

# **School Fee Justification Study**

## **For Residential & Commercial/Industrial Development**

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**Prepared For:**

**Center Joint Unified School District**



**March 2020**

**Prepared By:**

**CFW**  
— INC.

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## **EXECUTIVE SUMMARY**

This study finds that the analysis to determine the imposition of fees pursuant to Government Code Section (GC §) 65995 indicates that the Center Joint Unified School District (District) is justified to impose a fee of \$4.08 per square foot of residential construction and \$0.66 per square foot of commercial/industrial development with the exception of self-storage development which should be imposed a fee not to exceed \$0.11.

The relationship between residential development and the need for new school facilities is established by examining the capacity of the District's schools calculated in accordance with methods established in EC §17071.10 et seq., the growth and/or decline of the existing student population, and the need to accommodate future students from new residential construction from which the proposed fees are to be levied, in school facilities funded in whole or in part by the fees imposed. The calculation of students from future development pursuant to GC §65995 et seq. is made by determining the ratio of students to residential units for existing residential development within the district and by multiplying the pupil per dwelling unit ratio by the number of proposed new units to be constructed.

The results of the calculations performed in this report indicate that GC §65995 fees of \$4.08 per square foot of residential construction to be imposed on future residential development will not exceed the total cost of school facilities, land, and land improvement costs related to residential development. The total projected school facility costs from new residential projects are \$57,067,103 for grades TK-12. The total projected statutory fees to be collected from new residential development are \$51,086,700, which are less than the projected costs to mitigate the impact of future residential development. The shortfall is estimated to be \$5,980,403.

The results of the calculations performed in Section F of this report indicate the District is justified in imposing a fee of \$0.66 per square foot on new commercial/industrial development in the District with the exception of self-storage development, which should be imposed a fee not to exceed \$0.11 per square foot, as indicated in Table 19 of this report.

## **A. NEED FOR ADDITIONAL SCHOOL FACILITIES & FINANCING**

Level 1 developer fees may be collected by a school district that justifies the need to collect them. A reasonable relationship should exist between the fee charged and the need for new land and/or school facilities to accommodate students from new development. This study used estimated costs for land, site improvements, and school facilities construction as the basis for estimating the level of need in dollars. These needs were calculated from on a single-family dwelling unit basis based on the current residential construction schedule projected over the next five years.

It is projected that the District will need \$57,067,103 in 2020 dollars to finance projected future needs for TK-12 school facilities based on the current residential construction schedule, current pupil per dwelling unit ratios (Student Yield Rate), and the State School Facility Program (SFP) adopted facilities construction standards. Residential developer fee revenues are projected to be \$51,086,700 for the District, leaving a projected shortfall of \$5,980,403 for financing future needs for the District.

Other projects will include purchase, lease, or rental of relocatable school facilities, interim site improvements at the existing school site, and necessary administrative expenses required to support the land acquisition and facilities construction. In addition to new construction needs, some renovation or reconstruction of the existing facility could be needed to maintain the usefulness of the school for the immediate impact of new students generated by development, prior to the construction of new schools.

In addition to the above costs, developer fees may be used to pay the administrative, legal, architectural, engineering, or other costs associated with implementing the land acquisition, site improvements, school facilities construction and the Developer Fee program.

Developer fees will be used for school construction, reconstruction of existing facilities, and the provision of interim housing as needed.

## **B. LEGISLATIVE AUTHORITY**

In January 2020, the State Allocation Board (SAB) approved an increase in the authorized statutory developer fee from \$3.79 to \$4.08 per square foot of residential development and from \$0.61 to \$0.66 per square foot of commercial/industrial development.

A comprehensive legislative history governing residential and commercial developer fees can be found in the Appendix to this study.

## **C. DESCRIPTION OF THE DISTRICT**

The Center Joint Unified School District provides TK-12 education for a portion of northern Sacramento County as well as a portion of southern Placer County. The District operates six campuses and serves grades TK-12. Table 1 lists the school sites and the current grade configuration.

**TABLE 1: District School Campuses and Grades Served in 2019-20 School Year**

<b>School</b>	<b>Grades Served</b>
Dudley Elementary	TK-6
North Country Elementary	TK-6
Oak Hill Elementary	TK-6
Spinelli Elementary	TK-6
Wilson Riles Junior High School	7-8
Center High School	9-12

Table 2 calculates the existing capacity of the District's schools computed based on loading standards in the California Code of Regulations, Title II, Section 1859.35 and the current inventory of permanent classrooms within the District, which totals 176 classrooms. However, the District also maintains an inventory of 127 portable classrooms located through the District, which equates to 72% of permanent classroom capacity. For purposes of calculating New Construction funding eligibility, regulations from the Office of Public School Construction (OPSC) state that for districts where the number of portables exceeds 25% of the permanent classrooms, portable classrooms need to be counted in the existing facility capacity. For districts meeting this criterion, the portable classroom "penalty" is set at 25% of the number of permanent classrooms. As the District does meet the threshold for the portable classroom penalty, an additional 19 classrooms in grades TK-6, 7 classrooms in grades 7-8, and 19 classrooms in grades 9-12 must be accounted for. The resulting total existing District capacity is calculated to be 5,779 students.

**TABLE 2: Existing District Facilities Capacity**

<b>Grade</b>	<b>Permanent Classrooms</b>		<b>Portable Classroom Penalty*</b>		<b>State-Counted District Classrooms</b>		<b>State Loading Standard (students/classroom)</b>		<b>District Capacity</b>
TK-6	75	+	19	=	94	x	25	=	2,350
7-8	27	+	7	=	34	x	27	=	918
9-12	74	+	19	=	93	x	27	=	2,511
<b>Total =</b>									<b>5,779</b>

*\*Equal to 25% of permanent classrooms for corresponding grade span*

As indicated in Table 3, after accounting for current enrollment, the District demonstrates excess facilities capacity across grade spans, as determined by the State. The District currently has excess facilities capacity

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to serve 90 additional students in grades TK-6, 271 additional students in 7-8, and 1,163 additional high school students.

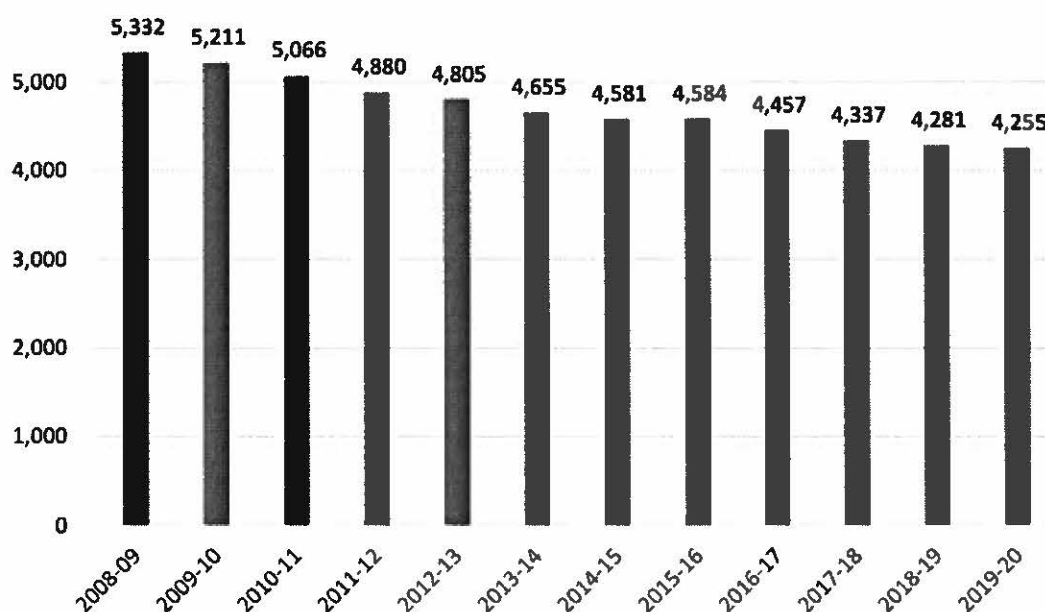
**TABLE 3: Existing School Facilities Capacity & Enrollment**

<b>Grade</b>	<b>2019-20 Capacity*</b>		<b>2019-20 Enrollment</b>		<b>Excess Capacity</b>
TK-6	2,350	-	2,260	=	90
7-8	918	-	647	=	271
9-12	2,511	-	1,348	=	1,163
<b>Total</b>	<b>5,779</b>	-	<b>4,255</b>	=	<b>1,524</b>

*\*From Table 2*

Figure 1 shows the District's enrollment history for grades TK through 12 as reported to the California Department of Education in annual October California Basic Educational Data Systems (CBEDS) enrollment reports for the period of 2008-09 through 2019-20. Since the 2008-09 school year, the District has experienced a decline in enrollment of 1,077 students, or 20% of its enrollment from ten years ago. Major contributing factors to this decline include the closure of the McClellan Air Force Base, which provided a significant amount of local jobs for the Antelope community, and the "Great Recession" which severely impacted home ownership in the area. Over the past five years, this decline in enrollment has slowed; since the 2014-15 school year, the District has lost 326 students, or 7% of its total enrollment. Despite this decline, the District serves almost three times as many students than the reported enrollment of 1,533 when the District unified in 1981.

**FIGURE 1: District Enrollment 2008-09 through 2019-20**



Source: CBEDS

## **D. STUDENT YIELD RATE AND POTENTIAL NEW DEVELOPMENT**

Existing law requires that a reasonable relationship be established between residential development and the need for fees to mitigate new school construction for students from these new developments. School enrollment forecasters usually establish a relationship between residential development and student enrollment growth. One method for establishing this relationship is the pupil per dwelling unit ratio multiplier model (student yield rate). If an average student yield rate is established over a period of time, multiplying new residential units by the student yield rate will result in a forecasted number of students. Table 4 shows that on average each home is yielding 0.471 students. Although the actual student yield of future new homes could be different, since this is not known, for the purposes of this study, it is reasonable to assume that future new homes could have the same student yield rates as currently exists in the District.

**TABLE 4: Residential Unit Student Yield Rate**

<b>Grade</b>	<b>2019-20 Enrollment</b>		<b>Occupied District Housing Units</b>		<b>Student Yield Rate</b>
TK-6	2,260	÷	9,040	=	0.250
7-8	647	÷	9,040	=	0.072
9-12	1,348	÷	9,040	=	0.149
<b>Total</b>	<b>4,255</b>	<b>÷</b>	<b>9,040</b>	<b>=</b>	<b>0.471</b>

*Source: CBEDS, American Community Survey*

The next step is to determine the number of new residential homes that could be constructed within District boundaries. As shown in Table 5 below, an additional 5,565 new residential units are projected to be constructed in the District over the next five years. Based on tentative subdivision maps from developers, these are planned to be low and medium-density units consisting of single-family dwellings.

**TABLE 5: Planned New Residential Development in District, 2020-2025**

<b>Specific Plan</b>	<b>Development</b>	<b>Units</b>
Sierra Vista	JMC	733
	Lennar	1,313
Placer Vineyards	Property 4B	250
	Property 7	500
	Property 19	795
Riolo Vineyards	Mariposa	109
	Glen Willow	177
Sacramento County	Elverta Park	225
	Northborough	1,250
	Gibson Crossings	213
	<b>Total</b>	<b>5,565</b>

*Source: Center Joint Unified School District*

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The third step is to project the number of students from residential development by multiplying the per-housing unit student yield rates from Table 4 to the number of potential new District homes from Table 5. As shown in Table 6, the 5,565 potential new homes could yield 2,619 students during the useful life of the new homes.

TABLE 6: Projected Students from New Residential Development

Grade	Student Yield Rate		Potential New Homes		Projected Students Yielded
TK-6	0.250	x	5,565	=	1,391
7-8	0.072	x	5,565	=	398
9-12	0.149	x	5,565	=	830
Total	0.471	x	5,565	=	2,619

Table 7 compares the number of projected students from Table 6 with the number of available seats from Table 2 to determine the additional capacity required to accommodate new development. Since the District currently has enough excess capacity to fully accommodate the projected 830 high school students resulting from new residential development, no net additional high school capacity is required. However, additional school capacity would need to be added for projected unhoused TK-8 students resulting from projected development, for a total additional projected TK-8 capacity required of 1,429 students.

TABLE 7: Additional Projected School Capacity Required

Grade	Projected Students Yielded		Current Excess Capacity		Additional Projected School Capacity Required
TK-6	1,391	-	90	=	1,301
7-8	398	-	271	=	127
9-12	830	-	1,163	=	(-333)*
			Total	=	1,429

<sup>1</sup>Excess high school capacity cannot be utilized for lower grades, so the projected 333 excess high school seats are not applied towards the District total

## **E. FACILITIES COSTS AND RESIDENTIAL DEVELOPER FEE**

Since the District's future plans to accommodate enrollment growth will depend on the actual timing and amount of enrollment growth, for the purposes of this study the cost of providing facilities for each student from new development in excess of capacity is based on the estimated current cost of constructing new school facilities by grade span. As shown in Table 8, using the State's School Facility Program as a benchmark, the estimated cost is \$39,744 per TK-6 student served and \$42,035 per 7-8



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student served. In addition to basic construction costs, these totals include estimated adjustments for site acquisition/development as well as additional planning/soft costs. As indicated in Table 7, since the District has enough excess capacity in grades 9-12 to accommodate new students from planned residential development, additional high school facilities are not required at this time to house students generated from projected development. Actual costs incurred by the District in the future could be materially different based on the actual type and costs of projects undertaken.

**TABLE 8: Facilities Cost Per New Student**

	TK-6	7-8	9-12
New Construction 100% Grant <sup>1</sup>	\$24,902	\$26,338	\$33,512
Site Cost Adjustments <sup>2</sup> x	1.33	1.33	1.33
Adjusted Construction Cost Per Student	\$33,120	\$35,030	\$44,571
Additional Planning/Soft Costs Per Student <sup>3</sup> x	1.2	1.2	1.2
Total Facilities Cost Per New Student	\$39,744	\$42,035	\$53,485

<sup>1</sup> Doubles the 50% base grant to account for local match

<sup>2</sup> Additional estimated costs required to comply with structural, fire, life/safety, code requirements

<sup>3</sup> Estimate provided by Stone Creek Estimating

Table 9 below multiplies the costs per new unhoused student by the additional capacity the District is estimated to require. In total, the cost for unhoused students to the District is estimated to be \$51,716,349 for the projected unhoused 1,301 grade TK-6 students and \$5,350,754 for the projected unhoused 127 grade 7-8 students. The table demonstrates that unhoused TK-6 students from each new home constructed in the District will cost \$9,293 to accommodate, which equates to \$4.13 per square foot for the estimated average size new home. Unhoused 7-8 students from each new home constructed in the District will cost \$962 to accommodate, which equates to \$0.43 per square foot for the estimated average size new home.

**TABLE 9: Residential Developer Fee Justification**

	TK-6	7-8	9-12
Cost Per Unhoused Student	\$39,744	\$42,035	\$53,485
Additional Capacity Required to Serve Unhoused Students x	1,301	127	-
Total Facilities Cost For Unhoused Students	\$51,716,349	\$5,350,754	\$0
Estimated New Homes +	5,565	5,565	5,565
Financial Impact of Unhoused Students Per New Home	\$9,293	\$962	\$0
Average Square Footage Per Home <sup>1</sup> +	2,250	2,250	2,250
Fiscal Impact of New Homes Per Square Foot	\$4.13	\$0.43	\$0.00

Cumulative Fiscal Impact of New Homes Per Square Foot <sup>2</sup>	\$4.56
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<sup>1</sup> Estimate provided by District

<sup>2</sup> Total may differ from sum of amounts above due to rounding

The residential fee required to collect the needed total of \$57,067,103 would be \$4.56 per square foot, which exceeds the statutory maximum Level 1 Fee of \$4.08. Therefore, for residential development occurring within District boundaries, Center Joint Unified School District is able to charge the full amount of \$4.08 per square foot of the current maximum Level 1 residential developer fee. The appropriate fee may be charged on all new residential development to the extent allowed by law.

## **F. COMMERCIAL/INDUSTRIAL DEVELOPMENT**

The current maximum fee for commercial/industrial development authorized by Government Code Section 65995 is \$0.66 per square foot for TK-12 school districts. The rationale for assessing developer fees on commercial/industrial construction is based on the relationship between new residential construction and the resulting demand for businesses to employee the new residents. The following analysis presents the relationship between commercial/industrial development and the need for additional school facilities.

### **1. Employees Per Square Foot of Development**

The number of employees per square foot of development has been established in national and regional surveys. Reference documents and resources used in this analysis are published by the Institute of Transportation Engineers (ITE), American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE), the National Fire Protection Association, and the San Diego Association of Governments (SanDAG), among others. Table 10 lists employee per square foot standards for various categories of commercial/industrial development projects from the "San Diego Traffic Generators," a report of the San Diego Association of Governments as specified in Education Code Section 17621(e)(1)(B). These standards were determined by years of professional research and have also been widely used across the nation. Impacts for development projects not included on this list may be computed by estimating the uses closest to the actual employee per square foot ratio for the proposed development. The District may supplement this list with additional data to determine the potential impact from project categories not listed.

TABLE 10: Employees Per Square Foot of Commercial/Industrial Development

<b>Category</b>	<b>Employees Per 1,000 Sq. Ft.</b>	<b>Sq. Ft. Per Employee</b>
Office	3.51	285
Retail/Service	1.87	534
Light Industrial	3.29	304
Heavy Industrial	2.22	450
Warehouse	1.28	780
Lodging	1.13	885
Hospitals	2.75	364
Self Storage	0.06	15,500

Source: SanDAG "San Diego Traffic Generators"

## **2. Percentage of Employees Residing within the District**

This section addresses the issue of how many of the new employees resulting from commercial/industrial development are likely to live within the District rather than commute from homes in other communities. Table 11 illustrates the employees and residents within the District's territory and indicates that approximately 9.4 percent of individuals working in the District will also reside within the District, based on data from the American Community Survey.

TABLE 11: Place of Employment & Residence

Jurisdiction	Reside In / Work In	Reside In / Work Out
Center JUSD	9.4%	90.6%

*Source: American Community Survey*

Chapter 172 of the Statutes of 1986 (AB 2071, also known as the Allen Bill) added Section 48204 to the California Education Code. This law allows any parent to request enrollment of his or her elementary age student in the school district where the parent works, an action that affects the participating school districts. New commercial/industrial development will expand the base of workers to whom this new option is available. Complete statistics are not available for the number of students using this option. However, any who do transfer under the Allen Bill will only add to the impact on the District from new commercial/industrial development projects.

## **3. Number of Homes Per Employee**

This section establishes the number of homes that are related to each new employee. Information on the number of homes per resident employee is found in the American Community Survey which indicates that the District has 9,321 year-round housing units and approximately 14,076 employees. This represents 0.662 homes per employed resident, as shown in Table 12 below.

TABLE 12: Housing Units Per Employee

Housing Units within Center JUSD	9,321
Reside In / Work In	1,328
Reside In / Work Out	12,748
Total Employees	14,076
Housing Units Per Employee	0.662

The results of these calculations indicate that, on average, each additional worker will demand 0.662 new or existing housing units. For example, for 1,000 new employees in a given commercial/industrial development, 9.4 percent or 94 employees are likely to reside in the District. These 94 new resident workers will demand an average of 0.662 homes each, for a total demand of 62 additional homes.

#### **4. Cost of School Facilities per Unhoused Student**

State costs for housing commercially generated students are the same as those used for residential construction. In addition to construction of school facilities, site acquisition and improvement costs must also be included. Since the District has excess capacity in grades 9-12 and additional high school facilities are not projected to be needed at this time, Table 14 shows the costs per unhoused student in grades TK-8 totals \$81,779.

**TABLE 14: Cost of Facilities by Grade Level**

<b>Grade</b>	<b>Cost Per Unhoused Student</b>
TK-6	\$ 39,744
7-8	\$ 42,035
<b>TK-8 Total</b>	<b>\$ 81,779</b>
9-12 <sup>1</sup>	\$ 53,485

<sup>1</sup>District has significant excess capacity in grades 9-12, so additional high school facilities are not projected to be needed at this time

#### **5. Students Generated Per Employee**

Table 15 provides the number of students per employee by dividing the number of District students by the number of employees in the District, as tabulated by the American Community Survey, and provides a ratio of 0.302 students per employee.

**TABLE 15: Students Generated per Employee**

<b>Students</b>		<b>Employees</b>		<b>Students per Employee</b>
4,255	/	14,076	=	0.302

However, this ratio must be reduced to reflect the percentage of resident workers because only those employees living in the District will impact the District's school facilities with additional enrollment. The resulting calculation in Table 16 provides the ratio of students per resident employee.

**TABLE 16: Students Generated per Resident Employee**

<b>Students per Employee</b>		<b>Percent of Employees Residing in District</b>		<b>Students per Resident Employee</b>
0.302	x	9.4%	=	0.029

## 6. Cost of Industrial/Commercial Development

Table 17 calculates the school facilities costs generated by a square foot of new commercial/industrial development for each category of development.

TABLE 17: Cost of Commercial/Industrial Development

Category	Employees per 1,000 Sq. Ft.		Students Per Resident Employee		Cost Per Unhoused Student			Facilities Cost per Sq. Ft
Office	3.51	x	0.029	x	\$81,779	÷	1,000	\$8.18
Retail/Service	1.87	x	0.029	x	\$81,779	÷	1,000	\$4.36
Light Industrial	3.29	x	0.029	x	\$81,779	÷	1,000	\$7.67
Heavy Industrial	2.22	x	0.029	x	\$81,779	÷	1,000	\$5.18
Warehouse	1.28	x	0.029	x	\$81,779	÷	1,000	\$2.98
Lodging	1.13	x	0.029	x	\$81,779	÷	1,000	\$2.63
Hospitals	2.75	x	0.029	x	\$81,779	÷	1,000	\$6.41
Self Storage	0.06	x	0.029	x	\$81,779	÷	1,000	\$0.14

## 7. Calculation of Residential Fee Offset

As additional employees are generated by new commercial/industrial development, residential fees will also be levied on the residential units necessary to house those additional employees residing in the District. A residential offset must be calculated to account for the portion of the commercial/industrial development fee that will already be paid by the residential fee. In addition to utilizing values previously calculated in this report, the residential offset calculation also requires the percent of new employees resulting from commercial/industrial development that will occupy new housing units. Since an estimated 3 percent of total housing units are vacant per the American Community Survey, new employees residing in the District can first occupy these vacant units before occupying new housing. Therefore, approximately 97 percent of new employees will occupy new housing units. The residential fee offset is calculated by multiplying the following factors and then dividing the result by 1,000 to provide the offset per square foot, as shown in Table 18.

- Employees per square foot (Table 10)
- Housing units per employee (0.662)
- Percentage of employees residing in District (9.4%)
- Percentage of new employees that will occupy new housing units (97%)
- Average square feet per new residential unit (2,250)
- Level 1 fee (\$4.08)

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**TABLE 18: Calculation of Residential Fee Offset**

Category	Employees per 1,000 Sq. Ft.		Housing Units Per Employee		Employees Residing in District		Employees to Occupy New Housing		Average Sq. Ft. Per Housing Unit		Level 1 Fee			Residential Offset per Sq. Ft.
Office	3.51	x	0.662	x	9.4%	x	97.0%	x	2,250	x	\$4.08	+	1,000	\$1.95
Retail/Service	1.87	x	0.662	x	9.4%	x	97.0%	x	2,250	x	\$4.08	+	1,000	\$1.04
Light Industrial	3.29	x	0.662	x	9.4%	x	97.0%	x	2,250	x	\$4.08	+	1,000	\$1.83
Heavy Industrial	2.22	x	0.662	x	9.4%	x	97.0%	x	2,250	x	\$4.08	+	1,000	\$1.23
Warehouse	1.28	x	0.662	x	9.4%	x	97.0%	x	2,250	x	\$4.08	+	1,000	\$0.71
Lodging	1.13	x	0.662	x	9.4%	x	97.0%	x	2,250	x	\$4.08	+	1,000	\$0.63
Hospitals	2.75	x	0.662	x	9.4%	x	97.0%	x	2,250	x	\$4.08	+	1,000	\$1.53
Self Storage	0.06	x	0.662	x	9.4%	x	97.0%	x	2,250	x	\$4.08	+	1,000	\$0.03

Table 19 calculates the net school facilities costs generated by a square foot of new commercial/industrial development for each category of development after accounting for the residential fee offset. The result of the calculations presented in Table 19 demonstrates that all categories of commercial/industrial development, except for self-storage, result in a justified fee exceeding the maximum fee rate of \$0.66 per square foot as authorized by Government Code Section 65995.

**TABLE 19: Net Commercial/Industrial Development Facilities Costs**

Category	Facilities Cost per Sq. Ft.		Residential Offset per Sq. Ft.		Net Facilities Cost per Sq. Ft.
Office	\$8.18	-	\$1.95	=	\$6.23
Retail/Service	\$4.36	-	\$1.04	=	\$3.32
Light Industrial	\$7.67	-	\$1.83	=	\$5.84
Heavy Industrial	\$5.18	-	\$1.23	=	\$3.94
Warehouse	\$2.98	-	\$0.71	=	\$2.27
Lodging	\$2.63	-	\$0.63	=	\$2.01
Hospitals	\$6.41	-	\$1.53	=	\$4.88
Self Storage	\$0.14	-	\$0.03	=	\$0.11

*Calculated totals may differ due to rounding*

## **G. FINDINGS & RECOMMENDATIONS**

### **Level 1 Residential Developer Fees & Commercial/Industrial Developer Fees**

1. It has been determined that commercial, industrial, and residential development is projected to occur within the territory of the District.
2. As a result of this development, additional students are projected to enroll in the District's schools.
3. The District's TK-8 schools are projected to become overcrowded as a result of the enrollment of these new students, causing a need for additional school facilities.
4. New school facilities to house these additional students from new residential development within the District are projected to cost \$57,067,103 in 2020 dollars based on the current residential construction schedule, current Student Yield Rate, and SFP adopted facilities construction standards.
5. Residential developer fee revenues are projected to be \$51,086,700 for the District, leaving a projected shortfall of \$5,980,403 for financing future needs for the District.

### **Recommendations**

Based on the findings of this report, the District is justified in imposing a fee of \$4.56 per square foot of residential development. However, existing law (GC §65995 et Seq. and EC §17620) limits the authority of a school district to impose a maximum fee of \$4.08 per square foot of residential development. It is recommended that the District impose a maximum fee of \$4.08 per square foot of residential development and collect a fee for other residential construction not exempt by statute, including an appropriate fee for qualified senior citizen housing projects.

Based on the analysis performed in Section F, it is recommended that the District impose and collect a fee of not more than \$0.66 per square foot from commercial/industrial development, with the exception of self-storage development, which should be imposed a fee of no more than \$0.11 per square foot.

It is further recommended that the Superintendent be authorized to develop implementation procedures to enact this program.



## **APPENDIX**

### **1. Legislative History**

#### **January 2020 State Allocation Board (SAB) action**

In January 2020, the State Allocation Board (SAB) approved an increase in the authorized statutory developer fee from \$3.79 to \$4.08 per square foot of residential development and from \$0.61 to \$0.66 per square foot of commercial/industrial development.

#### **January 2018 State Allocation Board (SAB) action**

In January 2018, the State Allocation Board (SAB) approved an increase in the authorized statutory developer fee from \$3.48 to \$3.79 per square foot of residential development and from \$0.56 to \$0.61 per square foot of commercial/industrial development.

#### **February 2016 State Allocation Board (SAB) action**

In February 2016, the SAB approved an increase in the authorized statutory developer fee from \$3.39 to \$3.48 per square foot of residential development and from \$0.55 to \$0.56 per square foot of commercial/industrial development after discovering a discrepancy in the RS Means Index used as the basis for the increase.

#### **January 2016 State Allocation Board (SAB) action**

In January 2016, the SAB approved an increase in the authorized statutory developer fee from \$3.36 to \$3.39 per square foot of residential development and from \$0.54 to \$0.55 per square foot of commercial/industrial development.

#### **January 2014 State Allocation Board (SAB) action**

In January 2014, the SAB approved an increase in the authorized statutory developer fee from \$3.20 to \$3.36 per square foot of residential development and from \$0.47 to \$0.54 per square foot of commercial/industrial development.

#### **January 2012 State Allocation Board (SAB) action**

In January 2012, the SAB approved an increase in the authorized statutory developer fee from \$2.97 to \$3.20 per square foot of residential development and from \$0.47 to \$0.51 per square foot of commercial/industrial development.

#### **January 2010 State Allocation Board (SAB) action**

In January 2010, the SAB approved that all developer fees would remain unchanged from the 2008 levels.



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**January 2008 State Allocation Board (SAB) action**

In January 2008, the SAB approved an increase in the authorized statutory developer fee from \$2.63 to \$ 2.97 per square foot of residential development and from \$0.42 to \$0.47 per square foot of commercial/industrial development.

**January 2006 State Allocation Board (SAB) action**

In January 2006, the SAB approved an increase in the authorized statutory developer fee from \$2.24 to \$ 2.63 per square foot of residential development and from \$0.36 to \$0.42 per square foot of commercial/industrial development.

**January 2004 State Allocation Board (SAB) action**

On January 28, 2004, the SAB approved an increase in the authorized statutory developer fee from \$2.14 to \$ 2.24 per square foot of residential development and from \$0.34 to \$0.36 per square foot of commercial/industrial development.

**January 2002 State Allocation Board (SAB) action**

On January 23, 2002, the SAB approved an increase in the authorized statutory developer fee from \$2.05 to \$ 2.14 per square foot of residential development and from \$0.33 to \$0.34 per square foot of commercial/industrial development.

**January 2000 State Allocation Board Action**

In January of 2000, the State Allocation Board acted to increase statutory developer fees from \$1.93 to \$2.05 per square foot for residential construction and from \$0.31 to \$0.33 per square foot for commercial/industrial construction.

**November 1998 Passage of Senate Bill 50 and Proposition 1A**

On November 4, 1998, California voters approved Proposition 1A. This action made little revision to the manner in which standard (GC §65995) developer fees are calculated. However, fees in excess of the standard fee were limited to the provisions of GC §§ 65995.5 and .7.

**January 1998 State Allocation Board (SAB) action**

On January 28, 1996, the SAB approved an increase in the statutory developer fee from \$1.84 to \$ 1.93 per square foot of residential development and \$0.30 to \$0.31 per square foot of commercial/industrial development.

**January 1996 SAB action**

On January 24, 1996, the SAB approved an increase in the statutory developer fee from \$1.72 to \$ 1.84 per square foot of residential development and \$0.28 to \$0.30 per square foot of commercial/industrial development.

**Repeal of ACA 6 (Proposition 170, 1993)**

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On November 4, 1993, California's voters rejected Proposition 170. As part of this action, the additional fee of \$1.00 per square foot for residential construction authorized by SB 1287 was repealed. On November 5, 1993, the statutory developer for residential development became limited to a maximum of \$1.65. On January 26, 1994, the SAB enacted a once in two-year increase in the statutory fee for inflation that has raised the maximum fee from \$1.65 to \$1.72 for residential construction and from \$0.27 to \$0.28 for commercial/industrial construction.

**Senate Bill (SB) 1287**

On September 30, 1992, the governor signed into law SB 1287. It contained several provisions that appear to both lay and legal analysts to be ambiguous. Among the more certain provisions of this legislation is the authorization for school districts to collect an additional \$1.00 per square foot residential developer fee, above the already imposed \$1.65 per square foot fee authorized by AB 2926, if it can be substantiated through a fee justification study. The total residential developer fee increase to \$2.65 per square foot became effective statewide on January 1, 1993, and expired with the defeat of Proposition 170.

**Assembly Bill (AB) 2926**

In September 1986, AB 2926 was signed into law. It authorized school districts to impose a fee of not more than \$1.50 per square foot on residential and \$0.25 per square foot on commercial/industrial development if the school district could establish a finding that additional development projects caused an increased need for school facilities. Developer fees are adjusted for inflation every other year by the SAB, commencing 1990. As of September 30, 1992, the maximum fees were set at \$1.65 per square foot, plus \$1.00 as authorized by SB 1287 effective January 1, 1993, for residential development and \$0.27 per square foot for commercial/industrial development.

**Assembly Bill (AB) 1600**

AB 1600 established that school districts must satisfy specific criteria and requirements when establishing, increasing, or imposing a fee as a condition of approval of a development project. These criteria and requirements are:

1. The District must identify the purpose and use of the fee.
2. The District must establish a reasonable relationship between the *fee's use* and the *type of development* on which the fee is imposed, including a determination of a reasonable relationship between the need for additional school facilities and the type of development on which the fee is imposed.
3. The District must establish a reasonable relationship between the *amount* of the fee and the *cost* of the additional school facility, portion of the additional school facility, or reconstructed school facility with expanded pupil capacity caused by the development on which the fee is imposed.
4. The District must make a report each fiscal year regarding any portion of the fee remaining unexpended or unencumbered for five or more years after deposit.

**Assembly Bill 181**

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AB 181 imposed the following changes and additional requirements for school districts imposing or increasing developer fees:

1. School districts may, after conducting a study of employee generation factors within the district, establish commercial/industrial fees on categories of projects or on a case-by-case basis.
2. School Facility Fees may not be used for the "purposes of deferred maintenance," for routine maintenance, or for removal of asbestos – except as part of an eligible project.
3. Adoption of School Facilities Fees by the Board of Education is exempt from the California Environmental Quality Act (CEQA) (Government Code Section 53080. 1, added by Chapter 1209, Statutes of 1989).
4. The school district's governing board must establish a process to allow appeals of the imposition of developer fees.

Other legislation regarding developer fees provides that:

1. Developer fees are to be isolated in a capital facilities fund account. These fees, and any income earned on these fees (i.e., interest), may be used only for the purposes for which they were collected (Government Code Section 53077).
2. School districts may charge a fee on mobile homes if:
  - a. the fee is levied only on the initial installation of the mobile home in the district,
  - b. a mobile home has not been on the pad previous to the mobile home upon which fees are being levied, and
  - c. construction of the pad upon which the mobile home is to be placed had been started subsequent to September 1, 1986.
3. AB 2071, passed into law by the legislature, allows a parent living in one community and working in another to request enrollment for the elementary student in the district in which they work as opposed to the district in which they reside, adding additional pressure on school districts. The district's opportunity to reject these requests is limited. Thus, increasing commercial/industrial development can have a very significant impact upon the district in the event that people working in the new commercial, industrial or entertainment (recreational) centers will be able to make these requests.
4. School districts must first hold a public hearing before adopting or increasing any fee. The public hearing must be part of a regularly scheduled meeting of the governing board and notice of the meeting must be published twice, in accordance with Government Code Section 6062a. (Government Code §66018).
5. Notice of the public hearing, and a statement that certain required information is available, must be mailed at least fourteen days prior to the public hearing to any interested party requesting written notice of meetings for new or increased fees.
6. At least ten days prior to the public hearing, the district must make available to the public certain data as required by Government Code Section 66016.
7. The District must also wait for a period of 60 days before implementing the developer fees that it imposed by governing board adoption. An emergency resolution may be used under special circumstances to shorten the waiting period.

## 2. Selected Housing Characteristics, 2014-2018 American Community Survey 5-Year Estimates

Census		Search	
ALL	TABLES	MAPS	PAGES
1 Results	Close Download		
Download Selected (1)		Center Joint Unified School District, California	
<input checked="" type="checkbox"/> <b>SELECTED HOUSING CHARACTERISTICS</b> Survey/Program: American Community Survey Years: 2018,2017,2016,2015,2014,2013,2012,2011,2010 Table: DP04		Estimate	Margin of Error
Survey/Program: American Community Survey Product: 2018 ACS 5-Year Estimates Data Profiles TableID: DP04			Percent
Accessibility Information Quality IOIA Data Protection and Privacy Policy U.S. Department of Commerce Release Notes and FAQs		SELECTED HOUSING CHARACTERISTICS Survey/Program: American Community Survey TableID: DP04	
		HOUSING OCCUPANCY	
		Total housing units	
		Occupied housing units	
		Vacant housing units	
		Homeowner vacancy rate	
		Rental vacancy rate	
		UNITS IN STRUCTURE	
		Total housing units	
		1-unit, detached	
		1-unit, attached	
		2 units	
		3 or 4 units	
		5 to 9 units	
		10 to 19 units	
		20 or more units	
		Mobile home	
		Boat, RV, van, etc.	
		YEAR STRUCTURE BUILT	
		Total housing units	
		Built 2014 or later	
		Built 2010 to 2013	

### 3. Commuting Characteristics by Sex, 2014-2018 American Community Survey 5-Year Estimates

United States Census		Search
ALL	TABLES	MAPS PAGES
1 Results	Filter   Download	
<b>COMMUTING CHARACTERISTICS BY SEX</b> Survey/Program: American Community Survey Years: 2018,2017,2016,2015,2014,2013,2012,2011,2010 Table: S0801		<b>COMMUTING CHARACTERISTICS BY SEX</b> Survey/Program: American Community Survey TableID: S0801 Product: 2018 ACS 5-Year Estimates Su
		Total
		Estimate Margin of Error
Workers 16 years and over		14,976 +/-675
MEANS OF TRANSPORTATION TO WORK		
PLACE OF WORK		
Worked in state of residence		100.0% +/-0.2
Worked in county of residence		71.9% +/-3.1
Worked outside county of residence		28.1% +/-3.1
Worked outside state of residence		0.0% +/-0.2
Living in a place		93.3% +/-1.4
Worked in place of residence		8.8% +/-2.0
Worked outside place of residence		84.5% +/-2.3
Not living in a place		6.7% +/-1.4

#### **4. January 2020 Annual Adjustment to School Facility Program Grants**

##### **ANNUAL ADJUSTMENT TO SCHOOL FACILITY PROGRAM GRANTS**

State Allocation Board Meeting, January 22, 2020

##### **Grant Amount Adjustments**

<b>New Construction</b>	<b>SFP Regulation Section</b>	<b>Adjusted Grant Per Pupil Effective 1-1-19</b>	<b>Adjusted Grant Per Pupil Effective 1-1-20</b>
<b>Elementary</b>	<b>1859.71</b>	<b>\$12,197</b>	<b>\$12,451</b>
<b>Middle</b>	<b>1859.71</b>	<b>\$12,901</b>	<b>\$13,169</b>
<b>High</b>	<b>1859.71</b>	<b>\$16,415</b>	<b>\$16,756</b>
<b>Special Day Class – Severe</b>	<b>1859.71.1</b>	<b>\$34,274</b>	<b>\$34,987</b>
<b>Special Day Class – Non-Severe</b>	<b>1859.71.1</b>	<b>\$22,922</b>	<b>\$23,399</b>
<b>Automatic Fire Detection/Alarm System – Elementary</b>	<b>1859.71.2</b>	<b>\$15</b>	<b>\$15</b>
<b>Automatic Fire Detection/Alarm System – Middle</b>	<b>1859.71.2</b>	<b>\$20</b>	<b>\$20</b>
<b>Automatic Fire Detection/Alarm System – High</b>	<b>1859.71.2</b>	<b>\$33</b>	<b>\$34</b>
<b>Automatic Fire Detection/Alarm System – Special Day Class – Severe</b>	<b>1859.71.2</b>	<b>\$61</b>	<b>\$62</b>
<b>Automatic Fire Detection/Alarm System – Special Day Class – Non-Severe</b>	<b>1859.71.2</b>	<b>\$43</b>	<b>\$44</b>
<b>Automatic Sprinkler System – Elementary</b>	<b>1859.71.2</b>	<b>\$205</b>	<b>\$209</b>
<b>Automatic Sprinkler System – Middle</b>	<b>1859.71.2</b>	<b>\$243</b>	<b>\$248</b>
<b>Automatic Sprinkler System – High</b>	<b>1859.71.2</b>	<b>\$253</b>	<b>\$258</b>
<b>Automatic Sprinkler System – Special Day Class – Severe</b>	<b>1859.71.2</b>	<b>\$646</b>	<b>\$659</b>
<b>Automatic Sprinkler System – Special Day Class – Non-Severe</b>	<b>1859.71.2</b>	<b>\$433</b>	<b>\$442</b>