

CALIFORNIA LEGISLATURE

STATE CAPITOL
SACRAMENTO, CALIFORNIA
95814

April 9, 2019

The Honorable Gavin Newsom
California State Governor
State Capitol
Sacramento, CA 95814

RE: Approval of All Proposition 51 Funded Community College Capital Outlay Projects

Dear Governor Newsom,

Thank you for your leadership and bold action to increase education funding for California's entire instruction pipeline, from preschoolers through college. We write today asking that your May Revision include funding for the 60 Community College facilities projects that are awaiting the release of Proposition 51 dollars that were approved by voters in 2016.

In 2016, California voters approved a facilities bond providing a \$2 billion infrastructure investment in community colleges. However, the 2017-18 and 2018-19 Budget Acts only funded a fraction of the shovel-ready capital projects approved by the Board of Governors and the proposed 2019-20 Budget only funds a fraction of the projects submitted by the Chancellor's Office.

The backlog of approved projects has now risen to 60 statewide (please see the attached list of every project throughout the state). Failing to fund these capital projects represents a missed opportunity to create jobs, preempt significant cost increases, and to cultivate a skilled and educated workforce in communities throughout the state. Funding these projects would only add an estimated \$7.4 million in annual interest costs over the next 30 years.

These 60 projects represent critically important instructional facilities across the state: from an instructional building replacement in Compton, to a technology building remodel in Butte, to a new child development center in Fresno, to the modernization of academic buildings in Imperial Valley.






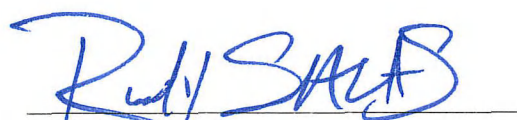
We recognize the Administration has indicated a desire to prioritize projects that address life safety issues and include substantial local matches, yet the projects approved for funding do not consistently meet life safety issues. Of the 12 projects, 1 is in the Chancellor's Office's highest priority category, 3 are in the second priority category, 5 are in the third priority category, and 3 are in the fourth category. Inconsistency in how the Chancellor's Office and the Administration review proposed projects has resulted in confusion for districts, as their projects are effectively being subjected to two competing standards.

While California Community Colleges have an effective facilities program which allocates resources based on a formula that identifies high need projects in modernization, expansion, and safety, the State has deviated from this effective approach by not releasing Proposition 51 funds and therefore creating a backlog of projects. As a result, these projects have been affected by cost escalation. Since late 2017, escalation rates have risen to 2-3% per month. The costs of raw materials such as steel and wood are sharply rising and workforce costs are reflecting high market demand. Delaying the release of Proposition 51 bond dollars further exacerbates cost escalation issues. As a result, a key challenge districts face is the expectation to bear the entire cost of escalation without the ability to redesign or make adjustments to reduce local costs.

The California Community Colleges form the largest public postsecondary educational system in the world. They serve 2.2 million students annually, almost 75% of California's public postsecondary undergraduates. We ask that previously approved initiative bond dollars be distributed to these colleges as soon as possible to avoid further cost increases and improve the learning conditions of students throughout the state.

Thank you for your consideration of this request.

Sincerely,


JERRY HILL
Senator, 13th District
CONNIE LEYVA
Senator, 20th District
BEN ALLEN
Senator, 26th District
THOMAS UMBERG
Senator, 34th District
PATRICIA BATES
Senator, 36th District
KEVIN MULLIN
Assembly Member, 22nd District
JIM PATTERSON
Assembly Member, 23rd District
MARK STONE
Assembly Member, 29th District
RUDY SALAS
Assembly Member, 32nd District
CHRIS HOLDEN
Assembly Member, 41st District

Cc: Senator Holly Mitchell
Senator Richard Roth
Joe Stephenshaw
Anita Lee