	Y	None	N
North Dakota	528	0%	0.5	N/A	N	N	N	N	None	N
Ohio	3,924	50%	0	70	Y	Y	Y	N	Comprehensive	Y
Oklahoma	1,798	0%	2	N/A	N	D/K	Y	N	Comprehensive	N
Oregon	1,295	3%	0	N/A	N	N	N	N	None	N
Pennsylvania	3,246	4%	No info	No info	N	N	No Info	N	Limited	Y
Rhode Island	328	34%	3	N/A	Y	Y	Y	N	Comprehensive	Y
South Carolina	1,195	2%	7	N/A	N	N	Y	Y	Comprehensive	Y
South Dakota	730	0%	0	N/A	N	N	N	N	None	N
Tennessee	1,718	57%	1	N/A	N	N	N	N	None	N
Texas	8,758	13%	4	N/A	N	N	Y	N	Limited	N
Utah	1,010	6%	1	N/A	N	N	Y	N	Comprehensive	N
Vermont	329	31%	1	N/A	N	N	Y	N	Comprehensive	N
Virginia	2,027	0%	3	N/A	N	N	N	N	None	N
Washington	2,311	20%	12	N/A	N	Y	Y	Y	None	Y
West Virginia	762	45%	4	9	N	Y	Y	Y	Comprehensive	N
Wisconsin	2,268	0%	0	N/A	N	N	N	N	None	N
Wyoming	368	100%	0	18	N	Y	Y	Y	Comprehensive	N

(1) NCES 2008-2009 school year; (2) US Green Building Council.

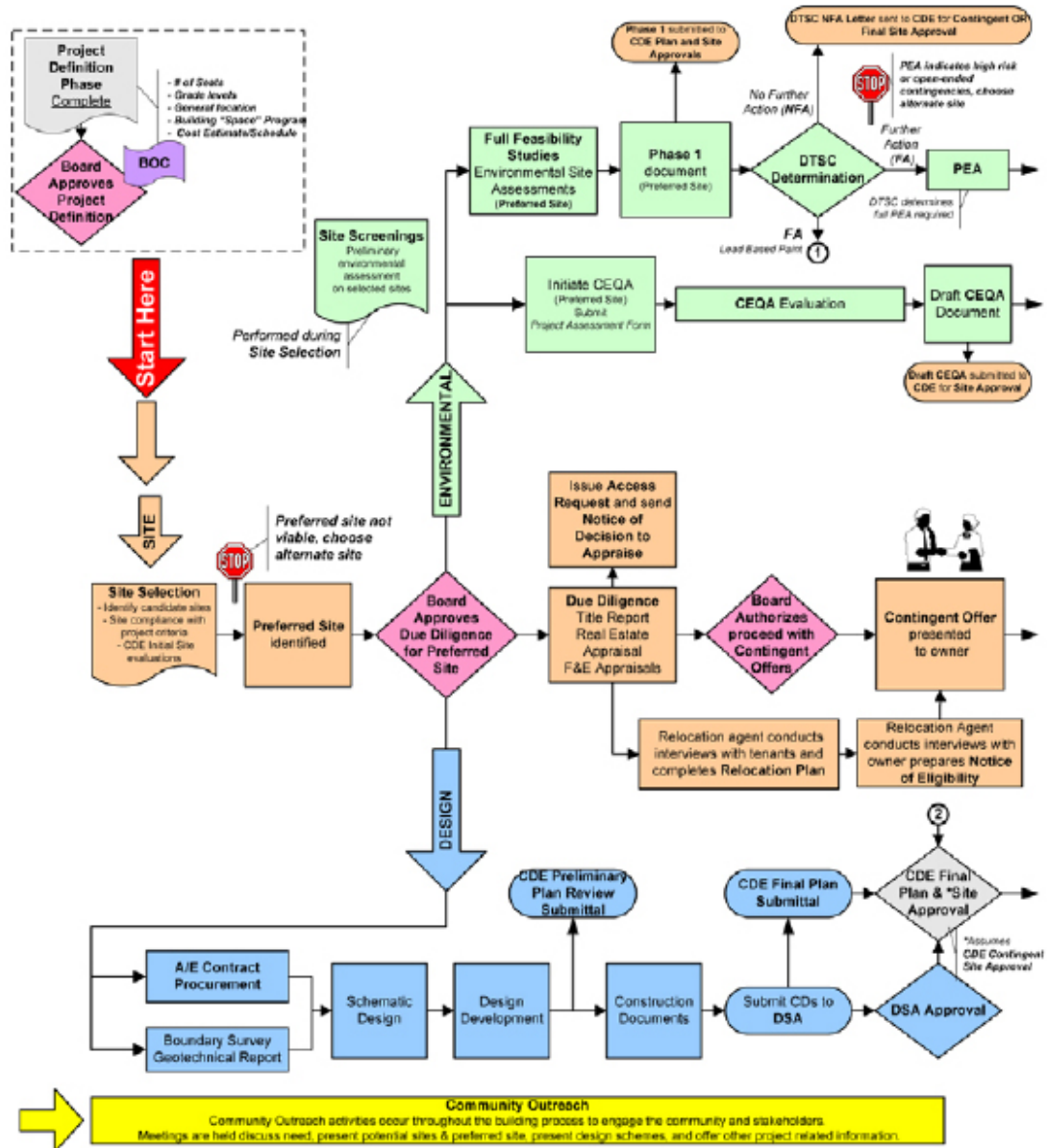
(3) Hawaii is a unitary district, so the state manages all school facilities. Staffing includes local and state staff.

Unless otherwise cited, all data is from survey of state education agencies by 21st Century School Fund in Summer and Fall of 2010.

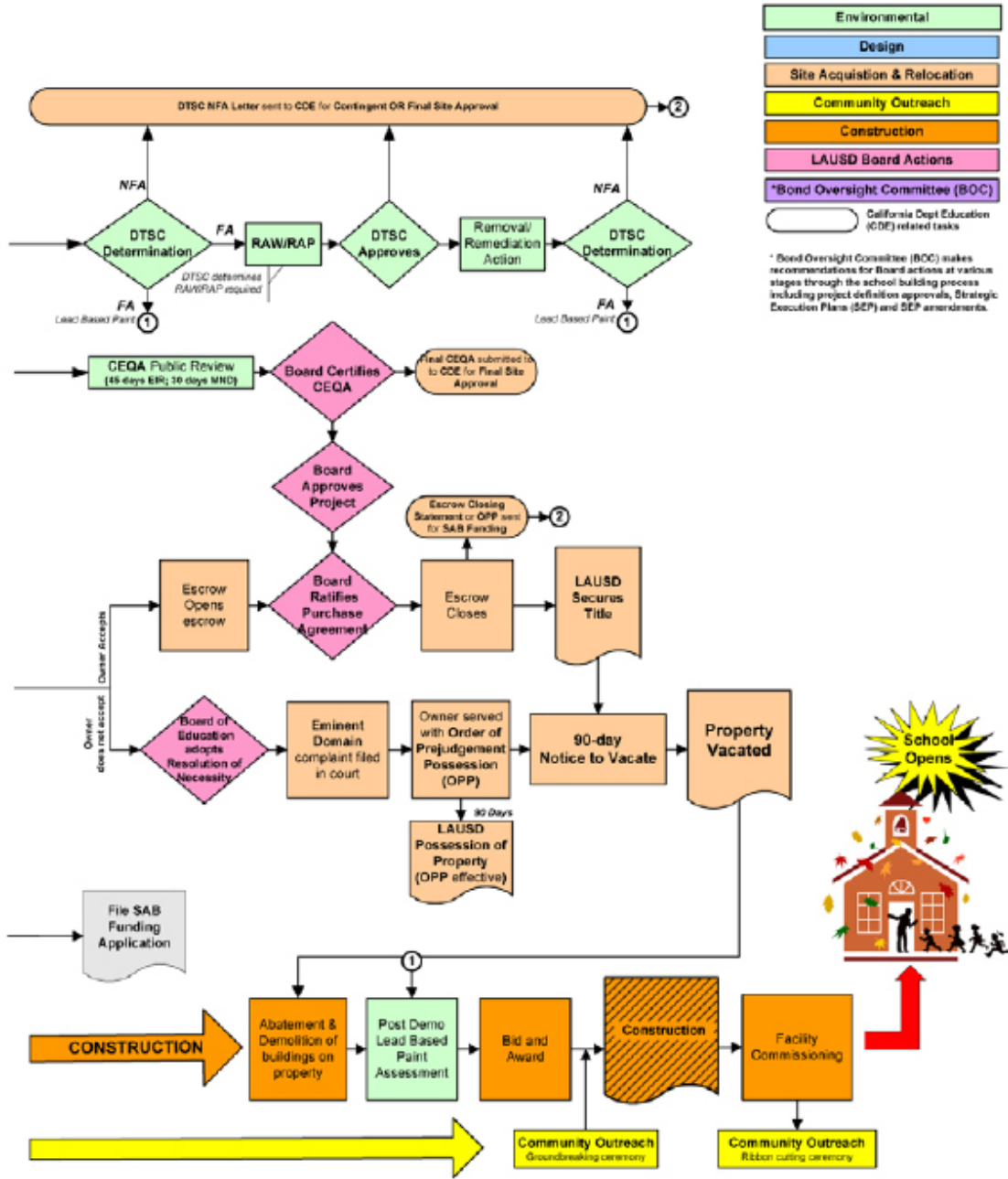
## Appendix D: State Agency Information

STATE NAME	STATE AGENCY	URL
<b>Alabama</b>	Alabama State Department of Education School Architect and School Facilities	<a href="http://www.alsde.edu/html/sections/section_detail.asp?section=86&amp;footer=sections">http://www.alsde.edu/html/sections/section_detail.asp?section=86&amp;footer=sections</a>
<b>Alaska</b>	Alaska Department of Education & Early Development	<a href="http://www.eed.state.ak.us/facilities/home.html">http://www.eed.state.ak.us/facilities/home.html</a>
<b>Arizona</b>	Arizona School Facilities Board	<a href="http://www.azsfb.gov/">http://www.azsfb.gov/</a>
<b>Arkansas</b>	Arkansas Division of Public School Academic Facilities & Transportation	<a href="http://arkansasfacilities.arkansas.gov/">http://arkansasfacilities.arkansas.gov/</a>
<b>California</b>	California Department of Education - Facilities	<a href="http://www.cde.ca.gov/ls/fa/">http://www.cde.ca.gov/ls/fa/</a>
	California Office of Public School Construction	<a href="http://www.dgs.ca.gov/opsc/home.aspx">http://www.dgs.ca.gov/opsc/home.aspx</a>
<b>Colorado</b>	Colorado Department of Education Division of Public School Capital Construction Assistance	<a href="http://www.cde.state.co.us/cdefinance/CapConstMain.htm">http://www.cde.state.co.us/cdefinance/CapConstMain.htm</a>
<b>Connecticut</b>	Connecticut State Department of Education; Bureau of School Facilities	<a href="http://www.sde.ct.gov/sde/cwp/view.asp?a=2636&amp;q=320552">http://www.sde.ct.gov/sde/cwp/view.asp?a=2636&amp;q=320552</a>
<b>Delaware</b>	Delaware Department of Education FacilityNet	<a href="http://facilitynet.doe.k12.de.us/">http://facilitynet.doe.k12.de.us/</a>
<b>District of Columbia</b>	District of Columbia Public Schools: Office of Public Education Facilities Modernization	<a href="http://opefm.dc.gov/">http://opefm.dc.gov/</a>
<b>Florida</b>	Florida Department of Education Office of Educational Facilities	<a href="http://www.fldoe.org/edfacil/">http://www.fldoe.org/edfacil/</a>
<b>Georgia</b>	Georgia Department of Education Facilities Services	<a href="http://public.doe.k12.ga.us/fbo_facilities.aspx">http://public.doe.k12.ga.us/fbo_facilities.aspx</a>
<b>Hawaii</b>	Hawaii Department of Education Facilities and Support Services Branch	<a href="http://fssb.k12.hi.us/">http://fssb.k12.hi.us/</a>
<b>Idaho</b>	Idaho State Department of Education - Facilities	<a href="http://www.sde.idaho.gov/site/facilities/">http://www.sde.idaho.gov/site/facilities/</a>
<b>Illinois</b>	Illinois School Construction Program	<a href="http://www.cdb.state.il.us/schools.shtml">http://www.cdb.state.il.us/schools.shtml</a>
<b>Indiana</b>	Indiana School Construction Information	<a href="http://www.in.gov/dlgt/2497.htm">http://www.in.gov/dlgt/2497.htm</a>
		<a href="http://educateiowa.gov/index.php?option=com_content&amp;view=article&amp;id=1238&amp;Itemid=2302">http://educateiowa.gov/index.php?option=com_content&amp;view=article&amp;id=1238&amp;Itemid=2302</a>
<b>Iowa</b>	Iowa Department of Education - School Facilities	
<b>Kansas</b>		
<b>Kentucky</b>	Kentucky Department of Education, Division of Facilities Management	<a href="http://www.education.ky.gov/KDE/Administrative+Resources/Facilities">http://www.education.ky.gov/KDE/Administrative+Resources/Facilities</a>
	Kentucky Cabinet for Health and Family Services - School Facilities	<a href="http://chfs.ky.gov/dph/info/phps/schools.htm">http://chfs.ky.gov/dph/info/phps/schools.htm</a>
		<a href="http://www.rsdlia.net/About_the_RSD/Departments/Operations_Department.aspx">http://www.rsdlia.net/About_the_RSD/Departments/Operations_Department.aspx</a>
<b>Louisiana</b>	Louisiana Recovery School District	
<b>Maine</b>	Maine State Department of Education - School Facilities Services	<a href="http://www.maine.gov/education/const/home/home.htm">http://www.maine.gov/education/const/home/home.htm</a>
<b>Maryland</b>	Maryland Public School Construction Program	<a href="http://www.pscp.state.md.us/">http://www.pscp.state.md.us/</a>
	Maryland State Department of Education School Facilities Branch	<a href="http://www.marylandpublicschools.org/MSDE/divisions/bus_svcs/sf/sfb.htm">http://www.marylandpublicschools.org/MSDE/divisions/bus_svcs/sf/sfb.htm</a>
<b>Massachusetts</b>	Massachusetts Department of Education: School Building Issues	<a href="http://finance1.doe.mass.edu/sbuilding/">http://finance1.doe.mass.edu/sbuilding/</a>
	Massachusetts School Building Authority	<a href="http://www.massschoolbuildings.org/">http://www.massschoolbuildings.org/</a>
<b>Michigan</b>	Michigan, State of Michigan - Department of Treasury	<a href="http://www.michigan.gov/treasury/0,4679,7-121-1753_37611---,00.html">http://www.michigan.gov/treasury/0,4679,7-121-1753_37611---,00.html</a>
		<a href="http://education.state.mn.us/MDE/Accountability_Programs/Program_Finance/Facilities_Health_Safety/index.html">http://education.state.mn.us/MDE/Accountability_Programs/Program_Finance/Facilities_Health_Safety/index.html</a>
<b>Minnesota</b>	Minnesota Department of Education - Facilities, Health, & Safety	<a href="http://www.healthyschools.org/healthy_school_environment/buildinggrounds.htm">http://www.healthyschools.org/healthy_school_environment/buildinggrounds.htm</a>
<b>Mississippi</b>	Mississippi Office of Healthy Schools - School Buildings and Grounds	
	Missouri Department Elementary & Secondary Education - School Facilities	<a href="http://www.dese.mo.gov/divadm/govern/Overview.html">http://www.dese.mo.gov/divadm/govern/Overview.html</a>
<b>Montana</b>	Montana Office of Public Instruction - Facilities Condition Inventory	<a href="http://www.opi.mt.gov/Finance&amp;Grants/Index.html?gpm=1_5">http://www.opi.mt.gov/Finance&amp;Grants/Index.html?gpm=1_5</a>
	Montana Office of Public Instruction - Finance & Grants: School Finance	<a href="http://www.opi.mt.gov/Finance&amp;Grants/SchoolFinance/Index.html">http://www.opi.mt.gov/Finance&amp;Grants/SchoolFinance/Index.html</a>
	Montana Quality Schools Facility Grant Program	<a href="http://commerce.mt.gov/qualityschools/default.mcp">http://commerce.mt.gov/qualityschools/default.mcp</a>
<b>Nebraska</b>		
<b>Nevada</b>	Nevada - Clark County School District Facilities Division	<a href="http://ccsd.net/facilities/">http://ccsd.net/facilities/</a>
	New Hampshire Department of Education, Office of School Building Aid/School Facilities	<a href="http://www.education.nh.gov/program/school_approval/school_build.htm">http://www.education.nh.gov/program/school_approval/school_build.htm</a>
<b>New Hampshire</b>		
<b>New Jersey</b>	New Jersey Department of Education - Office of School Facilities	<a href="http://www.state.nj.us/njded/facilities/">http://www.state.nj.us/njded/facilities/</a>
	New Jersey Schools Department Authority	<a href="http://www.njsda.gov/">http://www.njsda.gov/</a>
<b>New Mexico</b>	New Mexico - Public School Facilities Authority	<a href="http://www.nmschoolbuildings.org/index.html">http://www.nmschoolbuildings.org/index.html</a>
<b>New York</b>	New York City Dept. of Educ. Division of School Facilities	<a href="http://www.opt-osfns.org/dsf/default.aspx">http://www.opt-osfns.org/dsf/default.aspx</a>
	New York City, Department of Education - Schools in the Community - Facilities	<a href="http://schools.nyc.gov/community/facilities/">http://schools.nyc.gov/community/facilities/</a>
	New York City School Construction Authority	<a href="http://www.nycsca.org/Pages/Welcomes.aspx">http://www.nycsca.org/Pages/Welcomes.aspx</a>
	New York State Dormitory Authority	<a href="http://www.dasny.org/">http://www.dasny.org/</a>
	New York State Education Department, Office of Facilities Planning	<a href="http://www.p12.nysed.gov/facplan/">http://www.p12.nysed.gov/facplan/</a>
<b>North Carolina</b>	North Carolina Department of Public Instruction - School Planning	<a href="http://www.schoolclearinghouse.org/">http://www.schoolclearinghouse.org/</a>
	North Dakota Department of Public Instruction, School Finance and Organization. School Construction	<a href="http://www.dpi.state.nd.us/finance/construct/index.shtm">http://www.dpi.state.nd.us/finance/construct/index.shtm</a>
<b>North Dakota</b>		
<b>Ohio</b>	Ohio School Facilities Commission	<a href="http://www.osfc.ohio.gov/">http://www.osfc.ohio.gov/</a>
<b>Oklahoma</b>		
<b>Oregon</b>		
<b>Pennsylvania</b>	Pennsylvania Department of Education: School Construction and Facilities	<a href="http://www.portal.state.pa.us/portal/server.pt/community/school_construction_and_facilities/7457">http://www.portal.state.pa.us/portal/server.pt/community/school_construction_and_facilities/7457</a>
	Pennsylvania's State Public School Building Authority	<a href="http://www.spsba.org/index.htm">http://www.spsba.org/index.htm</a>
	Pennsylvania Higher Educational Facilities Authority	<a href="http://www.spsba.org/index.htm">http://www.spsba.org/index.htm</a>
<b>Rhode Island</b>	Rhode Island Department of Education, School Construction Aid	<a href="http://www.ride.ri.gov/Finance/Funding/construction/">http://www.ride.ri.gov/Finance/Funding/construction/</a>
<b>South Carolina</b>	2011 South Carolina School Facilities Planning and Construction Guide	<a href="http://ed.sc.gov/agency/os/School-Facilities/documents/2011Guidebook.pdf">http://ed.sc.gov/agency/os/School-Facilities/documents/2011Guidebook.pdf</a>
	South Carolina State Department of Education - School Facilities	<a href="http://ed.sc.gov/agency/os/School-Facilities/">http://ed.sc.gov/agency/os/School-Facilities/</a>
	South Dakota Department of Education. Office of Finance and Management	<a href="http://doe.sd.gov/ofm/qscba.asp">http://doe.sd.gov/ofm/qscba.asp</a>
<b>South Dakota</b>		
<b>Tennessee</b>	Tennessee Department of Education - Facilities Management	<a href="http://www.state.tn.us/education/support/facilities.shtml">http://www.state.tn.us/education/support/facilities.shtml</a>
	Tennessee State School Bond Authority	<a href="http://www.comptroller1.state.tn.us/TSSBA/index.asp">http://www.comptroller1.state.tn.us/TSSBA/index.asp</a>
<b>Texas</b>	Texas Education Agency Facility Funding and Standards	<a href="http://www.tea.state.tx.us/index2.aspx?id=5475&amp;menu_id=645">http://www.tea.state.tx.us/index2.aspx?id=5475&amp;menu_id=645</a>
<b>Utah</b>	Utah State Office of Education - School Finance, Facilities	<a href="http://www.schools.utah.gov/finance/Facilities.aspx">http://www.schools.utah.gov/finance/Facilities.aspx</a>
	Vermont Department of Education Programs and Services: School Construction	<a href="http://education.vermont.gov/new/html/pgm_construction.html">http://education.vermont.gov/new/html/pgm_construction.html</a>
<b>Vermont</b>		
<b>Virginia</b>	Virginia Department of Education, School Facilities	<a href="http://www.doe.virginia.gov/support/facility_construction">http://www.doe.virginia.gov/support/facility_construction</a>
<b>Washington</b>	Washington Office of Superintendent of Public Instruction - Facilities	<a href="http://www.k12.wa.us/SchFacilities/default.aspx">http://www.k12.wa.us/SchFacilities/default.aspx</a>
<b>West Virginia</b>	West Virginia School Building Authority	<a href="http://www.wvs.state.wv.us/wvsba/">http://www.wvs.state.wv.us/wvsba/</a>
	Wisconsin Department of Public Instruction - School Management Services	<a href="http://dpi.wi.gov/sms/index.html">http://dpi.wi.gov/sms/index.html</a>
<b>Wisconsin</b>		
<b>Wyoming</b>	Wyoming - School Facilities Commission	<a href="http://sfc.state.wy.us/">http://sfc.state.wy.us/</a>

## Appendix E: Los Angeles Unified School District's School Building Process



Source: Los Angeles Unified School District, Facilities Services Division. (2010). New Construction, Strategic Execution Plan. Los Angeles: LAUSD. [http://www.laschools.org/documents/download/about\\_fsd/sep/2010\\_SEP.pdf](http://www.laschools.org/documents/download/about_fsd/sep/2010_SEP.pdf)



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