



Adopt 2024 Developer Fee Justification Study and Increase

Board Meeting
August 8, 2024
Agenda Item No. 10.4

Presented by:

Nathaniel Browning, Director, Capital Projects, Facilities
and Resource Management

Every system is perfectly designed to get the results it gets

CORE VALUE

We recognize that our system is inequitable by design and we vigilantly work to confront and interrupt inequities that exist to level the playing field and provide opportunities for everyone to learn, grow and reach their greatness.

SCUSD GUIDING PRINCIPLE

All students are given an equal opportunity to graduate with the greatest number of postsecondary choices from the widest array of options

Acronyms

SAB State Allocation Board

Sq. Ft. Square Foot

FJS Fee Justification Study

DEVELOPER FEES

School districts have the authority to levy school fees to offset the impact to school facilities from students generated from new development

Can be used to fund construction, reconstruction or refurbishment of school facilities, interim housing, administrative and operations facilities



LEVEL I FEES - OVERVIEW

- The Fee Caps are adjusted every other year (even years) by the State Allocation Board (SAB). Applies to both new residential and commercial/industrial development.
- January 24, 2024, adjusted to \$5.17/sq. ft. for new residential development and \$0.84/sq. ft. for new commercial/industrial development.
- The District currently charges \$3.36/sq. ft. for new residential development and \$0.54/sq. ft. for new commercial/industrial development.
- In order to increase the Level I Fees to the current Fee Caps, the District must prepare and adopt a Fee Justification Study (FJS).



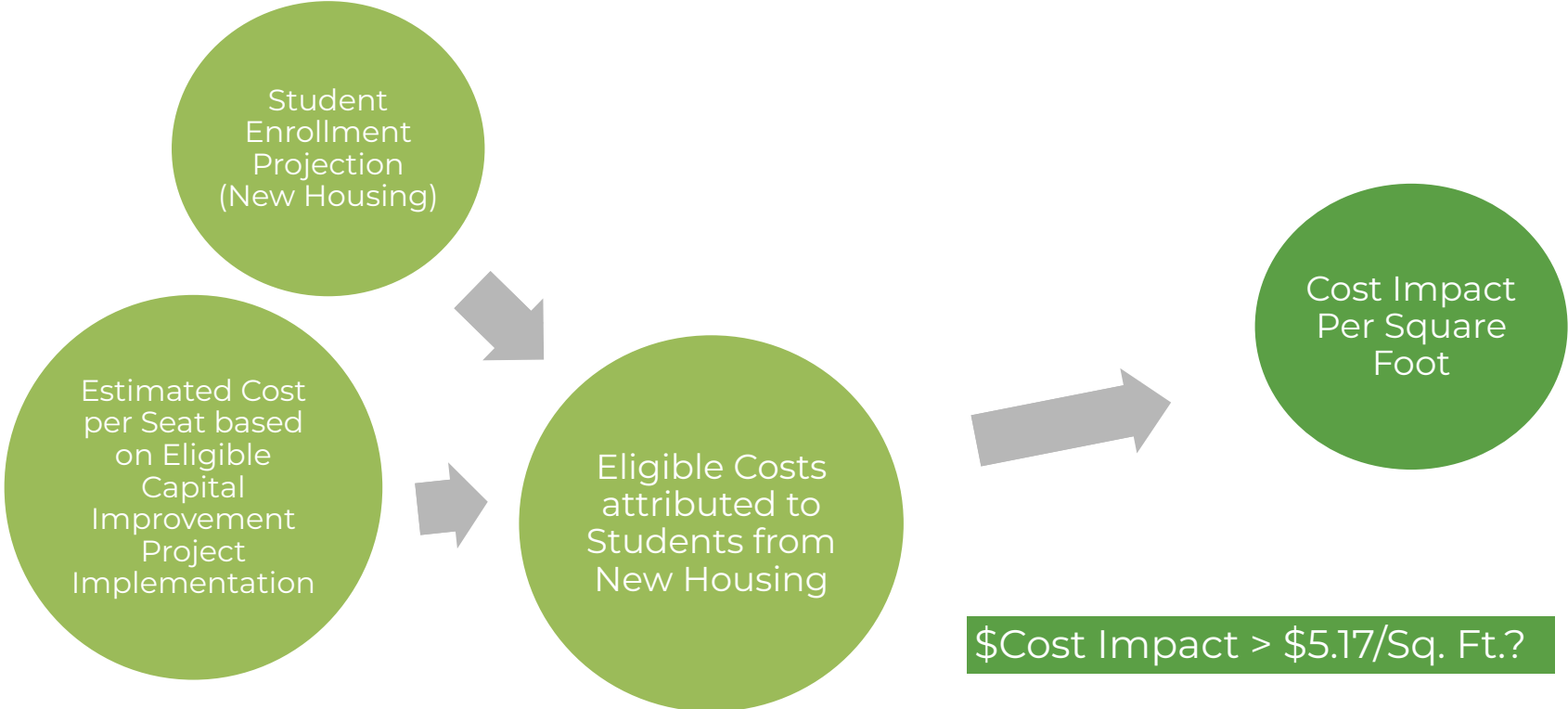
NEXUS REQUIREMENTS-GOVERNMENT CODE SECTION 66000

- Identify purpose and use of the fee
- Determine relationship between fee's use and new development
- Determine relationship between fee amount and facilities costs attributable to new development
- Provide annual accounting of the fees collected

GOVERNMENT CODE SECTION 66001(g)

Government Code Section 66000 et seq. allows School Fees to include the costs attributable to the increased demand for public facilities reasonably related to the development project(s) in which the fee is imposed in order to (1) refurbish existing facilities to maintain the existing level of service or (2) achieve an adopted level of service that is consistent with the general plan.

STUDY METHODOLOGY



STUDY METHODOLOGY

Student Enrollment Projection (New Housing)

Projected Housing Development	4,974 residential units
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Elementary School	390
Middle School	113
High School	201
TOTAL STUDENTS	704

Estimated Cost per Seat based on Eligible Capital Improvement Project Implementation

Elementary School	\$51,757 per seat
Middle School	\$53,696 per seat
High School	\$10,830 per seat

Eligible Costs attributed to Students from New Housing

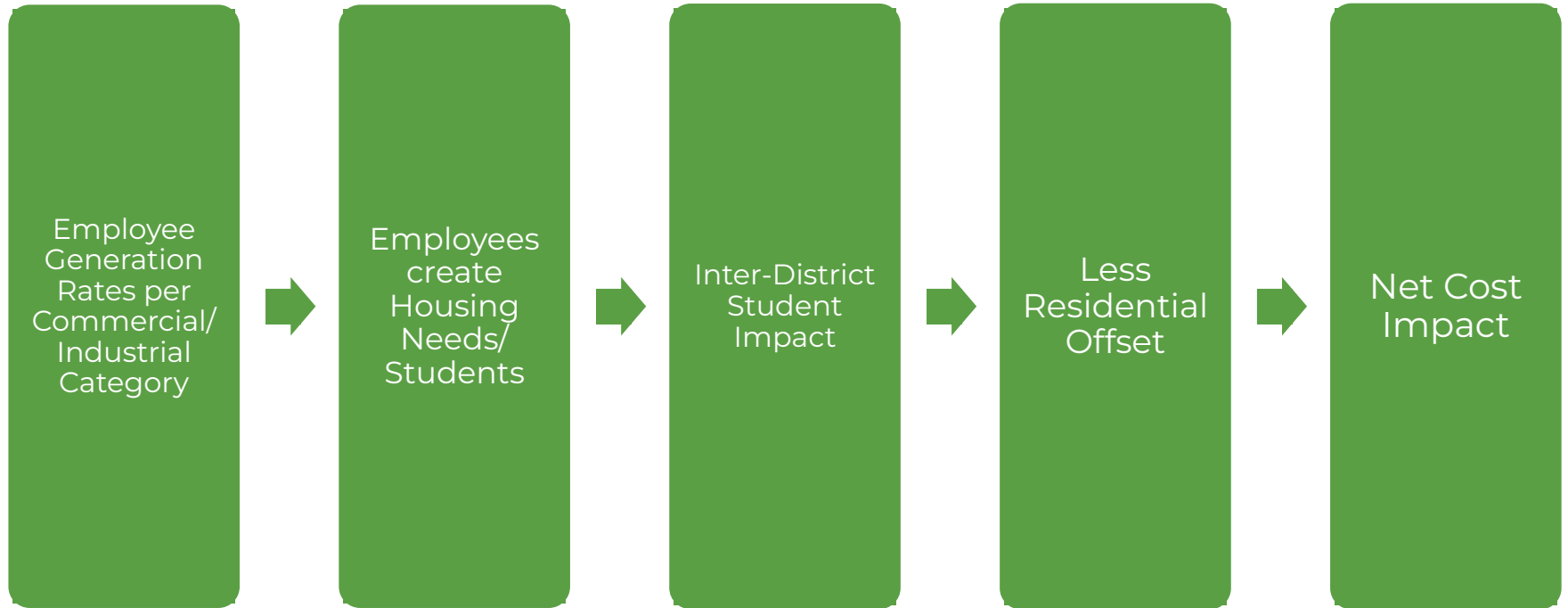
Elementary School	\$20,185,230
Middle School	\$6,067,648
High School	\$2,176,830
TOTAL	\$28,429,708

Cost Impact Per Square Foot

Total Eligible Costs/	\$28,429,708
Number of Projected Housing Units/	4,974
Average Sq. Ft. per Unit/	1,114
Cost Impact per Sq. Ft.	\$5.13

\$5.13 < \$5.17/ Sq. Ft.

STUDY METHODOLOGY – COMMERCIAL FEES



STUDY METHODOLOGY – COMMERCIAL FEES

COMMERCIAL/ INDUSTRIAL CATEGORY	NET COST IMPACTS	MAXIMUM APPLICABLE SCHOOL FEE PER SQUARE FOOT
Banks	\$0.77	\$0.77
Community Shopping Centers	\$0.41	\$0.41
Neighborhood Shopping Centers	\$0.75	\$0.75
Industrial Business Parks	\$0.94	\$0.84
Industrial/Warehousing/Manufacturing	\$0.37	\$0.37
Rental Self-Storage	\$0.02	\$0.02
Research & Development	\$0.82	\$0.82
Hospitality (Lodging)	\$0.30	\$0.30
Commercial Offices (Standard)	\$1.29	\$0.84
Commercial Offices (Large High Rise)	\$1.23	\$0.84
Corporate Offices	\$0.73	\$0.73
Medical Offices	\$1.15	\$0.84

LEVEL 1 FEES ADOPTION PROCESS

April 2024

July 26, 2024 &
July 31, 2024

August 8, 2024

October 7, 2024

Commence
Preparation of Fee
Justification Study.

Notice of Public
Hearing and Final
FJS available for
public review.
Published at least 10
days prior, and a
second at least 5 days
later.

District holds Public
Hearing for
Consideration to adopt
Level 1 Fees and FJS at
a regularly scheduled
Board meeting.

If approved, notify
Planning
Department of new
fee amounts. Fees
are effective 60
days later.

THANK YOU

QUESTIONS?

KOPPEL & GRUBER
PUBLIC FINANCE
