



Office of
Public School Construction

Office of Public School Construction

Proposition 2

Funding Opportunities for School Energy Efficiency

2025 Sustainable Facilities Forum

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About Us

- Office of Public School Construction:
 - The office was established in 1947 as part of the Dept. of Finance, known as the Local Allocation Bureau.
 - In 1965, the office transitioned to the Dept. of General Services and was renamed the Office of Local Assistance.
 - In 1995, the office was renamed the Office of Public School Construction.
 - OPSC processes approximately \$1.5 billion in applications per year.
 - Staff: 72
 - OPSC Mgmt. – Combined, over 191 years at OPSC!



Mission

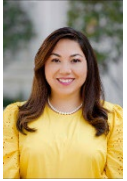


To enrich the lives of California's school children as stewards of the taxpayers' commitment to education.

State Allocation Board Members



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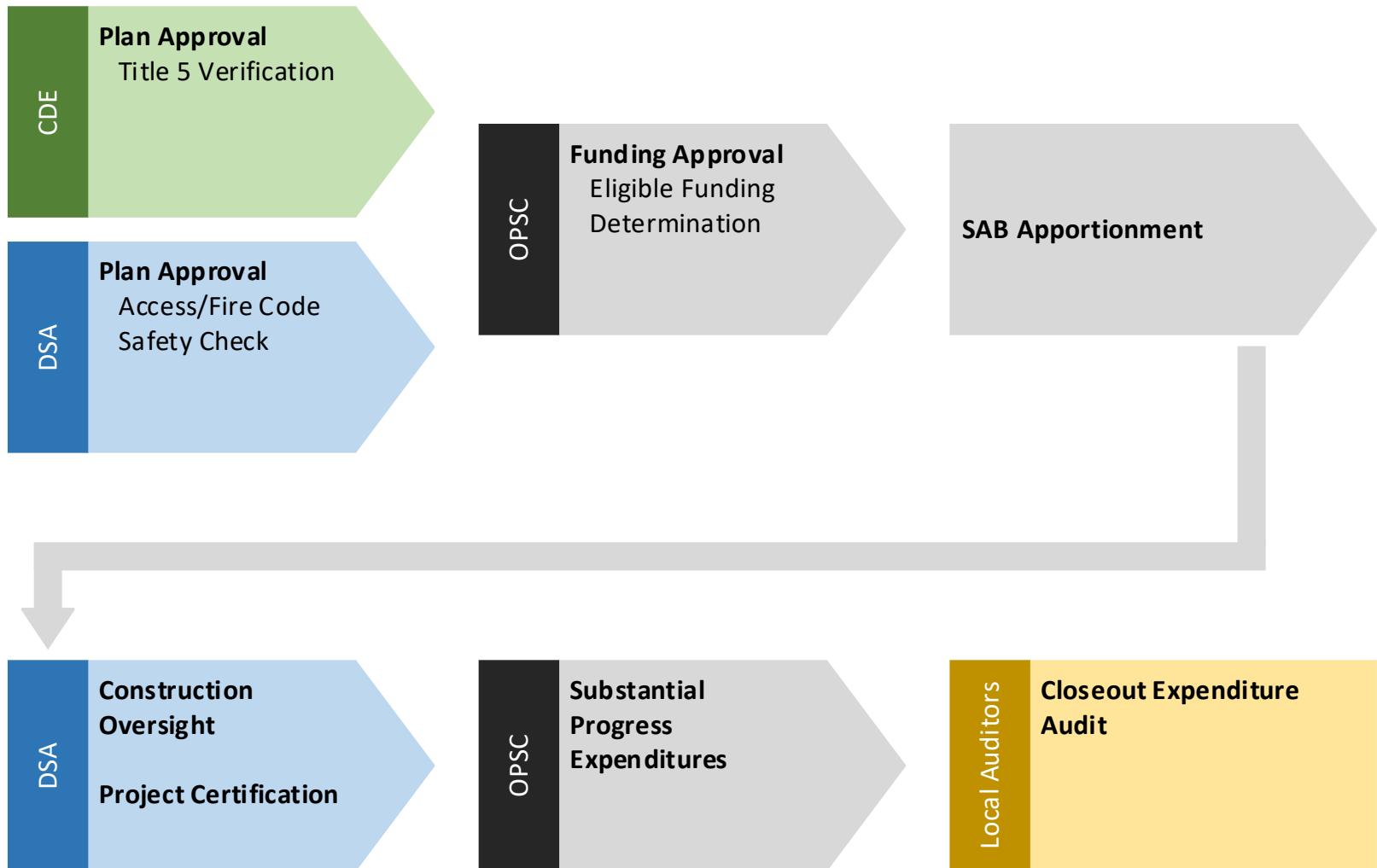
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Role of OPSC



School Facility Program Overview

- OPSC and the SAB offer a variety of programs, from standard new construction and modernization to more specific programs that address health and safety, career technical education, or funding specifically for charter schools.
- The most common programs that school districts can continuously apply to are new construction, modernization, and health and safety mitigation.
- While the primary focus may be on constructing new buildings, extending the useful life of existing buildings, or mitigation of imminent health and safety issues, often it's feasible to include sustainable building features into the designs.

New Construction

Purpose

- Provide funding to add classroom capacity to meet future student housing needs
- Fund costs for new school construction, or classroom additions to existing schools

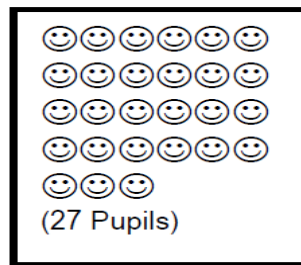


New Construction

Eligibility is based on projected need to house pupils:

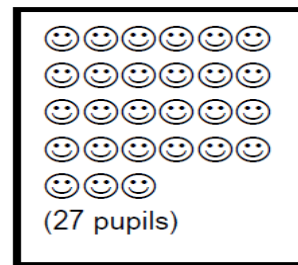
- Compares projected enrollment with current classroom capacity.

Existing Classroom Capacity



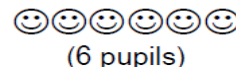
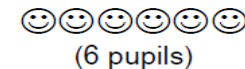
Vs.

Enrollment in 5 Years



=

Eligibility



- Eligibility is typically updated on a yearly basis, but districts with fewer than 2,501 pupils may “lock in” eligibility for up to 3 enrollment years.

New Construction



Historically, funding is provided on a 50/50 State and Local Share basis.

NEW with Prop. 2: sliding scale for State and Local Share.

- 2025 Per-Pupil Grant Amounts:

Grade Level	Grant Amount
K-6	\$15,847
7-8	\$16,761
9-12	\$21,327
Non-Severe	\$29,782
Severe	\$44,531

- Base grant provides funding for design, construction, testing, inspection, furniture, equipment, and other costs for school construction.
- Application must be submitted prior to student occupancy.
- Supplemental grants are in addition to base grant.
- Additional grants are available for site acquisition.
- **NEW with Prop 2:** Set-aside of \$330 million for Small School Districts.

New Construction

Funding Applications and Eligibility Updates

- Per the SAB decision on June 5, 2017, districts with new construction funding applications must submit updated eligibility information for the year in which the application is processed.
 - Small School District Locks – Processed as Received.
- OPSC notifies districts 90 days in advance of processing an application so districts can gather this info and be prepared to respond to any additional requests related to the application.
- If the updated eligibility results in fewer available pupil grants than the prior eligibility, districts may reduce their request accordingly.

Modernization

Purpose

- Extend the useful life of existing facilities or enhance the physical environment of a school
- Can be used for a current project or to reimburse a completed project
- Funding can also be used to demolish and replace facilities of like kind



Modernization

Eligibility is site specific

- Permanent buildings must be at least 25 years old.
- Portable buildings must be at least 20 years old.
- Based on classroom count or square footage.
- Once established, eligibility is not *required* to be updated.
- Permanent buildings 50 years old or older may receive additional funding.
- **NEW with Prop. 2** – Permanent buildings 75 years old or older may receive additional funding.

Modernization

Historically, funding is provided on a 60/40 State and Local Share basis. **NEW with Prop. 2:** sliding scale for State and Local Share. **Also new:** \$400 million set-aside for Small School Districts.

- 2025 Per-Pupil Grant Amounts:

Grade Level	Grant Amount
K-6	\$6,034
7-8	\$6,381
9-12	\$8,356
Non-Severe	\$12,867
Severe	\$19,232

Facility Hardship

Purpose

- Provide funding for the minimum work necessary to mitigate a health and safety threat to pupils
- Expedited review and processing



Example of Structural Deficiency Due to Dry Rot

Facility Hardship

Eligibility requires one of three conditions:

- Facilities are in need of repairs due to an existing health and safety threat

OR

- Facilities were lost or destroyed due to fire, flood, earthquake, or other disaster

OR

- Facilities* pose an unacceptable risk to occupants in the event of a seismic event (Seismic Mitigation Program)

*Building must meet definition of a Category 2 building pursuant to the report submitted as a result of EC 17317.



Facility Hardship

Eligibility Requirements:

- District must provide a report from an industry specialist and associated governmental concurrence identifying the health and safety threat and the minimum work necessary to mitigate the threat.
- New Construction or Modernization eligibility is not required.
- Current enrollment must justify continuing need for the facilities.
- Grant amounts are funded at the Sierra West “F3” level of difficulty.
- Standardized Cost Estimate Form to determine funding.
- Program does not fund projects that are the result of lack of routine maintenance, systems beyond useful life, solely require code upgrades, etc.

Sustainable Facilities

- The three programs just mentioned, as well as all programs offered by the SAB/OPSC, provide funding that can be used to incorporate sustainable components into new or rehabilitated buildings.
- Even health and safety programs that only allow for minimum mitigation work can choose sustainable features. The types of building components or systems are flexible within the mitigation funding provided.

Sustainable Facilities

- Most construction-related expenditures to support Sustainable Facilities are eligible uses of School Facility Program funding.
- Costs for “commissioning” and obtaining certifications (such as LEED, for example) are considered administrative costs and are ineligible; however, most building components are eligible.

Sustainable Facilities

- School districts have been able to incorporate sustainable building features in their projects for the same or close to the same cost as standard building features. Sustainable construction pricing is trending towards alignment with traditional building features.
- You do not have to qualify for **NEW** Energy Efficiency grants to incorporate sustainable building features into your projects.

Sustainable Facilities

OPSC has several examples of these projects. For instance, Muroc USD built an entire new school within budget that incorporated many modern sustainability features and components.



Sustainable Facilities

More pictures from Muroc USD:



Proposition 2 Highlights

- In November 2024, California voters approved Proposition 2, the “Kindergarten Through Grade 12 Schools and Local Community College Public Education Facilities Modernization, Repair, and Safety Bond Act of 2024.”
- Proposition 2 includes the following allocations for TK-12 public school facilities:
 - \$3.3 billion for new construction (10%, or \$330 million, is reserved for small school districts)
 - \$4.0 billion for modernization (10%, or \$400 million, is reserved for small school districts and \$115 million is reserved for a new Lead in Water Testing and Remediation program)
 - \$600 million for the Charter School Facilities Program
 - \$600 million for the Career Technical Education Facilities Program



Proposition 2 Highlights

- Among other things, Proposition 2 makes changes to the School Facility Program (SFP), including:
 - Reduced matching share contributions of up to 5% for qualifying school districts, with a sliding scale based on district bonding capacity per pupil, unduplicated pupil percentage, school districts with a total enrollment of 200 or fewer, and school districts using project labor agreements.
 - New interim housing assistance following natural disasters.
 - Changes to the Financial Hardship criteria to automatically qualify districts with total bonding capacity of \$15 million or less. Prior to Proposition 2, that number was \$5 million. The new \$15 million threshold will be adjusted annually.
 - A five-year facilities master plan and facilities inventory will be required as a condition of SFP participation.
 - New supplemental grants (TK, CTE, MEF, and Energy Efficiency).
 - As of the date of this presentation, OPSC has conducted nine public stakeholder meetings advancing regulatory development.



Proposition 2 – Energy Efficiency Grants

- Proposition 2 provides a supplemental Energy Efficiency grant for eligible new construction or modernization applications for an increase of up to five percent of the per-pupil grant funding.
- The grant will be for projects that exceed the nonresidential building energy-efficiency standards specified in Part 6 (commencing with Section 100) of Title 24 regulations.
- OPSC has conducted two stakeholder meetings on this topic, on February 13, 2025, and April 17, 2025. The next meeting will likely be in June.

Proposition 2 – Energy Efficiency Grants

- Proposition 2 does not have a cap for how much of the overall funding for new construction or modernization can be allocated for Energy Efficiency.
- Proposition 2 states that the new Energy Efficiency funding can be used for:
 - Plan design and other project components that promote school facility energy efficiency approaching the ultimate goal of energy self-sufficiency and pollution reduction.
 - Energy efficiency components that enable school facilities to advance state energy goals and adapt to higher average temperatures that pose a threat to the health and safety of pupils and staff.
 - Electric HVAC, school kitchen equipment, and water heating. Use of ground source temperatures for heating and cooling, energy and water conservation, load reduction, peak-load shifting, and building energy efficiency measures. Solar water heating tech, and onsite renewable energy and storage (PVs, battery storage, microgrid controllers, and service panel upgrades), shade structures and conversion of ground and rooftop surfaces to materials with low absorption and reflection of heat, including natural surfaces.



How to Access Energy Efficiency Grants

- Applications submitted on or after October 31, 2024, are eligible for the new Energy Efficiency grants. The grant criteria is still being developed, however here are some of the ideas being proposed thus far:
 - The Division of the State Architect (DSA) will determine the level to which each application exceeds Title 24 energy efficiency standards.
 - This review will take place as part of DSA's plan approval review.
 - The grants would be awarded in a tiered approach with even the lowest scores still eligible for funding if the project exceeds standards.
 - DSA is proposing to review for both prescriptive and performance compliance.



How to Access Energy Efficiency Grants

- New Construction funding is not currently oversubscribed, but OPSC had approximately \$1.6 billion in New Construction requests as of March 31, 2025.
- Modernization funding is currently oversubscribed except for the Small School District set-aside of \$400 million. As of March 31, 2025, OPSC had approximately \$3.1 billion in Modernization funding requests on its Workload List and approximately \$519.4 million in Modernization funding requests on the Applications Beyond Bond Authority List.
- Applications submitted under the new Small Size School District Program (currently in development) will also be able to apply for energy efficiency grants. A total of \$330 million for New Construction and \$400 million for Modernization is currently reserved for the Small Size School District Program.



OPSC Online

- OPSC Online is available for all SFP programs
- OPSC Online took the SFP completely paperless; this provides greater efficiency and streamlines our business processes.
- Some of the functionality:
 - School district user-specific dashboards
 - Upload supporting documentation
 - Acceptance of electronic signatures
 - Version Tracking
 - Grants Calculator
 - A “wizard” model navigation
 - Self-service school district profiles including user management, user profiles and school site information
 - Substantial Progress and Expenditure Reports



OPSC Online

Dashboard

Funding Applications

Create New SFP Funding Application

Create New Preschool/TK/FDK Funding Application

District

HSA

Project # / Filter Any

Search All

Application Name	Project Type	Status	OPSC App #	School/Site	District	Project Tracking Number	OPSC Received	SAB Date	Last Updated
No data to display									

0 Apps Total

Items Per Page

25

FirstPrev1NextLast

OPSC Online



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- Audits
- Project Reporting beta
- Resources
- Accounting
- Admin
- Grants
- Enrollment Projection
- Reports
- Users
- District
- Dashboard

[Dashboard](#) / [Grants Calculator](#)

OPSC Grants Calculator

The calculations provided above are an estimate for the potential funding of that may be associated with a complete application that has the total amount of eligibility available to request for the project. This estimate does not take into consideration what a grant for design only funding would be. Additionally, this estimate does not reflect any potential increase to funding based on eligibility for Financial Hardship assistance.

Select CCI Grant Year	<div>2024</div>
Select Program Type	<div>(50-04) New Constructio</div>
<hr/>	
Select the District	<div></div>
Does the District have current Financial Hardship Approval?	<div>Yes No</div>
Project to be located on	<div>Please make a selection</div>
California Department of Education (CDE) Gross Approved Acres	<div></div>
Gross Number of Purchased Acres	<div></div>
Existing Total Acres	<div></div>
Master Plan Acreage site Size (Useable)	<div></div>
Recommended Site size	<div></div>

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 - Stakeholder Meeting Notifications and Agendas
 - SAB Agendas
 - Priorities in Funding Announcements, and
 - Other SAB/OPSC Information



Questions?

Please let us know if you have any questions:

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