

Attachment #3

CSFA Appeal Response



CALIFORNIA SCHOOL FINANCE AUTHORITY

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EXECUTIVE DIRECTOR
Katrina M. Johantgen

February 1, 2019

Abbie Ridenour, Executive Director
Summit Public Schools - Tamalpais
7800 Broadway
Redwood City, CA 94063

RE: Response to Appeal

Ms. Ridenour:

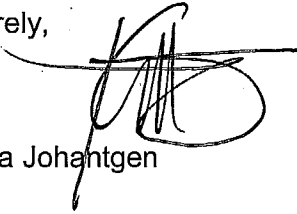
Thank you for your interest in the Charter School Facility Grant Program (Program). This letter represents a response to your appeal letter, dated October 18, 2018, relating to the the lease agreement and 2017-18 eligible costs under the Program on behalf of Summit Public Schools – Tamalpais (Summit-Tamalpais) (CDS 076179601313637). Below is a summary of the California School Finance Authority's (Authority's) analysis and conclusion regarding this appeal.

1. Although your appeal references an increased square footage in faciltiy usage based on increasing student enrollment, the Authority's review finds that the lease agreement with the lessor, Hilltop Community Ventures, LLC, effective August 1, 2016, provides for Summit-Tamalpais having access to the entire facility throughout the lease term, which expires on July 31, 2021.
2. The lease agreement, as effective during the 2017-18 fiscal year, reflected no changes in the school site location. The lease agreement had not yet expired, and the scope of the facilities to which Summit-Tamalpais had access had not changed. For these reasons the lease agreement is subject to the cost of living adjustment (COLA Cap) specified at Education Code, Section 46614.5(d)(3)(B)(i), and cannot be considered a new lease agreement in accordance with Education Code, Section 47614.5(c)(3)(B)(ii).
3. Regardless of the time frame for adoption of the regulations, the controlling statute referenced above is sufficient to provide the necessary clarification in determining whether a new appraisal can be considered. In this case, it cannot be considered, and the COLA cap must apply.

The Authority regrets that Summit-Tamalpais has incurred any financial hardship as result of the requirements set forth in the statute. However, because the Authority must apply the law uniformly and consistently in accordance with the statute and regulations, it is unable to change its determination.

Pursuant to SB740 Program Regulations Section 10170.10(d), the applicant may appeal the matter to the Authority Board by submitting a letter of appeal within 30 calendar days of this notice to the above address. Should you have any questions or need additional information, please feel free to contact me at (213) 620-2305 or Ian Davis at (916) 651-7710.

Sincerely,

A handwritten signature in black ink, appearing to be 'K. Johantgen', written over a horizontal line.

Katrina Johantgen