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20 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

21 **COUNTY OF ALAMEDA**

22 MILIANI R. through her guardian ad litem
MONICA B., SANDRA RAMIREZ; RAUL
23 LEON; PERLA PENALBER; KARESHA
BOYD; D'ARCY VILLERE; BRENDA
24 CONTRERAS; AUDREY KITTY CASAS;
BRENDA RIVERA; CYNTHIA PÉREZ;
25 NORMA SANDOVAL; ARELI LANDA;
HERBERT JAMES HOPKINS, ANGELICA
26 G., through her guardian ad litem; TRUE
NORTH ORGANIZING NETWORK;
27 ALIANZA COACHELLA VALLEY; AND
INLAND CONGREGATIONS UNITED FOR
28

Case No.

**COMPLAINT FOR DECLARATORY
AND INJUNCTIVE RELIEF**

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CHANGE,

 Plaintiffs,

 v.

STATE OF CALIFORNIA; STATE
ALLOCATION BOARD; OFFICE OF
PUBLIC SCHOOL CONSTRUCTION;
STATE SCHOOL BUILDING FINANCE
COMMITTEE; CALIFORNIA
DEPARTMENT OF EDUCATION; AND
DOES 1-100.

 Defendants.

1 Plaintiffs Miliani R. through her guardian ad litem Monica B., Sandra Ramirez, Raul Leon,
2 Perla Penalber, Karesha Boyd, D'arcy Villere, Brenda Contreras, Audrey Casas, Brenda Rivera,
3 Cynthia Pérez, Norma Sandoval, Areli Landa, Herbert James Hopkins, Angelica G., True North
4 Organizing Network ("True North"), Alianza Coachella Valley ("Alianza"), and Inland
5 Congregations United for Change ("ICUC") by and through their undersigned attorneys, bring this
6 action against Defendants the State of California, State Allocation Board, Office of Public School
7 Construction, State School Building Finance Committee, and California Department of Education.

8 Unless explicitly stated to the contrary, all allegations are based on information and belief.
9 Plaintiffs allege as follows:

10 **PRELIMINARY STATEMENT**

11 1. California's Constitution makes a fundamental guarantee of equal opportunity to
12 obtain a public K through 12 education to its residents. This is the only affirmative obligation the
13 State has taken upon itself in its Constitution. Nearly fifty years ago, the California Supreme Court
14 handed down its landmark ruling in *Serrano v. Priest* firmly establishing that the provision of that
15 education – because it is necessary to prepare graduates to participate effectively in the civic and
16 economic challenges of adulthood and ensure the state's future prosperity – cannot be funded
17 through a mechanism that gives more to wealthy school districts than to other districts. (See *Serrano*
18 *v. Priest* (1971) 5 Cal.3d 584, 593; *Serrano v. Priest* (1976) 18 Cal.3d 728; *Serrano v. Priest* (1976)
19 20 Cal.3d 25.)

20 2. Twenty years later, the Court reaffirmed education's status as a "uniquely
21 fundamental concern of the state," holding in *Butt v. State of California* that the Constitution
22 "prohibits maintenance and operation of the common public school system in a way which denies
23 basic educational equality to the students of particular districts." (*Butt v. State of California* (1992)
24 4 Cal.4th 668, 681, 685.) In both cases, the State sought to deflect responsibility onto the local
25 school districts. Ibid. And twice, the Supreme Court reinforced the State's non-delegable duty to
26 intervene when a local district's fiscal shortcomings, even if they were the result of local
27 mismanagement, would otherwise deny its students basic educational equality. Ibid.

1 3. Plaintiffs in this case seek relief because State funding for modernization of aging
2 school facilities, administered through California’s School Facility Program (“SFP”), provides
3 more funding to wealthy districts based on their local wealth, enabling them to meet local funding
4 requirements more easily, which in turn qualifies them for more state bond matching funds. SFP
5 also uses a first-come, first-served process that favors wealthier districts with the advantage of well-
6 funded managers and consultants. As a result, the quartile of students in the lowest-wealth districts
7 have received nearly 60% less in SFP modernization funding per student than the quartile of
8 students in the highest-wealth districts since 1998.¹ Students in lower-wealth districts,
9 disproportionately populated with English learners, and Black, Latine and Indigenous students,
10 receive significantly less state funding for modernizing facilities than their counterparts in whiter,
11 wealthier communities. It is, district wealth, not student need, that too often dictates whether
12 students have access to safe, functional facilities. The SFP impermissibly favors district wealth, not
13 student need, in the process of allocating capital funding needed for students to have access to safe,
14 functional facilities. This is the very outcome that *Serrano* prohibited over 50 years ago.

15 4. The disparity in the quality of school facilities between these districts only continues
16 to rise across the state, as illustrated, for example, by:

- 17 • Calxico Unified School District combats high external temperatures with failing,
18 antiquated HVAC systems, arsenic in its soil, and wastewater sewage leaks in its school
19 facilities’ hallways and classrooms that create foul smells and hazardous conditions.
- 20 • Fall River Joint Unified School District has encountered asbestos in all of its school sites,
21 with some also having black mold. Students must learn in the same modular classrooms that
22 were present when their grandparents attended school, many over 55 years old despite being
23 intended for 20 years of use.
- 24 • Lynwood Unified School District faces significant damage from recurring water leaks in
25 dozens of classrooms that it cannot repair and relies primarily on a singular athletic field for
26 the entire district.

27
28 ¹ (Julien LaFortune & Niu Gao, *Equitable State Funding For School Facilities PUBLIC POLICY INSTITUTE OF CALIFORNIA*, 10 (Mar. 2022).)

- Salinas City Elementary School District facilities are impacted by heavy water damage, mold, and dry rot and cannot rely on its singular multi-purpose room to fit parents and students for events.

5. The struggle for racial and economic justice in access to educational opportunity in California stretches back to the state's early years. As early as 1885, in *Tape v. Hurley*, the California Supreme Court ruled that excluding a Chinese American student from a public school was unlawful, effectively mandating that minority students of color were entitled to equal access to public education. (*Tape v. Hurley* (1885) 66 Cal. 473.) Then, in 1890, the Court held that its earlier approval of separate but equal schools for Black students was no longer the law or policy of the state and ordered the admission of a Black student to a white school system in *Wysinger v. Crookshank*, a case later cited by *Brown v. Board of Education*. (*Wysinger v. Crookshank* (1890) 82 Cal. 588.) In 1924, the Court ruled that Native American students were entitled to the same access to public education as other residents in *Piper v. Big Pine School District*. (*Piper v. Big Pine School District* (1924) 193 Cal. 664.) Later, in 1947, California Mexican-American families won a landmark ruling in *Mendez v. Westminster*; there, the court held that the 14th Amendment and California law were violated when students of Mexican descent were segregated into separate classrooms and schools, laying further key groundwork for *Brown v. Board of Education* a few years later. (*Mendez v. Westminster* (1946) 64 F.Supp. 544.) Building on the momentum of the Chicano student walkouts in protest of educational inequities in Los Angeles, in 1947, a committed group of parents and students successfully challenged the unequal state school funding scheme in the *Serrano* case. *Serrano* found that the scheme for funding day-to-day school operations at issue there "invidiously discriminates against the poor because it makes the quality of a child's education a function of the wealth of his parents and neighbors." (*Serrano v. Priest* (1971) 5 Cal.3d 584, 589.) The reforms that began with *Serrano* have rolled forward over the ensuing fifty years. With the 2013 passage of the Local Control Funding Formula (LCFF), the State now provides *greater* funding to districts with higher concentrations of low-income students, English Learners and foster youth, creating thereby one of the most progressive statewide funding formulas in the nation.

6. Many of these landmark rulings and the corresponding legislative enactments have set precedents for the nation which other courts and states have come to follow. Not so with the problem presented by this case and the State's provision of school facility quality. *Serrano* and LCFF reforms have addressed only the State's funding of day-to-day school operations. Meanwhile, the State's scheme for financing capital improvements to school facilities has remained mired in a world where *Mendez*, *Brown* and *Serrano* do not exist, where separate and unequal is acceptable and where the very gears of opportunity are purposefully aligned to provide more to those who have more and less to those who have less. Plaintiffs and the students, parents, teachers and administrators from across the state standing with this lawsuit join the historical legacy of communities of color and low-income communities advocating for educational equity in seeking school facilities that are conducive to learning, creativity, and that instill a sense of pride and possibility in every student. Equitably funding California school modernization is the obvious and essential great unfinished work of the state's equitable school funding reforms. By this action, Plaintiffs pray that it begins.

JURISDICTION AND VENUE

7. The Superior Court for the State of California has personal jurisdiction over Defendants because they are domiciled in the State of California and Defendants' activities, which give rise to this action, occurred in the State of California. (Civ. Proc. Code § 410.10.)

8. Venue is proper in this County pursuant to California Code of Civil Procedure sections 395(a), 395.5. and 401. (Civ. Proc. Code §§ 395, subd. (a), 395.5, 401.)

PARTIES

9. The individual plaintiffs, hereinafter referred to collectively as “Individual Plaintiffs,” include:

10. Plaintiff **Miliani R.** is a student at Coachella Valley High School in Coachella Valley Unified School District (“Coachella Valley USD”). Throughout the entirety of her education thus far, she has only attended schools within Coachella Valley USD, attending Cesar Chavez for elementary school and Cahuilla Desert Academy for middle school. Plaintiff Miliani R. has personally witnessed the inadequate facilities in her district, like classrooms temperatures reaching

1 over 85 degrees Fahrenheit, unclean bathrooms with broken sinks, outdated and dirty water
2 fountains, buckets in classrooms that catch rain leaking in from the roof, and ceiling tiles stained
3 with urine from rats and other animals living in the spaces above. As a student attending public
4 school in California and resident in California, Plaintiff Miliani R. has been directly impacted by
5 the SFP funding scheme for school facilities modernization.

6 11. Plaintiff **Sandra Ramirez** is a parent of four children who all attended schools in
7 Coachella Valley USD as English Learners for primary and secondary school. Currently, her
8 youngest child is entering his senior year at Coachella Valley High School. Plaintiff Ramirez has
9 volunteered at Coachella Valley USD schools since her eldest child started Kindergarten, roughly
10 eighteen years ago. Through her volunteer work, she personally witnessed and experienced the
11 inequities in her children's school facilities, including deteriorating and outdated school sites,
12 cracked and hazardous cement pathways surrounding the school sites, faulty and outdated air
13 conditioning systems, unshaded outdoor eating areas—where temperatures can exceed 110
14 degrees—forced relocation and shared spaces for school events, and dysfunctional water fountains
15 with visible buildup of mold. As a parent of children attending public school in California, taxpayer,
16 and resident in California, Plaintiff Ramirez has been directly impacted by the SFP funding scheme
17 for school facilities modernization.

18 12. Plaintiff **Raul Leon** is a parent of three children who all attended schools in Salinas
19 City Elementary School District (“Salinas City ESD”) and a third-grade teacher at Lincoln
20 Elementary School in the district. He also coaches the after-school basketball and volleyball teams
21 for the school and serves as its technology lead. All three of his children attended Lincoln
22 Elementary School and, currently, all but his oldest child still attend school there. Plaintiff Leon
23 has personally witnessed and experienced the inadequate facility conditions at Salinas City ESD
24 through the various roles he has served in the district and through being a parent of students in the
25 district. For example, at Lincoln Elementary School, he has witnessed the old and outdated
26 infrastructure of the century old site, cobbled and uneven stones in the courtyard, antiquated and
27 easily-clogged toilets and bathroom stalls, humid and hot portable restroom facilities, lack of ADA
28 compliant accommodations, leaks and decayed walls in portable classrooms, black mold, dry rot,

1 worn-down athletic equipment and inadequate athletic facilities, and hazardous playground areas
2 filled with unsafe woodchips. As an educator and parent of students attending public school in
3 California, taxpayer, and resident in California, Plaintiff Leon has been directly impacted by the
4 SFP funding scheme for school facilities modernization.

5 13. Plaintiff **Perla Penalber** is an educator at Coachella Valley High School in
6 Coachella Valley USD. Her teaching career in Coachella Valley USD has spanned 28 years, and
7 she has worked in her current position as a history teacher at Coachella Valley High School since
8 2012. Plaintiff Penalber has personally witnessed and experienced the inadequate facility
9 conditions at Coachella Valley USD through her role as an educator. For example, she has
10 witnessed mold damage, water damage, poor ventilation, failing air conditioners, and persistent
11 internet issues in her classroom as well as a lack of sufficient and sanitary restrooms and spaces for
12 meetings and conferences. As an educator of students attending public school in California,
13 taxpayer, and resident in California, Plaintiff Penalber has been directly impacted by the SFP
14 funding scheme for school facilities modernization.

15 14. Plaintiff **Karesha Boyd** is a mother of four children, three of which have attended
16 at least one school in Stockton Unified School District (“Stockton USD”). Plaintiff Boyd is a
17 dedicated, active parent and also a former Stockton USD student. Over the last fourteen years,
18 Plaintiff Boyd has held many leadership roles in parent governance, including former President of
19 the Stockton USD Parent Advisory committee and current Vice President of the African
20 American/Black Parent Advisory Committee and Parent Ambassador. As a parent and in her
21 various parent governance roles, Plaintiff Boyd has personally observed the aged, outdated, and
22 unsafe facilities of several schools in Stockton USD. For example, Plaintiff Boyd has observed that
23 many of the schools look the same as they did when she attended them twenty years ago. She has
24 observed that many schools rely on old portable trailers as classrooms and that these portables lack
25 proper ventilation. She has also observed outdated athletic facilities at the high schools that lack
26 proper lighting to allow youth to practice at night and fields that are unsafe for students to play on.
27 Plaintiff Boyd’s son was denied the opportunity to participate in a Science, Technology,
28 Engineering and Mathematics (“STEM”) program because his high school did not have functioning

1 science laboratories. As a parent of children attending public school in California, taxpayer and
2 California resident, Plaintiff Boyd has been directly impacted by the SFP funding scheme for school
3 facilities modernization.

4 15. Plaintiff **D'arcy Villere** is a parent of three children all currently attending public
5 school in Firebaugh-Las Deltas Unified School District ("Firebaugh USD") and a former educator
6 in California public schools. He is active at his children's schools, volunteering and serving as the
7 Treasurer of the Bailey Preschool Parent Club for the 2022-2023 and 2024-2025 school years.
8 Plaintiff Villere is onsite at Bailey Preschool, Bailey Primary, and Firebaugh High School most
9 weekdays as he takes them to school and picks them up nearly every school day. Through his role
10 as volunteer and involved parent at Firebaugh USD, he has personally witnessed and experienced
11 the inadequate facility conditions in the district. For example, outdated and deteriorating portable
12 classrooms, water damage, warped wooden structures, rusted metal entryways, air conditioning
13 systems in poor condition, hot, humid, and dusty classrooms, poor insulation, poor ventilation, and
14 unshaded playground structures and recess areas. As a parent of children attending public school
15 in California, taxpayer, and resident in California, Plaintiff Villere has been directly impacted by
16 the SFP funding scheme for school facilities modernization.

17 16. Plaintiff **Brenda Contreras** is a parent of four children all currently attending public
18 school in Salinas. Her daughter currently attends Harden Middle School in Salinas Union High
19 School District ("Salinas Union HSD") and her sons, triplets, all attend Boronda Elementary School
20 Dual Immersion Academy of Salinas ("Boronda DIAS") in Salinas City ESD. Plaintiff Contreras
21 is an active member at her children's schools, sitting as the secretary of the English Learner
22 Advisory Committee ("ELAC") at Boronda DIAS and as the President of the District English
23 Learner Advisory Committee ("DELAC") for Salinas City ESD. She also volunteers in a variety
24 of other school committees and activities and attends School Site Council ("SSC") meetings, where
25 teachers, parents and principals collaborate to improve student outcomes and address school needs
26 through funding and programming. Through her consistent and direct involvement with the schools
27 in Salinas City ESD and Salinas Union HSD, she has personally witnessed and experienced the
28 inadequate conditions of school facilities in these districts. For example, Plaintiff Contreras has

1 personally witnessed cracked cement leading up to Boronda DIAS, ill-maintained roofs, stained
2 sinks, reliance on portable classrooms, a portable-housed library and cafeteria, a lack of adequate
3 space for events and meetings, outdated and insufficient restroom spaces, and a lack of campus
4 security to ensure student, faculty, and staff safety. As a parent of children attending public school
5 in California, taxpayer, and resident in California, Plaintiff Contreras has been directly impacted
6 by the SFP funding scheme for school facilities modernization.

7 17. Plaintiff **Audrey Casas** is currently an educator in the Lynwood Unified School
8 District (“Lynwood USD”). She has taught at Lynwood High School for six years and worked in
9 the district for twenty-four years, including as a clerk and secretary. Plaintiff Casas has personally
10 witnessed and experienced the inadequate and dangerous facility conditions at Lynwood High
11 School. For example, she has witnessed a makeshift wall splitting her classroom lacking working
12 outlets and soundproofing, making it hard to teach due to all the noise, unstable and smelly trailers
13 used as classrooms, faulty and outdated air conditioning systems, requiring students to gather in
14 front of fans that produce warm air, or in front of loud, portable air conditioners, relocation of her
15 classroom to the library when it is too hot where there is limited space and poor acoustics, a cafeteria
16 with insufficient space to seat students and prepare non-frozen meals, staff bathrooms with broken
17 locks and no privacy, a library with very few books and chipped and broken stairs, making it
18 inaccessible for those with disabilities, poor outside grounds that easily flood, and dangerous
19 conditions on the fields, including gopher holes and uneven ground, which have led to multiple
20 student injuries, including a broken ankle and sprained arm. As an educator of students attending
21 public school in California, taxpayer, and resident in California, Plaintiff Casas has been directly
22 impacted by the SFP funding scheme for school facilities modernization.

23 18. Plaintiff **Angelica G.** is a student currently attending San Bernardino High School
24 in the San Bernardino City Unified School District (“San Bernardino City USD”). Through her
25 time as a student at San Bernardino High School, Plaintiff Angelica G. has personally witnessed
26 and experienced the inadequate facility conditions in San Bernardino City USD. For example, she
27 has personally witnessed dilapidated bathroom facilities with broken stairs, scratched mirrors,
28 flooded sinks, and inadequate space to support the number of people utilizing them, inadequate

1 cafeteria space, cracked walls, hot and humid classroom conditions, a lack of shaded outdoor areas,
2 faulty air conditioning, poor ventilation, ill-maintained and unsanitary water fountains with
3 lukewarm water, cracked and peeling exterior paint, and cockroaches and unsanitary conditions in
4 classrooms. As a student attending public school in California and resident in California, Plaintiff
5 Angelica G. has been directly impacted by the SFP funding scheme for school facilities
6 modernization.

7 19. Plaintiff **Brenda Rivera** is the parent of two children in Lynwood USD as well as
8 an educator within the district. Plaintiff Rivera has worked for the district since 2017 and herself
9 attended Lynwood USD schools growing up. Plaintiff Rivera has been on the school site council
10 for Rosa Parks Elementary School and Lynwood High School. Plaintiff Rivera has personally
11 witnessed the aging and deteriorating conditions within Lynwood USD. For example, Lynwood
12 High School has the same air conditioning units as when Rivera was a student there in 1994, the
13 portables lack air conditioning in the restrooms so there is a marked bad odor, leaking roofs causing
14 water damage to books and bookshelves, inadequate indoor or shaded spaces for students to eat
15 their lunches outside of the hot sun, loose irrigation hoses that cause students to trip, and stray
16 bullets entering campus because of gaps in the fence. As a parent of students attending public school
17 in California, taxpayer, and resident in California, Plaintiff Rivera has been directly impacted by
18 the SFP funding scheme for school facilities modernization.

19 20. Plaintiff **Cynthia Pérez** is an Office Assistant at Hosler Middle School within
20 Lynwood USD. Plaintiff Pérez has worked in this position since January 2025. Previously Pérez
21 worked within the Norwalk-La Mirada School District. Plaintiff Pérez has personally witnessed the
22 difference between Lynwood USD and Norwalk-La Mirada School District. At Hosler Middle
23 School, Pérez has seen aging and decrepit restrooms where sinks are broken and bathroom stalls
24 do not have locks, pest problems in administrative work areas, leaks in classrooms causing mildew
25 odors, a lack of outdoor space for physical education classes, poor drinking water quality and run-
26 down locker rooms with unusable showers. As a staff member at a public school in California,
27 taxpayer, and resident in California, Plaintiff Pérez has been directly impacted by the SFP funding
28 scheme for school facilities modernization.

1 21. Plaintiff **Areli Landa** is a resident of Calexico, California. Plaintiff Landa currently
2 has two children that attend Dool Elementary School within Calexico Unified School District. She
3 is actively involved in the school and is a part of the Community Schools Committee. Through her
4 involvement with the school community, Plaintiff Landa has directly witnessed the old and
5 decaying facilities at Dool Elementary. For example, she has observed that there is no adequate
6 indoor area for kids to play when the temperature gets too hot, as it often does in Calexico. Her
7 own children have come home with heat stroke from playing outside without shade. She has also
8 smelled the odor that is in many of the bathrooms because the plumbing is so old at Dool
9 Elementary and in need of total replacement. She has seen peeling paint in many of the classrooms.
10 As a parent of children attending public school in California, taxpayer, and resident in California,
11 Plaintiff Landa has been directly impacted by the SFP funding scheme for school facilities
12 modernization.

13 22. Plaintiff **Norma Sandoval** grew up attending schools in Parlier Unified School
14 District (“Parlier USD”) and currently has a daughter who is enrolled in Parlier Junior High.
15 Plaintiff Sandoval is involved in the schools as a parent volunteer and Safety Coordinator, which
16 has allowed her to observe many schools across the district. She has observed leaky ceilings with
17 water stains, cracked tiles and malfunctioning security gates. Her daughter experiences hot
18 classrooms due to a lack of appropriate ventilation and sinks and toilets that are old and do not
19 properly drain water. As a parent of a child attending public school in California, taxpayer, and
20 resident in California, Plaintiff Sandoval has been directly impacted by the SFP funding scheme
21 for school facilities modernization.

22 23. Plaintiff **Pastor Herbert James** (“Jim”) Hopkins is a resident of Alameda County
23 and the Emeritus Pastor of the Lakeshore Avenue Baptist Church in Oakland where he has
24 ministered since 1989. A graduate of the Berkeley School of Theology, Pastor Hopkins has also
25 served, among other positions, as Co-Chair of the Faith in Action East Bay Board, a PICO
26 California-affiliated organization involved in, among other things, state and local educational
27 equity advocacy, and as President of the American Baptist Ministers Council of Northern
28 California. Pastor Hopkins is deeply concerned about the unequal provision of modernization

1 funding and educational opportunity across the state resulting from the operation of the School
2 Facilities Program. Pastor Hopkins, as a resident and taxpayer in Alameda County has standing to
3 challenge the illegal state funding scheme at issue in this lawsuit pursuant to, Code of Civil
4 Procedure section 526, subdivision(a).

5 24. The organizational plaintiffs, hereinafter referred to collectively as “Organizational
6 Plaintiffs,” include:

7 25. Plaintiff **True North Organizing Network** is an Indigenous-led nonprofit
8 organization with offices located in Eureka and Crescent City, California. Through their work,
9 Plaintiff True North develops local leadership in communities across Tribal Lands, Del Norte, and
10 Humboldt Counties. True North staff support families, elders, and students to challenge social,
11 economic, and environmental injustice in that region. Plaintiff True North has been advocating for
12 students in Del Norte Unified School District—one of the lowest performing school districts in
13 California—since its founding in 2016. True North advocates for students’ right to a quality
14 education, including healthy school lunches, accountable district leaders, equitable and safe
15 facilities, and a culturally appropriate curriculum. True North itself and its members have paid
16 and/or have been liable for a tax in the previous twelve months. As a taxpaying organization based
17 in California, Plaintiff True North has standing to challenge the illegal state funding scheme at issue
18 in this lawsuit pursuant to Code of Civil Procedure section 526, subdivision(a).

19 26. Plaintiff **Alianza Coachella Valley** is a nonprofit organization devoted to
20 expanding economic, environmental, and education justice for the Coachella Valley and the Salton
21 Sea region of Eastern Riverside County and Imperial County. Through their education justice work
22 they advocate to secure funding to improve school grounds and create restorative learning
23 environments, including modernization, to make the schools more vibrant and inspiring, to
24 encourage growth, and to ensure the students have the necessary environment for learning. As a
25 taxpaying organization based in California, Plaintiff Alianza has standing to challenge the illegal
26 state funding scheme at issue in this lawsuit pursuant to Code of Civil Procedure section 526,
27 subdivision (a).

1 27. Plaintiff **Inland Congregations United for Change** is a nonprofit organization
2 dedicated to empowering people of faith to improve their local San Bernardino, Riverside, and
3 Coachella Valley communities through civic work. They train local congregation members on
4 faith-based civic engagement and practical community organization efforts. Plaintiff ICUC has
5 been involved with organizing in the San Bernardino City Unified School District (“San Bernardino
6 City USD”) for decades, including advocating for repairs and modernization projects in San
7 Bernardino City USD and has, in addition, been organizing parents, including for educational
8 equity, in the Coachella Valley USD. As a taxpaying organization based in California, Plaintiff
9 ICUC has standing to challenge the illegal state funding scheme at issue in this lawsuit pursuant to
10 Code of Civil Procedure section 526, subdivision (a).

11 28. The defendants, include:

12 29. Defendant **State of California** is the legal and political entity with plenary
13 responsibility for educating all California public school students, including the responsibility to
14 establish and maintain the system of common schools and a free education under Article IX, section
15 5 of the California Constitution, and to assure that all California public school students receive their
16 individual and fundamental right to an equal education, under the equal protection clauses of the
17 California Constitution, Article I, section 7(a) and Article IV, section 16(a).

18 30. Defendant **State Allocation Board (“SAB”)** is a statutorily-created body pursuant
19 to Government Code section 15490 that comprises the Director of Finance, the Director of General
20 Services, a Governor appointee, and the Superintendent of Public Instruction as well as three state
21 senators and three state assembly members. The SAB is responsible for the administration of the
22 State School Facility Program and is authorized and empowered to make apportionments and
23 disbursements of funds for the 2024 State School Facilities Fund pursuant to Education Code
24 sections 17070.42, subdivision (b)-(c). The SAB’s power to apportion funds includes the power to
25 allocate funds “for the purpose of eligible new construction, modernization, or hardship *approved*
26 *by the Board* for an applicant school district” pursuant to Education Code section 17070.15
27 subdivision (a) (emphasis added).
28

31. Defendant **Office of Public School Construction (“OPSC”)** is under the authority of the state of California’s Department of General Services. As staff to the SAB, the OPSC implements and administers school facilities construction programs. OPSC’s responsibilities include processing and funding school facility construction grant applications, assisting school districts throughout the life cycle of a school facilities construction project, auditing school facility construction project expenditures, accounting and reconciliation functions, providing administrative support for the SAB, and preparing regulations, policies, and procedures in order to carry out the mandates of the SAB.

32. Defendant **State School Building Finance Committee (“Committee”)** is a statutorily-created body pursuant to Education Code section 15900 that is authorized and empowered to create debts and liabilities of the state, such as bonds, for the purpose of creating a fund to provide aid to school districts of the state. Pursuant to Education Code section 15909, the committee is composed of the Governor, Controller, Treasurer, Director of Finance, and Superintendent of Public Instruction.

33. Defendant **California Department of Education** is the department of State government responsible for administering and enforcing the laws related to education, including those related to the provision of equal opportunity. Pursuant to Education Code sections 33300-16, the State Department of Education is responsible for revising and updating budget manuals, forms, and guidelines, cooperating with federal and state agencies in prescribing rules, regulations, and instructions required by those agencies, and assessing the needs and methods of collecting and disseminating financial information.

34. Plaintiffs presently do not know the names or capacities of other defendants responsible for the wrongs described in this Complaint, and, pursuant to California Code of Civil Procedure section 474, sue such defendants under the fictitious names **Does 1 through 100** inclusive.

FACTUAL ALLEGATIONS

ADEQUATE SCHOOL FACILITIES ARE IMPORTANT TO STUDENT OUTCOMES

1 35. Statewide, California school facilities are in desperate need of modernization. The
2 state auditor estimated in a 2022 report that \$7.4 billion in State funding would be required to meet
3 modernization needs for school facilities over the next five years.² And independent researchers
4 estimate “statewide public K-12 school facility inventory needs at least \$15 billion in total capital
5 renewal investment each year.”³

6 36. Adequate school facilities are integral to positive student outcomes. Research has
7 demonstrated a positive correlation between increased spending on capital expenditures in schools
8 and student outcomes. To illustrate, a study by Jackson and Mackevicius in 2023 analyzed nine
9 other studies investigating capital construction projects—e.g., facility spending—and their impact
10 on student test scores and rates of college attendance. The study found that funding capital
11 expenditures like facilities had a positive impact on students and that the “effects of capital spending
12 are similar to non-capital, and effects are similar across baseline spending levels and geography.”⁴
13 Moreover, the positive effects of such capital investments were observed to resonate 4 to 6 years
14 later across the spectrum. In one of the studies evaluated, the “results consistently suggest that
15 passing a bond measure increases achievement among low- but not high-SES (socioeconomic
16 status) students.”⁵

17 37. A 2024 study by Biasi, Lafortune, and Schonholzer demonstrates that capital
18 expenditures in the following categories correlated with the greatest benefits to student outcomes:
19 a) heating, ventilation and air conditioning (HVAC) systems; b) science facilities; c) health and
20
21

22 ² (Michael S. Tilden, *School Facilities Program: California Needs Additional Funding and a More*
23 *Equitable Approach to Modernizing its School Facilities*, Cal. State Auditor’s Off. 4 (Jan. 27,
2022), <<https://information.auditor.ca.gov/reports/2021-115/index.html#section3>>.)

24 ³ (Sara Hinkley, *Moving to Equity: California School Facility Program Reform*, CENTER FOR
25 CITIES+SCHOOLS (May 21, 2024), <<https://citiesandschools.berkeley.edu/blog/moving-to-equity-california-school-facility-program-reform/>>.)

26 ⁴ (C. Kirabo Jackson & Claire L. Mackevicius *What impacts can we expect from school spending*
27 *policy? Evidence from evaluations in the US*. American Economic Journal: Applied Economics, 4
(2024).)

28 ⁵ (Emily Rauscher, *Delayed Benefits: Effects of California School District Bond Elections on*
Achievement by Socioeconomic Status, EdWorkingPaper No.19-18 (May 2019),
<<https://edworkingpapers.com/sites/default/files/ai19-18.pdf>>)

1 safety measures; d) plumbing, roofing, and furnaces; and e) classroom improvements.⁶ The authors
2 observed how “socio-economically disadvantaged districts benefit more from capital outlays, even
3 conditioning on project type and the existing capital stock” and that “closing the spending gap
4 between high- and low-SES districts and targeting spending towards high-impact projects may
5 close as much as 25% of the observed achievement gap between these districts.”⁷

6 38. Studies further demonstrate the importance of functioning HVAC equipment by its
7 effect on student learning:

8 We demonstrate that heat inhibits learning and that school air-
9 conditioning may mitigate this effect. Student fixed effects models
10 using 10 million PSAT-retakers show hotter school days in years
11 before the test reduce scores, with extreme heat being particularly
12 damaging. Weekend and summer temperature has little impact,
13 suggesting heat directly disrupts learning time. New nationwide,
14 school-level measures of air-conditioning penetration suggest
15 patterns consistent with such infrastructure largely offsetting heat’s
16 effects. Without air-conditioning, a 1°F hotter school year reduces
17 that year’s learning by one percent. Hot school days
18 disproportionately impact minority students, accounting for roughly
19 five percent of the racial achievement gap.⁸

20 39. Other research shows that “when learning is taking place in inadequate facilities,
21 there tends not to be as clear a focus on academics, and the learning environment is less likely to
22 be perceived as orderly and serious. Where school buildings are shabby and inadequate, there is
23 less likely to be the kind of community engagement that supports teaching and learning.”⁹
24 Additionally, the lack of funding of schools in low-income areas often causes talented teachers to
25 move to wealthier districts, which can impact student outcomes.¹⁰

26 **MODERNIZATION FUNDING FOR SCHOOL FACILITIES**

27 ⁶ (Barabara Biasi, Julien Lafortune, , & David Schönholzer *What Works and for Whom? Effectiveness and Efficiency of School Capital Investments across the US*(No. 16713), IZA Institute of Labor Economics (Jan. 2024).)

28 ⁷ *Id.*, Abstract.

⁸ (Joshua Goodman, et al., *Heat and Learning*, EdWorkingPaper No.19-30 (April 11, 2019) Retrieved from Annenberg Institute at Brown University: <<http://edworkingpapers.com/ai19-30>>.)

⁹ (Cynthia Uline & Megan Tschannen-Moran, *The walls speak: The interplay of quality facilities, school climate, and student achievement* Journal of Educational Administration, (2007) 46(1), 55-73, p. 66 < <https://trigroup.us/wp-content/uploads/2021/06/1-Research-Article-The-Walls-Speak.pdf>>.)

¹⁰ (Rachel R. Ostrander, *School Funding: Inequality in District Funding and the Disparate Impact on Urban and Migrant School Children*, 2015 B.Y.U. Educ. & L.J. (2015) 271, 272.)

1 40. State funding for school facility modernization is administered through California’s
2 School Facility Program, governed by the Leroy F. Greene School Facilities Act of 1998, Education
3 Code sections 17070.10 *et seq.*, and its implementing regulations. The SFP allocates limited State
4 funding to public schools for facility modernization, among other functions. “Modernization”
5 means any “modification” of a permanent school structure that is at least twenty-five years old, or
6 a portable classroom that is at least twenty years old, for the purpose of enhancing the structure’s
7 “ability to achieve educational purposes.”¹¹

8 41. Modernization funds are available to local school districts for improvements to the
9 physical condition of their school facilities, such as by improving lighting and electrical systems,
10 repairing plumbing, securing roofing, and updating technology.¹² The vast majority of
11 modernization projects are funded at the local level. In recent years, as much as 84% of school
12 construction and modernization projects have been funded with local school bonds and other
13 revenues, with state funds providing 16%. Since the inception of the Leroy F. Green Act in 1998,
14 up to and including projects to be funded by Proposition 2 bonds that were submitted on or before
15 October 31, 2024, modernization projects receiving state funding from the SFP have generally been
16 funded up to 60 percent of the cost of the project.¹³ As will be discussed below, AB 247 continues
17 to allow all projects to receive at least a 60% state match, while allowing some districts to receive
18 up to a 65% match in future allocations. Analyses indicate this adjustment will not meaningfully
19 alter the inequitable allocation of state modernization funds. Eligibility for access to the state match
20 is conditioned on an individual school district’s ability to “match” the state funding by covering 40
21 percent of the project’s predicted cost.¹⁴

22
23
24 ¹¹ (Ed. Code §17070.15, subd. (l).)

25 ¹² (Michael S. Tilden, *School Facilities Program: California Needs Additional Funding and a More*
Equitable Approach to Modernizing its School Facilities, Cal. State Auditor’s Off. 4 (Jan. 27,
26 2022), <<https://www.auditor.ca.gov/reports/2021-115/index.html>>)

27 ¹³ (*School Facility Program Handbook*, Off. of Pub. Sch. Constr. 1, 37 (Jan. 2019); see also, e.g.,
28 Modernization Additional Grant for Side Development Necessary for 50 Years or Older Permanent
Buildings, Cal. Code Regs. tit. 2 § 1859.78.7; see also Lafortune & Gao, *Equitable State Funding*
for School Facilities, at 4.)

¹⁴ (*School Facility Program Handbook*, Off. of Pub. Sch. Constr. 1 (Jan. 2019).)

1 42. To obtain modernization funding, school districts must submit an application for
2 their project to Defendant Department of General Services, Office of Public School Construction.
3 OPSC reviews the application and determines whether the project is eligible for funding. Upon
4 review, OPSC makes a recommendation and transfers the application to Defendant State Allocation
5 Board to approve or reject the project. Once a project is approved by a vote of the State Allocation
6 Board, the project is placed on the unfunded approval list until funding becomes available.

7 43. Once voters approve a bond, Defendant State School Building Finance Committee
8 must vote to approve the sale of bonds. Once bonds are approved for sale, OPSC proceeds to direct
9 funds to approved projects through a process referred to as the Priority Funding round. During this
10 period of time, districts with projects that are on the unfunded approval list are eligible to submit a
11 request to OPSC for Priority Funding. OPSC reviews the applications and makes a recommendation
12 to the State Allocation Board to approve the project for funding.

13 **THE SFP MODERNIZATION FUNDING SCHEME DISCRIMINATES AGAINST LOW-**
14 **INCOME DISTRICTS ON THE BASIS OF WEALTH**

15 44. Historical data shows that it is easier to pass local bonds in higher-wealth, whiter
16 and higher-income districts as a general matter. The local bonds that are passed in higher-wealth
17 districts also tend to be for proportionately larger amounts and can be achieved with less tax effort
18 than experienced in low-wealth districts. Therefore, because the SFP's modernization funding
19 scheme requires local sources of funding for 40 percent of the cost for a modernization project,
20 higher-wealth districts, which are better able to raise local funds to meet the match requirement,
21 are treated more favorably in accessing SFP modernization funds.¹⁵

22 45. Higher-wealth districts also benefit from SFP's first-come, first-served funding
23 system. Higher-wealth districts have more staff and resources that enable them to apply for grants
24 or donations that assist with projects and that enable them to apply for SFP funds more quickly than
25 lower-wealth districts.¹⁶ Significantly, higher-wealth districts can often independently finance and
26 complete their school projects and be reimbursed later by the State when the State replenishes the

27 ¹⁵ (Julien LaFortune & Niu Gao, *Equitable State Funding For School Facilities PUBLIC POLICY*
28 *INSTITUTE OF CALIFORNIA*, 21(Mar. 2022).)

¹⁶ *Id.* at 7.

1 SFP. Lower wealth districts, on the other hand, generally must have all their financing and plans in
2 place before they can enter the SFP queue and can begin modernizing projects only after SFP
3 funding is approved.¹⁷

4 46. Thus, wealthier districts that can raise more money from their own communities are
5 able to compound that advantage by securing more money from the State through more numerous,
6 more ambitious and more quickly processed projects.¹⁸ As a result, lower-wealth districts have
7 received nearly 60% less in SFP modernization funding than higher-wealth districts since 1998.¹⁹

8 47. What is more, even when lower-wealth districts can pass a bond, these funds must
9 often first go to the most essential and basic modernization projects – typically those related to
10 health and safety like repairing roofs, replacing bathrooms and plumbing systems, and updating
11 wiring systems to comply with electrical codes. This reality leaves a large unmet need that SFP
12 modernization funding does not address; it can also undermine support for the schools and future
13 bonds if the local community does not perceive a difference in its schools’ appearance and operation
14 despite making significant investments.

15 48. The research has repeatedly borne out the inequitable distribution of educational
16 opportunity here. In 2015, the Legislative Analyst Office, when reviewing the SFP, concluded
17 that the current financing system “allows inequities based on school district property wealth.”²⁰ In
18 2018, the second round of Getting Down to Facts research again found that “districts that
19 received the most modernization funding tend to have higher assessed values, higher household
20
21
22

23 ¹⁷ (Michael S. Tilden, *School Facilities Program: California Needs Additional Funding and a*
24 *More Equitable Approach to Modernizing its School Facilities*, CAL. STATE AUDITOR’S
OFF., 14-18 (Jan. 27, 2022), <<https://information.auditor.ca.gov/reports/2021-115/index.html#section3>>.)

25 ¹⁸ In 2021, the Acting California State Auditor, Michael S. Tilden, acknowledged that the SFP’s
26 approach “disadvantages school districts that are unable to advance their projects with their own
local funds while waiting for state funding.” (*Id* at p. 3).

27 ¹⁹ (Julien LaFortune & Niu Gao, *Equitable State Funding For School Facilities PUBLIC POLICY*
INSTITUTE OF CALIFORNIA, 10 (Mar. 2022).)

28 ²⁰ (Mac Taylor, *Rethinking How the State Funds School Facilities*, *LAO*, 3 (2015)
<<https://lao.ca.gov/reports/2015/budget/school-facilities/school-facilities-021715.pdf>>.)

1 incomes, and less enrollment growth.”²¹ In 2021, the Acting California State Auditor, Michael S.
2 Tilden, acknowledged that the SFP’s approach “disadvantages school districts that are unable to
3 advance their projects with their own local funds while waiting for state funding.”²² And in 2022,
4 The Public Policy Institute of California found that, since 1998, school districts with students
5 from lower-income households received \$860 less, per student, from the State for their facilities
6 projects than districts with students from higher-income households.²³

7 49. The data comparing the distribution of the amount of modernization funding over
8 the last 24 years is illustrative. When looking at the assessed property value of districts divided by
9 their student enrollment or “assessed value per pupil”, it is clear that the two quintiles of districts
10 with the highest AVPP have been successful in capturing the most modernization funds while the
11 districts in the lowest two quintiles have captured the least amount of modernization funds.

12 50. The below table represents data by quintile. Each quintile reflects one fifth of the
13 over 800 school districts for which data is available. The first quintile is comprised of the lowest
14 wealth districts, and the fifth quintile is comprised of the highest wealth districts. When the table
15 references bonding capacity per student it is referring to a school district’s capacity to issue debt.
16 Gross bonding capacity is calculated by multiplying the applicable school district’s total assessed
17 value by the school district’s specified tax cap. The numbers in this table are the median of each
18 quintile’s gross bonding capacity divided by the total number of enrolled students in a district. The
19 row for median unduplicated students is referencing students who fall into any or all of these
20 categories: (1) low-income students, defined as those eligible for free or reduced price meals, (2)
21 English learners, and (3) foster youth. The table indicates that the lowest wealth districts have the
22 highest percentage of unduplicated students (high needs students).

23 ²¹ (Eric J. Brunner & Jeffrey M. Vincent, *Financing School Facilities in California: A 10-Year*
24 *Perspective*, (Sept. 2018) <https://gettingdowntofacts.com/sites/default/files/2018-09/GDTFII_Brief_Facilities.pdf>)

25 (Michael S. Tilden, *School Facilities Program: California Needs Additional Funding and a More*
26 *Equitable Approach to Modernizing its School Facilities*, Cal. State Auditor’s Off., supra 19, 14-
18 (Jan. 27, 2022), <<https://information.auditor.ca.gov/reports/2021-115/index.html#section3>>.)

27 ²³ (Julien La Fortune, Niu Gao & Mary Severance *Policy Brief: Equitable State Funding for*
28 *School Facilities*, <https://www.ppic.org/publication/equitable-state-funding-for-school-facilities/>>)

Table 1: Quintiles of AVPP, 1998-2022

Median SFP Modernization Funding per Student, 1998-2022	\$3,255	\$4,304	\$5,801	\$6,749	\$8,487
Number of Districts	161	160	160	160	160
Total Enrollment	1,214,690	1,069,369	1,121,226	1,203,730	421,727
Percentage of Statewide Enrollment	24.15%	21.26%	22.29%	23.93%	8.38%
Median AVPP	\$555,677	\$968,436	\$1,478,184	\$2,460,569	\$6,398,073
Median Bonding Capacity per Student	\$8,911.62	\$14,761.42	\$22,660.46	\$36,490.81	\$94,866.54
Median Unduplicated Student %	85%	69%	64%	52%	41%
Number of Small School Districts	8	13	14	26	49

THE HARDSHIP EXCEPTION DISCRIMINATES AGAINST LOW-WEALTH DISTRICTS BY REQUIRING THEM TO MEET A MORE BURDENSOME STANDARD TO QUALIFY FOR MODERNIZATION FUNDS AND IS INSUFFICIENT

51. For lower-wealth districts that cannot raise the statutory minimum match for their project, they can apply for a “hardship status” which requires them to go through an additional onerous application process imposing additional burdensome eligibility criteria. To qualify for hardship status, a district must show at least one of the following: (1) that it has a current outstanding indebtedness of at least 60% of its total bonding capacity; (2) that its bonding capacity threshold is lower than \$15 million; (3) that within the last two years it held a bond election for at least the maximum amount allowed under Proposition 39; (4) and, for County Offices of Education, that the County Superintendent has performed a complete financial review; or (5) that it can

1 demonstrate “other evidence of reasonable efforts.”²⁴ Additionally, the district is required to show
2 that it is levying the maximum amount of developer fees—fees that a school district is authorized to
3 levy against construction within the district for the purpose of funding the construction or
4 reconstruction of school facilities. *School Facility Program Handbook*, at 64–65.

5 52. Once a district is in hardship status, the OPSC continues to monitor the district and
6 it is subject to rigid and punitive rules that do not exist in the main modernization program. For
7 example, hardship status districts, unlike other applicants, must apply any expenses exceeding
8 projections – a quite common occurrence in an era of inflation and with the long delay between
9 project application and actual construction work for low-wealth districts – against future financial
10 hardship contributions.²⁵ This creates a greater incentive for hardship districts to cut costs by
11 building lower quality facilities. This is yet another way in which low-income districts are
12 disfavored by the SFP.

13 53. In practice, the hardship exception has offered only illusory relief. Projects funded
14 through the hardship exception account for only 7% of those funded by the SFP in total.²⁶ The
15 State’s “hardship funding” solution has been ineffective in solving the hardship problem.

16 **THE DISCRIMINATORY ALLOCATION OF FUNDS LEADS TO UNSOUND**
17 **FACILITIES HARMING STUDENT HEALTH AND IMPEDING LEARNING IN LOW-**
18 **WEALTH DISTRICTS**

19 54. The State’s current system denies students in lower-wealth districts the fundamental
20 right to educational equality. Their access to critical modernization funding falls “fundamentally
21 below prevailing statewide standards” and the disparity has a “real and appreciable” impact on
22 students’ fundamental right to education.²⁷

23 55. Lower-wealth districts are simply unable to maintain their facilities at the level
24 enjoyed by most students in the State. A reputable research report has concluded that 38% of

25 ²⁴ (*School Facility Program Handbook*, Off. of Pub. Sch. Constr. 64-65 (Jan. 2019).)

26 ²⁵ (*School Facility Program Handbook*, Off. of Pub. Sch. Constr. 81 (Jan. 2019).)

27 ²⁶ (Niu Gao & Julien Lafortune, Equitable State Funding for School Facilities PUBLIC POLICY
28 INSTITUTE OF CALIFORNIA 6-7); see also Carolyn Jones, *Many Rural California
Communities are Desperate for School Construction Money. Will a New Bond Measure Offer
Enough Help?*, CAL MATTERS (Nov. 27, 2023),
<<https://calmatters.org/education/2023/11/school-construction-2/>>).

²⁷ *Id.* at 3.

1 students go to schools that do not meet the minimum facility standard and districts with higher-per-
2 student capital expenditures and assessed property values generally have better conditions.²⁸
3 Indeed, the experience on the ground illustrates schools in low-wealth districts commonly endure
4 decaying building interiors, dilapidated roofing,²⁹ dysfunctional HVAC systems and even toxic
5 black mold.

6 56. The poor conditions occasioned by the State’s modernization funding scheme have
7 an adverse effect on health, concentration, and student performance.³⁰

8 **AB 247 AND PROPOSITION 2 DO NOT FIX THE SYSTEMIC INEQUITIES VISITED**
9 **UPON LOW-WEALTH DISTRICTS BY THE STATE’S MODERNIZATION FUNDING**
10 **SCHEME**

11 57. The Legislature’s recent passage of AB 247 during the 2023-2024 regular session
12 of the Legislature resulted in a bond measure, Proposition 2, being submitted to the voters to fund
13 the SFP. California voters approved Proposition 2 in the November 2024 election.

14 58. Proposition 2 authorized the sale of \$10,000,000,000 in general obligation bonds to
15 fund school construction and modernization projects, with \$4,000,000,000 specifically earmarked
16 for school modernization funding. Education Code section 101412, subdivision (a)(2).

17 59. Proposition 2 did not submit the mechanics of the SFP modernization distribution
18 scheme to voter approval, merely the authorization of \$4 billion of bonded indebtedness. Instead,
19 the voters relied on the legislature to devise a lawful and constitutional scheme for the allocation
20 of the state bond funds pursuant to the provisions of AB 247.

21 60. AB 247 made minor adjustments to various provisions of the SFP concerning the
22 allocation of modernization funds, none of which alone or together meaningfully alter the systemic
23 historic inequities visited upon low-wealth districts by the State Defendants.

24 ²⁸ (Niu Gao & Julien Lafortune, *Improving K-12 School Facilities in California*, PUBLIC
25 POLICY INSTITUTE OF CALIFORNIA, NIU, 3 (Aug. 2020) < [https://www.ppic.org/wp-](https://www.ppic.org/wp-content/uploads/improving-k-12-school-facilities-in-california-august-2020.pdf)
26 [content/uploads/improving-k-12-school-facilities-in-california-august-2020.pdf](https://www.ppic.org/wp-content/uploads/improving-k-12-school-facilities-in-california-august-2020.pdf)>.)

27 ²⁹ (PBK Architects, Inc. *Five Year Facility Master Plan* Del Norte Unified School District 4-7, 4-
28 10, 4-15, 4-18, 4-23, 4-26, 4-45, 4-48, 4-61, 4-64, 4-69, 4-72, 4-80, 4-85, 4-88, 4-93, 4-96, 4-101,
4-104, 4-109, 4-112 (2022).)

³⁰ (Niu Gao & Julien Lafortune, *Equitable State Funding for School Facilities* PUBLIC POLICY
INSTITUTE OF CALIFORNIA 7–9, 21; *see also* Barbara Biasi, Julien Lafortune & David
Schönholzer, *What Works and For Whom? Effectiveness and Efficiency of School Capital*
Investments Across the U.S. 8, n. 9 (Jan. 2024).)

1 61. AB 247 left unchanged the first-come, first-served allocation of funds through the
2 SFP. Education Code section 17070.15 et seq.

3 62. AB 247 made only minor changes to the matching system of the SFP. Firstly, all
4 modernization projects submitted to the State by October 31, 2024, are subject to the prior 60%
5 state/40% local matching rules. Education Code section 17070.87. This provision could likely
6 expend over three-quarters of the Proposition 2 funds under the prior 60/40 matching rules as a
7 total of \$3.4 billion in project applications were received by the State Defendants by October 31,
8 2024, against the total \$4 billion available under Proposition 2 for modernization funding.

9 63. Second, as to the remainder of Proposition 2 funds, unless altered by future
10 legislation or future SFP modernization allocations, the following rules and state/local match
11 formulas will apply. All modernization projects will continue to receive at least a 60% match from
12 the State regardless of the wealth of the district applicant. Education Code section 17074.16,
13 subdivision (b)(5). AB 247 established a sliding scale to determine slight modifications in the
14 state/local match formula for certain districts based on the number of points between 3 and 16 that
15 a district is assigned. The maximum state match that the “most-favored” districts can receive is
16 65%, with those scoring fewer points receiving, in descending order, 63%, 62%, 61% or 60%. *Id.*
17 17074.16(b). Points are assigned based on four factors: district wealth, student demographics, very
18 small district status, and the existence of a project labor agreement. The lowest-wealth districts can
19 receive 4 points, the next poorest 3 points, then 2, and then on to the highest-wealth districts which
20 receive one point. Education Code section 17070.59, subdivision (a). Districts receive twice as
21 many points for their student demographics as compared to their wealth factor. Districts with the
22 most high-need students receive 8 points, the next most 6, then 4, then those districts with the
23 smallest percentage of high-need students receive 2 points. *Id.* 17070.59(b). Very small districts
24 with enrollment of 200 pupils or fewer receive 2 points and those with project labor agreements
25 another 2 points. *Id.* 17070.59(c)-(d).

26 64. The point system established in AB 247 reflects political compromises that largely
27 favor large urban districts and fails to remedy head-on the primary wealth-based discrimination
28 built into the SFP modernization funding scheme. Continuing to fund all modernization projects at

1 60% and only adjusting the maximum contribution from the state to 65% as set forth in AB 247 is
2 not a meaningful change and will not significantly alter historical allocation patterns.

3 65. Finally, AB 247 further introduced certain amendments to the hardship exception,
4 including most notably, a modest increase from \$5 million to \$15 million in total district bonding
5 capacity for one of the bases for establishing hardship eligibility. Education Code section 17075.15,
6 subdivision (d)(3). This increase will not capture a significantly broader swath of low-wealth
7 districts for financial hardship support.

8 66. The minor changes introduced by AB 247 as to future modernization allocations
9 will not meaningfully redress the ongoing systemic inequities built into the SFP scheme since its
10 inception. An analysis by the U.C. Berkeley Center for Cities and Schools concluded that the
11 modifications to the hardship exception enacted by AB 247 would not fully address the inequities
12 in State modernization funding³¹.

13 67. As such, even with the passage of AB 247, lower-wealth districts will continue to
14 face barriers effectively preventing their access to State modernization funds and stymying their
15 ability to provide equal educational opportunities to their students.

16 **HIGH-WEALTH DISTRICTS HAVE MORE READY ACCESS TO MODERN AND**
17 **SAFE FACILITIES**

18 68. High-wealth districts in the state of California are more readily able to provide their
19 students with facilities that are modern and safe because of their advantages under the State's
20 funding scheme. High-wealth districts have the funding to make capital upgrades consistently as
21 well as to implement facilities projects that extend beyond basic safety and systems replacement
22 measures to further the learning and well-being of their students. By way of just a few examples,
23 Laguna Beach Unified School District recently upgraded its decade-old track and field at Laguna
24 Beach High School with environmentally friendly materials that offer cooler temperatures and
25 reduce the risk of student injury. La Jolla Elementary School in San Diego Unified was able to
26 upgrade their play areas and structures in 2024, expand their parking lot to include a drop-off and

27 ³¹ (Sara Hinkley, *Moving to Equity: California School Facility Program Reform*, CENTER FOR
28 CITIES+SCHOOLS (May 21, 2024), <<https://citiesandschools.berkeley.edu/blog/moving-to-equity-california-school-facility-program-reform/>>.)

1 pick-up area and replace their former field with a grass field and walking track. Pasadena Unified
2 School District was able to install state-of-the-art front-entry security systems in many schools in
3 the district as well as upgraded surveillance cameras to ensure the safety of their students.

4 **69. Sunnyvale School District** (“Sunnyvale SD”) is located in Santa Clara County and
5 serves approximately 5,600 students across ten schools. The district is in the highest-wealth quintile
6 in terms of assessed value per pupil, ranking 756th out of 803 districts that data is available for, and
7 with \$7,519,769 in assessed value per pupil and a gross bonding capacity of \$553,514,688 as of
8 2023. While facilities within Sunnyvale are old, they are well-maintained and aesthetically
9 beautiful. There is fresh paint across the schools, no water stains and no tripping hazards. Each
10 school has an indoor cafeteria space and outdoor green spaces with shade. The air-conditioning is
11 well-functioning throughout these schools. Sunnyvale SD passed a bond measure in 2024 for \$214
12 million to continue the modernization and renovation of schools, including enhancing school safety,
13 upgrading technology and ensuring accessibility for students with disabilities. The impact of this
14 bond measure on Sunnyvale residents is projected at \$15 per \$100,000 of assessed value.

15 **70. Palo Alto Unified School District** (“Palo Alto USD”) is located in Santa Clara
16 County and serves approximately 10,200 students across eighteen schools. Palo Alto USD rarely
17 has to make the tough choices about whether they can afford certain projects or prioritize projects
18 for safety versus modernizing and upgrading. The district is in the highest-wealth quintile in terms
19 of assessed value per pupil, ranking 716th out of some 803 districts that data is available for, and
20 with \$4,674,237 in assessed value per pupil and a gross bonding capacity of \$1,273,760,000 as of
21 2023. Their schools have state-of-the-art facilities. Over the last ten years, Palo Alto USD has been
22 able to upgrade many of their campuses to house facilities that look like they belong on college
23 campuses. This includes renovated libraries, gymnasiums, a performing arts center and kitchens.
24 The state-of-the-art performing arts center with a beautiful Spanish mission architectural design
25 boasts a fully modern 500-seat auditorium. The latest gymnasium cost \$45 million and is in fact
26 two gymnasiums connected by an underground tunnel. All of the district’s elementary schools are
27 slated for playground renovations by a firm that provides inclusive and accessible playgrounds.

1 71. **Emery Unified School District** (“Emery” or “EUSD”) is located in Alameda
2 County. Emery is a small urban district wedged between Oakland and Berkeley, serving only 700
3 students in 3 schools, one elementary, one middle and one high school. The district, like many other
4 urban districts in California, has a high number of high-need students of color. Its student
5 population is 45% Black, 20% Latino, 88% students of color overall, and has an 80% high-
6 need/unduplicated pupil count for purposes of LCFF formula determinations. EUSD has the
7 advantage of serving a small student population in a jurisdiction whose tax base consists of
8 relatively few residential properties and a sizeable base of commercial properties, including
9 corporate headquarters for Pixar, Leapfrog, and Peet’s Coffee and a burgeoning bio-tech presence,
10 including the international biopharma firm, Grifols. The city also boasts numerous large retail
11 outlets which contribute to the district’s comparatively high level of assessed property values per
12 pupil, including a Best Buy, Target, Home Depot and IKEA. The district is in the highest-wealth
13 quintile of assessed value per pupil, ranking 783rd out of 803 districts that data is available for with
14 \$10,643,024 in assessed value per pupil and a gross bonding capacity of \$155,185,952.

15 72. In 2010, district voters passed Measure J authorizing \$95 million in bonds for school
16 construction and modernization in Emery. Without fully tapping this authority, EUSD was able to
17 renovate its elementary school and build an award-winning \$90 million K12 campus (with the City
18 footing approximately a third of the costs and occupying a commensurate amount of the campus).
19 The new campus boasts an elementary, middle and high school with up-to-date technology, a state-
20 of-the-art track and field, the city pool and fitness center, and a community health center staffed
21 with health professionals and offering medical and dental services (and a \$100,000 dental chair) to
22 enable students to be seen onsite during the school day, reducing the loss of learning time. All of
23 these updates to the district facilities were able to be achieved without reliance on state bond
24 funds—but only because no funds were available from the State when EUSD’s modernization and
25 construction projects were undertaken between 2010-2016. As is common with local bond
26 measures, Emery’s Measure J itself obligated the district to access state bond funds if available.

EXEMPLARY LOW-WEALTH IMPACTED DISTRICTS

73. **Del Norte Unified School District** (“Del Norte USD”) serves the entire Del Norte County. It is headquartered in Crescent City at the northernmost part of California. The district serves approximately 3,500 students across 11 schools. Del Norte USD is a quintile one district with an assessed value per pupil of \$565,176 and a gross bonding capacity of \$58,005,664 as of 2023. Del Norte USD intersects with the Tribal lands of Tolowa Dee’Ni Nation, The Yurok Tribe, Resighini Rancheria, and Elk Valley Rancheria. Fifteen percent of enrolled students are Native American, compared to 0.4 percent of students statewide. Sixty-nine percent of its students are considered socio-economically disadvantaged. Many of the school sites in Del Norte USD were built in the 1950’s or earlier, meaning that they are more than sixty-five years old today. Yet, no schools have been modernized in the district in over twenty-five years.

74. Facilities in the district are currently in need of repair, requiring complete removal and replacement of electrical systems at many school sites, asbestos removal and remediation from tiling as well as new replacement flooring, termite damage remediation, lead-based paint removal and remediation, and water damage remediation. Because of the age of the schools, some campuses have windows that are broken or are no longer able to open. Several of the schools in Del Norte USD use portable trailers as classrooms or libraries, many of which themselves are over 30 years old. The portables have poor insulation, experience water damage and are prone to mold.

75. On the rare occasion that Del Norte USD is able to start a modernization project, the unusually high cost of labor limits the amount of modernization they can do within their budget. Because Del Norte USD is located in a rural northern California county with few local construction companies, they must import and house construction workers from outside of the county which increases construction costs. Additionally, a number of school facilities in the district have latent structural issues that substantially increase costs of repair or construction when discovered.

76. Because of these increased costs and in order to keep Del Norte USD’s facilities open and operational, the district has had to prioritize exterior modernization projects like roof repair and water damage remediation to prevent water from leaking into the facilities and causing further structural damage. This means that interior modernization projects generally remain

1 unfunded and aspirational. More than other parts of California, the far north experiences a great
2 deal of rain during the winter rainy season, compounding its burden to maintain decent facilities.

3 77. Despite the great need for additional funds, Del Norte USD has historically been
4 unable to pass facilities bonds. A large part of Del Norte USD's service areas include protected
5 public and tribal lands that can't be developed or taxed, leaving a small number of low-income
6 residents that are expected to tax themselves to raise the necessary funds to maintain the schools.
7 Predictably, in 2024, the district attempted to pass a bond, but it failed. Without the financial
8 support necessary to modernize its schools, Del Norte USD facilities continue to degrade and
9 worsen, further increasing the cost of maintenance and modernization.

10 78. **Fall River Joint Unified School District ("Fall River JUSD")** is located in Shasta
11 County, inland of Eureka in northern California. The district serves approximately 1,100 students
12 across 9 schools. Fall River JUSD is a quintile two district with an assessed value per pupil of
13 \$1,000,577. Fall River JUSD intersects with the tribal lands of the Pit River Tribe and 9.7 percent
14 of its students are Native American, compared to 0.4% of students statewide. 62.5 percent of
15 students are socio-economically disadvantaged.

16 79. All of the school facilities in the district are over 100 years old and in need of repair
17 and modernization. To accommodate class size, the district has had to rely on portable trailers as
18 classrooms. These portable trailers were installed in 1967 and were intended for 20 years of use.
19 However, they have now been in use for over 55 years. These portable trailers are worn down with
20 rusted metal beams and studs.

21 80. All school sites in the district are contaminated with asbestos. When asbestos was
22 discovered during a window repair project, the project was suspended because of the exceedingly
23 high cost of asbestos abatement. Today, the windows in all affected sites remain unrepaired due to
24 the high cost of asbestos abatement. Gas and sewer lines connected to the facilities in the district
25 are also eroded. The district has encountered gas leaks from the eroded lines, which require
26 immediate repair at the expense of the general fund. Fall River JUSD's would need an estimated
27 \$70 million in current modernization needs to address solely health and safety concerns.
28

1 81. In recent years, several wind and solar farms were built in Fall River JUSD's
2 jurisdiction, which increased the assessed value of the land. However, the majority of residents in
3 JUSD are low-income, which has made it difficult to pass a facilities bond. The last time Fall River
4 JUSD passed a facilities bond was fifteen years ago. Moreover, because the wind and solar farms
5 have increased the assessed value of the land and the corresponding bonding capacity of the district,
6 it has resulted in disqualifying Fall River JUSD from hardship status based on bonding capacity
7 despite the majority of residents and students being low income.

8 82. **Lynwood Unified School District** is located in Los Angeles County in southern
9 California and serves approximately 11,000 students across 17 schools. a quintile one district with
10 an assessed value per pupil of \$341,129 and gross bonding capacity of \$106,160,528 as of 2023.
11 The community served by the district has a high proportion of low-income families, meaning that
12 Lynwood USD's students and their families rely on the district to provide warm meals throughout
13 the course of the school day. However, most schools in Lynwood USD lack basic amenities such
14 as kitchens and hot running water to accomplish this. In fact, several facilities in the district are
15 over 100 years old and in need of repair and modernization.

16 83. Latent structural issues have arisen and continue to arise from the aging facilities.
17 In 2024, leaking roofs contributed to water damage in 45 classrooms. In 2023, 60 classrooms were
18 damaged by water from leaking roofs. Many of the schools have inadequate shade protection or
19 inside space for lunch time, recess or other school events—leaving students exposed to the hot sun,
20 which is often intensified by the common use of blacktop in the district. Insufficient funding at
21 Lynwood USD has also led to deferment of maintenance and modernization projects, resulting in
22 cracked floors and bulging tree root growth in sidewalks that have caused student injury.

23 84. Additionally, the district has inadequate funding to provide adequate athletic fields,
24 outdoor artificial lighting, an auditorium or stage for the performing arts, and Science, Technology,
25 Engineering and Mathematics ("STEM") equipment and classes. Currently, the district has only
26 one sports field with artificial lighting, which is likewise the only field that has not been rendered
27 unsafe by animals creating holes. When all the students have to share this one athletic field, it often
28 means that some students are not able to use it due to unavailability.

1 85. While Lynwood USD passed a bond in the amount of \$80 million in 2024, this
2 amount is vastly insufficient to cover the need, which on information and belief amounts to
3 approximately \$245 million. The projected impact of the property tax on the Lynwood community
4 is \$50 per \$100,000 of assessed value.

5 86. **Coachella Valley Unified School District** is located in Riverside County east of
6 Los Angeles and serves approximately 16,000 students across 21 schools. Coachella Valley USD
7 is a quintile two district with an assessed value per pupil of \$728,284 and a gross bonding capacity
8 of \$335,562,912 as of 2023. Ninety-eight percent of its students are Latine and ninety-three percent
9 of its students are socio-economically disadvantaged.

10 87. Many facilities in the district are over 100 years old, visibly reflecting their age. At
11 schools like Coachella Valley High School, built in 1916, the bathrooms are old and dilapidated
12 with broken doors and broken sinks. The classrooms have poor ventilation and broken air
13 conditioning systems and consequently become overheated. Some classrooms have broken
14 windows and doors that get stuck. Many Coachella Valley USD school sites use old and dilapidated
15 portable trailers as classrooms. The portable trailers often have mold, broken ceiling tiles where
16 rodents nest, are prone to leaks during the rainy season and broken air conditioning in the summer
17 season. The consistent facilities issues often lead to unsafe conditions causing students and teachers
18 to be displaced from their classrooms.

19 88. Outdoor facilities at Coachella Valley USD schools are also in need of
20 modernization. Several Coachella Valley USD school sites do not have designated indoor eating
21 areas, forcing students to eat outside in extreme heat during the warmer months. Several playground
22 facilities in the district have cracked concrete and areas completely sectioned off due to safety
23 hazards. Much of the groundwater in Coachella Valley is contaminated with arsenic, but because
24 of funding constraints, Coachella Valley USD must continue utilizing wells to provide water on
25 site.

26 89. With major facility modernization needs, Coachella Valley USD placed a \$240
27 million bond on the ballot in 2020 to modernize, renovate, and construct classrooms, restrooms,
28 and school facilities as well as repair aging roofs. The bond measure was unsuccessful. Now, with

1 estimates indicating at least \$300 million in need for facility modernization, Coachella Valley USD
2 remains unable to fund its needed improvements.

3 **90. Salinas City Elementary School District** is located in Monterey County and serves
4 approximately 8,400 students across 15 elementary schools. Salinas ESD is a quintile two district
5 with an assessed value per pupil of \$994,905 and a gross bonding capacity of \$109,099,712 as of
6 2023. While the majority of school sites were built in the 1950's and 1960's, some are over 100
7 years old today. Cracked pavement and parking lots, rusted metal entryways, mold, and damaged
8 roofs merely highlight concerns the district faces for facility exteriors. Damaged roofs have led to
9 interior water damage, requiring buckets to be brought into the classrooms to collect leaking water.
10 Despite these efforts to remediate water damage, parents have still complained of the impact on
11 their children's education, highlighting their children's ink-smeared notebooks and ruined and wet
12 backpacks from classroom leaks. In addition to water damage from old roofs, the district also faces
13 interior structural integrity concerns due to dry rot and poorly ventilated, moist air. With outdated
14 HVAC systems, Salinas City ESD is unable to combat the continued dilapidation of its facility
15 interiors.

16 **91.** The facilities across the district pose a significant safety risk to students. The roads,
17 parking lots and playgrounds in Salinas City ESD are all in great need of repair as they have long,
18 raised cracks that are a tripping hazard. The playgrounds are full of wood chips that increase the
19 risk of students getting splinters or other injuries if they fall. The leaky roofs cause ceiling tiles to
20 absorb water, which increases their risk of falling on students and teachers. The mold in the
21 classrooms is exacerbating the allergies of teachers and students.

22 **92.** Schools in the district lack functioning libraries, kitchens, bathrooms and gathering
23 spaces. Some schools in the district have their libraries in old portables where the books just sit
24 around in boxes. Many of the kitchens have no running water or ovens to be able to provide students
25 with hot food. Rather, students in Salinas City ESD are receiving glorified snacks for supper.
26 Multipurpose rooms throughout the district are not large enough to fit parents and students for
27 events, thus many events are held outdoors and are then cancelled due to weather conditions.
28 Transitional kindergarten classrooms do not have bathrooms inside the classroom, thus young kids

1 are required to find the bathroom without adult supervision. This has led to children having
2 accidents because they do not want to leave the classroom.

3 93. While Salinas City ESD was able to pass Measure G and H bonds in 2022, totaling
4 \$149 million in funding, the current needs of the district to upgrade its facilities is estimated to be
5 about \$500 million without including new construction. Because the funding is insufficient to meet
6 the district's needs, they must fund only the most necessary projects to keep their facilities
7 functioning and operational.

8 94. **Parlier Unified School District** is located in Fresno County and serves
9 approximately 3,200 students across 8 schools. Parlier USD is a quintile one district with an
10 assessed value per pupil of \$183,522 and a gross bonding capacity of \$16,687,573 as of 2023. The
11 majority of school sites in the district are now about 70 years old, requiring significant attention
12 and investment. Due to funding constraints, two campuses rely on chiller plants for cooling instead
13 of HVAC systems. While chiller plants are generally more cost effective than HVAC systems, an
14 entire facility's climate control is generally linked with a singular chiller plant. When the chiller
15 plant malfunctions, the entire facility loses climate control. In the facilities that do have HVAC
16 systems, outdated equipment results in high maintenance costs and persistent device failures. The
17 district also faces roofing issues, resulting in water damage to interior classrooms, walls, and
18 structures as well as mold in some instances. Leaks from these failing roofs are a persistent issue
19 in the district. Failing chiller plants, HVAC systems, and roofs often require emergency repair that
20 the district must fund by diverting and depleting deferred maintenance funds, leaving little left for
21 the originally planned improvements.

22 95. Restrooms and kitchens are also outdated, typically original to the building, and
23 would require renovation to meet current standards. There are restrooms in the districts where
24 toilets do not properly flush and sinks do not drain water. There are also kitchen facilities where
25 the sinks have leaks and are very old. Portables are widely used across the district and they are very
26 shaky and in some of them the floor is sinking. These portables are often small and do not
27 comfortably fit all of the students in the classroom.
28

1 96. On information and belief, Parlier maintains the only dirt track as its primary track
2 and field competition site for a high school district in the state.

3 97. Due to inadequate funding, Parlier USD cannot meet these needs. With an estimated
4 \$90 million in modernization needs and a bonding capacity of about \$16 million, Parlier USD can
5 not come close to meeting its needs with its Measure P bond (\$14.1 million) from 2024. Rather,
6 this bond would barely cover the estimated \$13 million cost of replacing the district's dirt track
7 with an all-weather track. Accordingly, the district must pick and choose the most necessary
8 projects aimed at keeping its buildings functional and its doors open while sacrificing other greatly
9 needed projects that would enhance student education.

10 98. **Stockton Unified School District** is located in San Joaquin County and serves
11 approximately 33,000 students across 55 schools. Stockton USD is a quintile one school with an
12 assessed property value per student of \$390,554 and gross bonding capacity of \$412,332,032 as of
13 2023. Eight percent of the students at Stockton USD are African American and seventy-one percent
14 of the students are Latine. Eighty-one percent of students are socio-economically disadvantaged.
15 The district faces approximately \$1 billion in modernization needs and has only \$140 million
16 available in bonds to cover these needs.

17 99. Facilities across Stockton USD are old and run-down. Many of the schools have
18 outdated classroom buildings and portable trailers with poor ventilation and broken air conditioning
19 systems. Many of the portable trailers leak water during the rainy season and have stains indicating
20 water damage. The portables are also significantly smaller than standard classrooms and have had
21 problems with fleas. Schools like Edison High School, one of the oldest schools in the district, can't
22 offer students proper science classes due to outdated laboratory classrooms. Edison High School
23 also has outdated athletic facilities with poor lighting, cracked concrete and holes in fields, making
24 it unsafe for students to use. Many schools across Stockton USD have outdated gymnasiums with
25 floors that are uneven and worn down, causing students to slip. The gymnasiums also have poor
26 ventilation and broken HVAC systems which cause them to get hot and stuffy.

27 100. Schools across the district also have aging and dilapidated roofs, old and damaged
28 restroom facilities, and broken and dirty water fountains. Without the ability to raise adequate

1 funds, the district remains in a state of slow decay, further increasing the cost of deferred
2 maintenance and repair.

3 101. **Calexico Unified School District** (“Calexico USD”) is located in Imperial County,
4 near a busy port of entry between the United States and Mexico. The district serves approximately
5 8,300 students across 10 schools. Calexico USD is a quintile one school with an assessed property
6 value per student of \$282,629 and gross bonding capacity of \$61,317,016 as of 2023.

7 102. Plumbing at school sites in the district are a major concern, causing backups that
8 have resulted in dirty restroom water coming up through floor drains, emitting foul odors, and
9 requiring costly clean-up. On information and belief, at Dool Elementary School for instance,
10 original clay piping dating from the 1950’s beneath the school is failing and would require nearly
11 three million dollars to modernize that the district does not have. These drainage issues have
12 resulted in forced closure of restrooms, meaning that very young students in the district have limited
13 restroom access and must rely on portable restrooms.

14 103. Calexico USD also faces issues with old HVAC systems in poor condition. The
15 HVAC systems relied on in the district cannot keep up with the necessary output to maintain
16 comfortable conditions in the athletic centers, classrooms, and other interior spaces, particularly
17 when temperatures are high, which is frequent in Imperial County. Moreover, the insulation
18 materials used in facility walls are outdated and unable to keep up with heating and cooling needs.
19 Electrical systems, sprinkler systems, and fire alarms in the district are also in need of replacement.

20 104. The district also has many schools with unsafe playground areas—the concrete is
21 cracked in numerous areas throughout several schools, creating tripping hazards. Additionally, the
22 district is lacking in shade structures as well as sufficient indoor cool zones when the temperature
23 reaches over 115 degrees, which it does frequently. This has caused young children to suffer from
24 heat stroke and burns from hot playground equipment. While the district has a bonding capacity of
25 approximately \$61 million, estimated modernization needs solely at Calexico High School are
26 approximately \$82 million.

27 105. Without additional funding, Calexico USD will be unable to modernize its schools,
28 and they will continue to degrade, becoming more costly as more maintenance is deferred.

**FIRST CAUSE OF ACTION: THE STATE’S SCHOOL FACILITIES PROGRAM
CREATES UNLAWFUL WEALTH DISCRIMINATION AND FAILS TO ENSURE BASIC
EQUALITY OF EDUCATIONAL OPPORTUNITY IN VIOLATION OF THE EQUAL
PROTECTION CLAUSE OF THE CALIFORNIA CONSTITUTION
(Individual Plaintiffs Against All Defendants)**

106. Plaintiffs incorporate by reference the allegations set forth above as if fully stated herein.

107. The California Constitution’s equal protection clause prohibits California, and its subordinate school districts, from discriminating on the basis of wealth in a manner that “makes the quality of a child’s education a function of the wealth of his parents and neighbors,” (*Serrano v. Priest* (1971) 5 Cal. 3d 584, 589.); it also prohibits the State from maintaining a school system that deprives students in certain districts of a “basically equivalent” quality of education. (*See* Cal. Const., art. I, § 7; *id.* art. IV, § 16; *Butt, supra*, 4 Cal.4th at p.685.)

108. The State’s primary reliance on local bond financing for school modernization systematically disadvantages low-wealth districts who struggle more to raise bond revenue at all and, when they do, are not able to raise the same level of funding and must expend greater tax effort to do so than higher-wealth districts. Rather than redressing these disadvantages with state bond funds, the State’s School Facilities Program (SFP) largely ignores and, in fact, replicates them by providing at least a 60% state match on modernization projects to all comers. As a result, the State awards substantially more modernization funds per pupil to a proportionately smaller number of students in high-wealth districts. These high-wealth, low-need districts’ projects consequently can afford to be more numerous and more ambitious and are further enabled, by virtue of their abundant financing, to populate the first-come, first serve queue more quickly.

109. The SFP Hardship program imposes a burdensome, “second-class citizenship” status on low-wealth districts that does not come close to correcting the inequities built into SFP modernization funding.

110. The disadvantages imposed by the State’s system on low-wealth school districts create the same kind of district-based suspect wealth classification that was found to exist in *Serrano* as to operations funding. As in *Serrano*, the State defendants cannot justify this funding

1 scheme as meeting any compelling state interest or being narrowly tailored as strict scrutiny
2 requires of such wealth-based classifications.

3 111. So too does the State’s modernization funding scheme violate equal protection by
4 failing to provide an education to students in the minority of low-wealth districts that is basically
5 equivalent to that in other more advantaged districts.

6 112. A child’s education is not “basically equivalent” in quality when “the actual quality
7 of the [school’s] program, viewed as a whole, falls fundamentally below prevailing statewide
8 standards.” (*Collins v. Thurmond*, (5th Cir. 2019) 41 Cal.App.5th 879, 898 (quoting *Butt*, *supra*, 4
9 Cal. 4th at pp. 686-87).)

10 113. The State’s SFP modernization funding scheme disadvantages students in lower
11 wealth districts because it does not provide them access to the prevailing level of financial support
12 and the corresponding educational opportunity afforded higher wealth districts. The disparate
13 provision of support for facility modernization in low-wealth districts results in real and appreciable
14 impacts on the fundamental education right of students in those districts as compared to their peers
15 in other parts of the state. Thus, by failing to provide Student Plaintiffs with access to basically
16 equivalent school facilities, “the actual quality” of the education of Student Plaintiffs and those
17 similarly situated “viewed as a whole, falls fundamentally below prevailing statewide standards.”
18 (*Collins*, *supra*, 41 Cal.App.5th at p. 898 (quoting *Butt*, *supra*, 4 Cal. 4th at pp. 686-87).)

19 114. Nor can the State defendants justify their impingement on the fundamental
20 education right by any compelling state interest or any demonstration that its scheme is narrowly
21 tailored to any purported interest.

22 **SECOND CAUSE OF ACTION: THE STATE’S SCHOOL FACILITIES PROGRAM**
23 **FAILS TO ENSURE THE UNIFORM OPERATION OF A SYSTEM OF COMMON**
24 **SCHOOLS IN VIOLATION OF THE EDUCATION CLAUSE OF THE CALIFORNIA**
CONSTITUTION
(All Plaintiffs Against All Defendants)

25 115. Plaintiffs incorporate by reference the allegations set forth above as if fully stated
26 herein.

1 116. The Education Clause, Article IX, sections 1 and 5 of the California Constitution
2 guarantees a “system of common schools by which a free school shall be kept up and supported.”
3 CAL. CONST., art. IX, §§ 1, 5.

4 117. The inability of lower-wealth districts to access sufficient modernization funding—
5 and the resulting statewide variations in school facility conditions—violates the constitutional
6 guarantee of a “common school” system that operates uniformly with “both a unity of purpose and
7 entirety of operation.” (*Coulter v. Pool*, (1921) 187 Cal. 181, 192; *Kennedy v. Miller*, (1897) 97
8 Cal. 429, 432 .) (a system of common schools “means one system, which shall be applicable to all
9 common schools within the state”); *cf.* (*Roosevelt Elementary Sch. Dist. No. 66 v. Bishop*, (1994)
10 877 P.2d 806 .) (applying similar rational to Arizona’s requirement of a “general and uniform”
11 school system to strike down state school facility funding program that discriminated based on local
12 wealth).

13 **THIRD CAUSE OF ACTION: DECLARATORY RELIEF**
14 **(All Plaintiffs Against All Defendants)**

15 118. Plaintiffs incorporate by reference the allegations set forth above as if fully stated
16 herein.

17 119. An actual and existing controversy exists between the Plaintiffs and Defendants
18 because Plaintiffs contend, and Defendants dispute, that Defendants’ actions and inactions as
19 described above have violated Article I, section 7 and Article IX, sections 1 and 5 of the California
20 Constitution.

21 120. Plaintiffs seek a judicial declaration that Defendants have violated this constitutional
22 provision.

23 121. Plaintiffs are harmed by Defendants’ failure to comply with all applicable provisions
24 of law and their legal duties, as set forth herein.

25 **FOURTH CAUSE OF ACTION: TAXPAYER CLAIM**
26 **(Pastor Jim Hopkins True North, Alianza, and ICUC Against All Defendants)**

27 122. Plaintiffs incorporate by reference the allegations set forth above as if fully stated
28 herein.

1 123. The individual Plaintiffs above and Plaintiffs Pastor Jim Hopkins, True North,
2 Alianza, and ICUC and their members have been assessed and found liable to pay taxes such as
3 property, income, payroll, sales and other taxes in the counties in which they reside and to the State
4 of California and the United States of America in the last year.

5 124. Defendants' expenditure of federal, state, county, and/or municipal funds to
6 administer and implement a system of public education that engages in unconstitutional
7 discrimination, as challenged herein, is unlawful. Plaintiffs Hopkins, True North, Alianza, and
8 ICUC, themselves and through their members as state taxpayers, have an interest in enjoining the
9 unlawful expenditure of tax funds. Pursuant to Code of Civil Procedure section 526, subdivision
10 (a) and this Court's equitable power, Plaintiffs Hopkins, True North, Alianza, and ICUC seek
11 declaratory and injunctive relief to prevent continued harm and to protect Plaintiff Hopkins, True
12 North, Alianza, and ICUC, and the public from Defendants' unlawful policies, practices, and
13 deliberate indifference, as alleged herein.

14 125. There is an actual controversy between the individual Plaintiffs and Plaintiffs
15 Hopkins, True North, Alianza, and ICUC, and Defendants concerning their respective rights and
16 duties, in that these Plaintiffs contend that the Defendants have unlawfully administered and
17 implemented the State's system of public education, and have failed to satisfy their duty to act to
18 correct deficiencies, as alleged herein, whereas Defendants contend in all respects to the contrary.
19 Defendants' unlawful administration and implementation of the State's system of public education
20 has caused Pastor Hopkins True North, Alianza, and ICUC to divert significant resources towards
21 correcting the system's deficiencies. Plaintiffs Hopkins, True North, Alianza, and ICUC seek a
22 judicial declaration of the rights and duties of the respective parties with respect to the instant
23 matter.

24 126. Unless and until Defendants' unlawful policies and practices, as alleged herein, are
25 enjoined by order of this Court, they will continue to cause great and irreparable injury to these
26 Plaintiffs and other taxpayers.

1 127. Plaintiffs Hopkins, True North, Alianza, and ICUC argue that Defendants' actions
2 and inactions as described above violate Article I, section 7 and Article IX, sections 1 and 5 of the
3 California Constitution.

4 **PRAYER FOR RELIEF**

5 WHEREFORE, Plaintiffs pray this Court to enter judgment against all Defendants:

6 128. Enjoining Defendants from further depriving Plaintiffs of their constitutional rights
7 as set forth herein;

8 129. Declaratory relief that Defendants have violated Article I, section 7 and Article IX,
9 section 1 and 5 of the California Constitution by implementing the modernization funding scheme
10 through the SFP that fails to ensure that students have equal and uniform access to the capital
11 financing and educational opportunities necessary for enjoyment of their fundamental right to
12 education;

13 130. Injunctive relief directing Defendants to revise the current and future system of
14 allocation of school modernization funds under the School Facilities Program so as to correct the
15 deprivation of Plaintiffs' constitutional rights as set forth herein;

16 131. For the payment of reasonable attorneys' fees and costs of suit incurred herein,
17 including pre- and post-judgment interest at the legal rate; and

18 132. For such other and further relief as the Court may deem appropriate.

19 Dated: October 23, 2025

MORRISON & FOERSTER LLP

21 By: /s/ Matthew R. Stephens

22 Matthew R. Stephens

23 *Attorneys for Plaintiffs*

24 PUBLIC ADVOCATES

25 By: /s/ John T. Affeldt

26 John T. Affeldt

27 *Attorneys for Plaintiffs*