

Facilities Planning and Funding for District Charter Schools

District charter school representatives shall be invited to participate on any long-range facilities planning committee established by the district and any committee established to assess and prioritize the district's capital construction needs. In any year in which discussions are underway about the possible submission of a ballot issue to finance capital construction, the district shall include district charter school representatives in the discussion at the earliest possible time, but not later than June 1 of the applicable election year.

Prioritizing district charter school facility needs for general obligation bond financing

To be considered for general obligation bond financing, a district charter school shall submit a capital construction plan to the Board that addresses the factors listed in state law. The plan shall be submitted by a date established by the district in any year in which there is a possibility that the Board will be submitting a request to the electorate for approval of bonded indebtedness. Any plan that does not include the information set forth in state law shall be considered incomplete and will not be considered in the prioritization process.

The Board shall prioritize a district's charter school's capital construction needs in the district's long-range plan and include those needs in the district's ballot question in the upcoming election if the district charter school's capital construction plan remedies shortcomings in its facilities as identified in the state-developed priority needs assessment of public school facilities and if the district charter school's facility needs receive a higher priority assessment than other district schools. Any district charter school that has been authorized for less than five years or is on probation with the district is not eligible to participate in the prioritization process.

The Board shall provide written notice to any district charter school that submitted a capital construction plan whether the district has prioritized the district charter school's capital construction needs for inclusion in the ballot question at the upcoming election. This notice shall be provided no later than 60 days prior to the date by which the question has to be certified to the ballot. If the district charter school's facility needs are excluded from the ballot question, the Board shall provide the district charter school with a written statement specifying the reasons for excluding the charter's needs and the charter shall have an opportunity to address any issues raised by the Board.

If the Board includes the district charter school capital construction needs in the ballot question for the upcoming election, the charter's request shall be included in the same ballot question submitted by the district for approval of bonded indebtedness. The Board and the district charter school shall determine the process by which the bond proceeds and investment and interest earnings on the proceeds shall be distributed to the district charter school prior to submitting the ballot question to the voters.

The cost of submitting the ballot question shall be paid by the district and district charter school(s) in proportion to their respective shares of the total bond proceeds, unless the parties agree on a different cost-sharing arrangement. The investment and interest earnings on bond proceeds shall be distributed on a pro rata basis to the participating district charter school(s) after management fees have been collected.

Projects financed with bond proceeds

Any district charter school that finances a capital construction project with bond proceeds shall not encumber the asset with any additional debt without the express approval of the Board. No bond

proceeds shall be distributed to a district charter school until the district charter school and the district enter into a contract specifying that if the district charter school's charter is revoked or not renewed, the district charter school becomes insolvent and can no longer operate as a charter school or the district charter school otherwise ceases to operate, following payment of all other debts secured by the capital construction, the ownership of any capital construction financed by the bond proceeds shall automatically revert to the district.

The Board may require a district charter school that finances a capital construction project with bond proceeds to certify that the project will remediate shortcomings in the district charter school's facility that were identified in the state-developed priority needs assessment and that the construction shall conform to any applicable construction guidelines established in state law.