

Proposition 2: Charter School Facilities Program Applications

Facilities Committee Meeting
August 21, 2025



**OAKLAND UNIFIED
SCHOOL DISTRICT**

Community Schools, Thriving Students



AGENDA

- Overview of Proposition 2
- Process
- Timelines
- Charter Interest
- Risk & Benefits

Proposition 2 Charter Schools Application

Overview

- As part of the November 5, 2024, election, 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 (with up to 10% reserved for small school districts)
 - \$4.0 billion for modernization (with up to 10% reserved for small school districts and up to \$115 million for a new Lead in Water Testing and Remediation program)
 - \$600 million for Charter School Facilities Program
 - \$600 million for Career Technical Education Facilities Program
- **Eligible uses:** new construction or rehabilitation of district-owned facilities for charter use
- **Structure:** 50% state grant + 50% applicant contribution/loan
- **Current filing window:** July 3 – October 30, 2025

Charter Schools Proposition 2 Applications

Prior to Submitting an Application

- Petition, or petition revision (letter), that supports application approved by authorizer
- Applicant school board resolution supporting application
- District received notification and 30 days have passed (charters applying independently)
 - Notify District(s) where the project is physically located and that serves the same grade level housed in the project
 - Might not be authorizing district, especially if authorized by a ACOE, OUSD, or SBE
 - September 30, 2025, last day a district can RECEIVE a notification
- District school board approves rehabilitation agreement (charters applying independently)
 - Signed by both district and charter school
 - Rehabilitation applications only

Source: OPSC, California Department of General Services. Charter School Facilities Program - Submitting an Online Application Virtual Training, June 24, 2025.

Charter Schools Proposition 2 Applications

Timelines

If Charter School's application is approved, the preliminary benchmarks/ timeline for the project are as follows,

- California School Facility Program ("CSFP") notifications are due to the District no later than September 30, 2025
- Submission to OPSC due between July 3, 2025, and October 30, 2025
- Office of Public School Construction ("OPSC") staff to review applications for completeness and additional information if needed, beginning October 30, 2025
- CSFA to review for financial soundness, beginning October 30, 2025
- OPSC to issue 15-day letter
- State Allocation Board Approval of preliminary apportionments
- Charter School has 4 years, with one year extension available to obtain Division of State Architects, California Department of Education, Department of Toxic Substances Control, and California Environmental Quality Act approvals
- Charter must submit full funding application for construction apportionment

Source: OPSC, California Department of General Services. Charter School Facilities Program - Submitting an Online Application Virtual Training, June 24, 2025.

Proposition 2 Charter Schools Application

Notice of Intent Received by OUSD

Yu Ming Charter School

- Charter School notified the District of its desire to submit an application for CSFP funds to rehabilitate 4551 Steele Street, Oakland, CA 94619 (John Swett/Tilden site)

East Bay Innovation Academy

- Charter School notified the District of its desire to submit an application for CSFP funds to rehabilitate 3400 Malcolm Avenue, Oakland, CA 94605 (Thurgood Marshall Elementary School site)
- Existing Facility Use Condition with OUSD until June 2026

Source: OPSC, California Department of General Services. Charter School Facilities Program - Submitting an Online Application Virtual Training, June 24, 2025.

Proposition 2 Charter Schools Application

Risks & Benefits

Risks:

- Uncertainty if charter closes: OUSD required to attempt to identify charter successor. If no charter successor identified, OUSD responsible for remainder of loan (unless future legislative changes)
- Long term lease: OUSD unable to use facility for duration of lease
- Oversight burden: enforcing maintenance standards, insurance, ADA, and lease/MOU compliance

Benefits:

- No OUSD facilities cost responsibilities for duration of lease
- OUSD does not have to make Prop 39 offers to the school for duration of lease
- State capital funds improve District-owned assets; reduces deferred maintenance backlog

Ask of Facilities Committee

Considering the request is for the District school board to vote to approve rehabilitation agreement (charters applying independently), how would the committee like to proceed?

Does the committee need any additional information?

THANK YOU

Any Questions?

Additionally, for more information, please reach out: