

LEVEL 1 DEVELOPER FEE JUSTIFICATION STUDY

March 2024



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SECTION 1: EXECUTIVE SUMMARY

This study is intended to update the developer fee imposed by the Yuba City Unified School District (the "District"). This report summarizes an analysis of the need for construction and reconstruction of school facilities to accommodate students from new development within the District's boundaries and documents a reasonable relationship between new development, the fee, and the facilities to be funded.

Education Code section 17620 authorizes school districts to levy a fee against any development project for the construction or reconstruction of school facilities as long as the district can show justification for levying of fees.

In January 2024, the State Allocation Board adjusted the maximum statutory fee to \$5.17 per square foot of residential construction and \$0.84 per square foot of commercial/industrial construction. This study supports the adoption of a developer fee by the District up to the statutory fees established by the State Allocation Board.

Upon the submittal of this study to the District, it is incumbent upon the District's Governing Board (the "Board"), assisted by staff, to review and evaluate the report for accuracy and agreement with the conclusions presented. Once the Board is satisfied that the fee adjustment recommendations are valid, the Board shall accept and consider public input. After accepting this input, the Board shall vote to approve findings and a resolution to set the appropriate fees.



SECTION 2: PURPOSE OF THIS STUDY

The purpose of this Developer Fee Justification Study is to comply with the provisions of Education Code section 17620 in relation to the levy and collection of developer fees. This study will substantiate that there is a "reasonable relationship", or nexus, between residential, commercial, and industrial development projects and the cost to provide adequate school facilities for the students generated from those developments. It will identify the expected revenue derived from fees from those developments; identify other potential sources of revenue for facilities (and their viability); and identify the additional students projected to enroll in district schools as a result of these development projects. As required by Government Code sections 66000 through 66003, this report will also:

- Identify the purpose of the fee;
- Identify how the fee is to be used;
- Determine how a reasonable relationship exists between the fee's use and the type of development project on which the fee is imposed; and
- Determine a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.
- A fee shall not include the costs attributable to existing deficiencies in public facilities, but may include the costs attributable to the increased demand for public facilities reasonably related to the development project 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.

Additionally, as required by Government Code section 66016.5(a), effective January 1, 2022, this report (i) identifies the existing level of service for each school facility, (ii) identifies the proposed new level of service, and (iii) explains why the new level of service is appropriate.



SECTION 3: HISTORY OF DEVELOPER FEE LAW

Education Code section 17620 (AB 2926, Chapter 887/Statutes 1986), stipulates that "the Governing Board of any school district is authorized to levy a fee, charge, dedication, or other forms of requirement against any development project for the construction or reconstruction of school facilities." To levy and collect developer fees, a school district must show the correlation (or "nexus") between new residential, commercial and industrial development and the need for new school facilities.

Developer fees were originally established in 1987 with a maximum fee of \$1.50 per square foot of new residential construction and \$0.25 per square foot of new commercial/industrial construction. This maximum amount is reviewed and adjusted every two years by the State Allocation Board (SAB) based on the statewide Class B Construction Cost Index. The SAB raised the maximum fee at its January 2024 meeting to \$5.17 per square foot of residential and \$0.84 per square foot of commercial/industrial development.

Developer fees may be used to finance new schools and equipment, and to reconstruct existing facilities in order to maintain adequate housing for all of the District's students. Other legitimate uses of developer fees include, but are not limited to: interim housing, site acquisition, replacement of aged or inadequate portable classrooms, and housing for class-size reduction. Up to three percent of the fees collected may be used to defray the administrative costs incurred by the District in collecting these fees. Uses of the fees which are specifically prohibited by law are: regular or routine maintenance of facilities, asbestos abatement incidental to construction or reconstruction, and deferred maintenance programs.

Additionally, Government Code section 66008 (SB 1693, Chapter 569/Statutes 1996, effective January 1, 1997) mandates that school districts be specific on the intended use of the fees to be collected in their fee justification documents and include the general locations of new school facilities and estimated construction timelines in the report. These timelines, however, are influenced by many factors including actual (as opposed to projected) phasing of new development, eligibility for and availability of State School Facility Program ("SFP") funds and availability of local funding.

In August 1998, the Governor signed into law Senate Bill 50 ("SB 50"), also known as the Leroy Greene School Facilities Act of 1998. This bill made major changes in the State Facilities Program as well as developer fee mitigation for school districts in California. The passage of SB 50 repealed all locally imposed fees authorized by local ordinances and instituted the collection of three levels of developer fees.

- Level 1 fees are the current statutory fees (also referred to as "Stirling Fees") allowed under Education Code section 17620.
- Level 2 fees are outlined in Government Code section 65995.5, and allow school districts to impose higher fees on residential construction if certain conditions are met. This level of developer fees is subject to a School Facility Needs Analysis based on Government Code section 65995.6.
- Level 3 developer fees are outlined in Government Code section 65995.7, and may be implemented by a district if the State certifies that there is no money available for facilities.



SECTION 4: CURRENT LEGAL AUTHORITY FOR DEVELOPER FEES

There are several legal code sections that deal with the levy and management of developer fees. A summary of some of the important code sections is included below.

- Education Code section 17620 explains several facets of developer fee law, including, but not limited to the following:
 - Exempts from fees residential additions of less than 500 square feet.
 - Allows a portion of the fees to be used to pay for the completion of developer fee justification studies.
 - Exempts from fees development projects that are used exclusively for government-owned facilities, private schools, and buildings that are tax-free based upon their use for religious purposes.
 - Limits the collection of fees for senior housing to the amount of commercial/industrial fees and requires any conversion from that use to be approved by the applicable local government agency after the school district has been notified.
- Education Code section 17625 authorizes the collection of fees on manufactured or mobile homes, but limits the imposition of the fees to the initial installation of the unit in the school district.
- Government Code sections 66000 through 66003 specify a variety of requirements regarding the collection and use of developer fees, some of which are stated in previous sections of this report, and include:
 - The identification of the purpose of the fee.
 - The identification of the use of the fee.
 - The determination of a reasonable relationship between the fee's use and the type of development project being assessed.
 - The determination of a reasonable relationship between the need for the public facility and the type of development project being assessed.
 - The accounting for any funds remaining unexpended in the fifth year after the first deposit into the fund, and every five years thereafter.
 - The identification of funding anticipated needed to finish any identified by incomplete projects, and the establishment of an approximate date for the anticipated completion of such projects.
 - The refunding, at specific times, of funds available that are not committed to specific projects.
 - A fee may not include the costs to existing deficiencies in public facilities, but may include costs attributable to the increased demand for public facilities reasonably related to a development project.
- Government Code section 66006 specifies the requirements for depositing and managing any fees that are collected and the restrictions for their use, including, but not limited to:
 - The establishment of a separate fund for the deposit of developer fees and any interest generated by them.
 - The use of such funds only for the purpose for which they were collected.



- Reporting the use of such funds on an annual basis within 180 days of the end of each fiscal year.
- Government Code section 66016 requires that district hold a public hearing regarding the imposition of developer fees as part of a regularly scheduled governing board meeting prior to adopting or increasing such fees. A notice of the meeting wherein a fee justification study is adopted must be posted at least 30 days prior to the meeting and published in a newspaper of general circulation within the District, with the first publication at least ten days prior to the meeting and the second published at least 5 days thereafter.



SECTION 5: DISTRICT DEMOGRAPHIC INFORMATION

The Yuba City Unified School District (the "District") is located in Sutter County and serves the City of Yuba City as well as unincoporated potions of Sutter County. Yuba City is located in the Central Valley near the Sutter Buttes. The District's location allows easy access to both winter and summer recreational areas and within reasonable driving distance are Yosemite National Park, Sacramento, San Francisco, Los Angeles and Lake Tahoe.

Post Secondary educational institutions are present throughout the region. Several colleges and universities are located near Yuba City including University of California Davis, California State University Chico and Sacramento, and Yuba Community College.

Community Demographics

Demography describes various population characteristics of the area's people. Primarily collected by local, state, and/or federal agencies such as the Census Bureau and local public health departments, demographic information covers a range of topics including population size, sex, age composition, ethnic backgrounds, household characteristics, geographic distribution, part-time versus full-time residents and other vital statistics. With regard to the master planning process, demographic data will assist the district in prioritizing projects, resource allocation, and facilities needs.

The most recent demographic survey performed by the Census Bureau was the American Community Survey, a discussion of which is provided below for the District.

Yuba City Unified School District Demographic Facts

- ♦ 79,526 residents
- 27,568 total housing units and 26,999 households
- 31.6% of households had children under the age of 18
- \$60,024 median income
- 15.9% of families and 18.3% of the population below the poverty line

District School Sites

The District operates six TK-5 elementary schools, five TK-8 elementary schools, one 6-8 middle school, two comprehensive high schools, and one continuation high school. District office facilities are located at 425 Plumas Boulevard Suite 200, Yuba City 95991.



Yuba City Unified School District School Sites
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		Grade
School	Location	Levels
Albert Powell High School	1875 Clare Avenue, Yuba City	10-11
Andros Karperos School	1700 Camino de Flores, Yuba City	TK-8
April Lane Elementary School	800 April Lane, Yuba City	TK-5
Barry Elementary School	1255 Barry Road, Yuba City	TK-8
Bridge Street Elementary School	500 Bridge Street, Yuba City	TK-5
Butte Vista Elementary School	2195 Blevin Road, Yuba City	TK-8
Gray Avenue Middle School	808 Gray Avenue, Yuba City	6-8
King Avenue Elementary School	630 King Avenue, Yuba City	TK-5
Lincoln Elementary School	1582 Lincoln Road, Yuba City	TK-5
Lincrest Elementary School	1400 Phillips Road, Yuba City	TK-5
Park Avenue Elementary School	100 Morton Street, Yuba City	TK-5
River Valley High School	801 El Margarita Road, Yuba City	9-12
Riverbend Elementary School	301 Stewart Road, Yuba City	TK-8
Tierra Buena School	1794 Villa Avenue, Yuba City	TK-8
Yuba City High School	850 B Street, Yuba City	9-12



SECTION 6: DISTRICT'S HISTORY OF DEVELOPER FEE COLLECTIONS

In 2021, the District adopted a developer fee study which justified a fee of \$4.08 per square foot of residential construction and \$0.66 per square foot of commercial/industrial construction.

As this study will demonstrate, the fees currently being collected are far short of the amounts needed to modernize school facilities and add space to accommodate any new students generated through new construction. The table below shows the District's total developer fee collections since 2018-19.

5 Year Historical Developer Fee Collections				
Year	Residential	Commercial	Total	
2022-23	\$387,038.34	\$118,675.26	\$505,713.60	
2021-22	\$669,375.52	\$56,439.57	\$725,815.09	
2020-21	\$163,115.63	\$25,188.39	\$188,304.02	
2019-20	\$30,030.66	\$10,383.64	\$40,414.30	
2018-19	\$72,067.07	\$9,483.46	\$81,550.53	
Total	\$1,321,627.22	\$220,170.32	\$1,541,797.54	

Source: Yuba City Unified School District

Capitol Public Finance Group, LLC was contracted by the District to provide an updated Level 1 Developer Fee Justification Study. This study is intended to establish the legal and policy basis for the calculation and imposition of impact fee on new development activity within the District.



SECTION 7: DISTRICT ENROLLMENT AND CAPACITY

Historical Enrollment of the District

The annual enrollment for the District has remained relatively steady over the past few years with a current enrollment of 11,638:



Source: California Department of Education and Yuba City Unified School District

A breakdown of the District's historical CBEDS enrollment, by grade level, is included as Appendix A.

District Capacity

The capacity was determined using the District's loading standards of 24 students per regular education classroom for TK-3rd grade and 29 students per regular education classroom for 4th-8th grade. Based on these loading standards the District has an elementary capacity of 8,277and a high school capacity of 3,335.

The District's present schools have capacity to house an additional 465 elementary school students. However, the District does not have capacity to house any additional high school students being generated by new construction within the District. As you can see from the following table, based on 2023-24 enrollment, the District is currently over capacity by 491 high school students.





Source: Yuba City Unified School District

New Development

New residential development typically results in new students for the District to accommodate. Therefore, it is important for the District to monitor the development plans of the local land use agencies. For the District, there are two land use agencies within the District's boundaries – the City of Yuba City and the County of Sutter.

There are several development projects currently mapped for new construction within the District's boundaries. The District must plan for facilities assuming maximum potential student capacity. Given the number of projects that are planned for construction within the District's boundaries, the District must plan accordingly. Provided below is a summary of the known mapped development projects within the District's boundaries:



Projected Residential Development			
Development	# of Units		
Bains-Bridge	26		
Chima Ranch	82		
Faith Court	17		
Gorsi Subdivision	5		
Harter North	73		
Henson Farms Apartments	138		
Johnson Ranch	82		
Merriment Apartments	218		
Sohal Ranch	179		
Thiara Estates	34		
West Railroad Estates	48		
West Sanborn	95		
West Walton Village	72		
Total Projected Units	1,069		

Source: City of Yuba City

Student Generation Rate

A total of 1,069 units are projected to be constructed within the District's boundaries over the next five years. In terms of facilities planning, it is important that the District project the potential facilities impact to the District. A key component of the planning process is the student generation factor. A student generation factor is the ratio of students produced per home within a new construction project. This serves as a tool for District's to use in the planning process and will allow the District to predict the impact new development will have on the student population. This ultimately will facilitate decision making about the provision of facilities and resources throughout the District.

To identify the number of students anticipated to be generated by new residential development, a student yield factor of 0.7 has been utilized for the District. The yield factor is based on Statewide student yield averages calculated by the Office of Public School Construction, and is generally reflective of the District's historic student yield. A breakdown of the student generation rate for grade level is provided in the table below:

Student Generation Rates by Grade			
TK-8	9-12	Total	
0.5	0.2	0.7	

Given the 1,069 projected units and the student generation rate to be used per home, the District can estimate that approximately 615 new students will be generated as a result of the development projects.



Summary of Five Year Enrollment Projects			
Number of Units	TK-8 Enrollment	9-12 Enrollment	Total
1,069	535	214	748

Current enrollment trends coupled with development data demonstrate a need for new school facilities. The District does not have sufficient capacity to house all new students projected from new residential development and will suffer significant strain from the development occurring within District boundaries. The District has a projected enrollment of 8,347 elementary students and 4,040 high school students, the District will need to construct additional classrooms to provide facilities for the 70 unhoused elementary school students and 214 unhoused high school students generated from new construction of residential units.





SECTION 8: FACILITIES NEEDS

The District has experienced growth within its boundaries and will need to plan for the construction of additional school facilities in order to accommodate students generated from projected growth. The District has available funds that it will contribute toward the construction of these facilities, but lacks sufficient funding to pay for all necessary construction.

Anticipated Facilities Need

Based on the projected student generation, it is anticipated that the District will need to construct additional schools/classrooms. The District will need to fund the design and construction of these facilities.

New Construction Costs

Based on the total construction cost of recently built schools within the state of California, a new elementary school is estimated to cost approximately \$41,000,000 and a new high school is estimated to cost approximately \$128,000,000. The students projected to be generated from the new housing developments within the District will only make up a portion of the total capacity of the construction of a new high school. Therefore, the site acquisition and development costs are allocated based on the portion of the facility that the students from new development would occupy. The following table shows the portion of a school required to accommodate students from new development.

Number of Schools Required for Projected Unhoused Students from New Development				
Projected Unhoused Students from New Number of				
Grade Level	Development	School Capacity	Schools Required	
Elementary	70	800	0.09	
High	214	1,800	0.12	

The number of schools required to house the projected unhoused students from new development is multiplied by the site and construction costs, shown above, to determine the total school capacity costs to be funded by future development, less any available funding. The unfunded school construction cost is equal to the estimated total school costs less estimated State Funding. With 800 elementary school students, based on 2024 state grant amounts of \$15,770 per student, an anticipated \$12.6 million of state funding could be applied to each elementary school constructed. Using 2024 state grant amounts of \$21,223 per high school student, and a school size of 1,800 students, an anticipated \$38.2 million of state funding could be applied to middle school construction. The calculation is as follows:



Estimated School Construction Costs				
Grade Level	Total School Construction Costs	Estimated State Grant Funding	Total School Construction Costs	
Elementary	\$46,000,000	\$12,616,000	\$33,384,000	
High	\$128,000,000	\$38,201,400	\$89,798,600	

It is estimated the District will have a total unfunded facilities cost of approximately \$13.7 million, shown in the table below.

Calculation of Unfunded School Construction			
	School Construction		
Grade Level	Cost	Schools Required	Total Costs
Elementary	\$33,384,000	0.09	\$3,004,560
High	\$89,798,600	0.12	\$10,775,832
Total			\$13,780,392



SECTION 9: DEVELOPER FEE JUSTIFICATION

Developer fee law requires that before fees can be levied a district must find that justification exists for the fee. Justification for the fee can be shown if anticipated residential, commercial and industrial development within a district will impact it with additional students and the district either does not have the facility capacity to house these students and/or the students would have to be housed in existing facilities that are not educationally adequate (i.e., antiquated facilities). In addition, it must also be shown that the amount of developer fees to be collected will not exceed the District's cost for housing students generated by new development. This section of the study will show that justification does exist for levying developer fees in the District.

Residential Development and Fee Analysis

To show a reasonable relationship exists between the construction of new housing units and the need for school facilities, it will be shown that residential construction will create a school facility cost impact on the District greater than the amount of developer fees to be collected.

To determine the cost impact of residential construction on the District, the cost to house students in new school facilities must be identified. The facilities cost calculations are included in Section 7 and include any money the District plans to contribute towards new construction. The table below shows the cost impact for new school facilities for each student generated by new residential development. Since the District expects 284 unhoused students to be generated from new development, the per student facilities cost for each student is estimated to be \$48,523.

Unfunded Facilities Cost Per Student

\$13,780,392 / 284 = \$48,523 per student

As previously explained, based on State standards, each home generates approximately 0.7 elementary and high school students. Therefore, if the per student facilities cost is \$48,523, we can multiply that by the student generation rate of 0.7 and estimate the impact per unit of \$33,966. Using ParcelQuest it was determined that the average square footage of new residential units constructed over the last five years was approximately 2,635 square feet. This analysis will assume that the average size of new single family residential units to be constructed within the District's boundaries will continue to be approximately 2,635 square feet. Therefore, to determine the impact per square foot of residential construction we divide the impact per home by the average square footage of homes within the District. As calculated, the facilities cost per square foot is \$12.89:

Facilities Cost Per Square Foot

\$33,966 / 2,635 sq. ft. = \$12.89 per sq. ft.

Therefore, the Elementary District's facilities cost per square foot of new development (\$12.89 per square foot) exceeds the maximum developer fee (\$5.17 per square foot) that can be imposed.



Residential Developer Fee Justification

It is clear that a reasonable relationship exists between residential development within the Yuba City Unified School District and the need for new school facilities. This relationship is based on the finding that the District exceeds its facility capacity. New students to be generated by new residential development will have to be housed in new school facilities. The cost to provide additional school facilities exceeds the amount of fees to be generated from new residential, construction.

Commercial/Industrial Development and Fee Analysis

In order to levy fees on commercial and industrial development, existing law stipulates that the District ". . . must determine the impact of the increased number of employees anticipated to result from commercial and industrial development upon the cost of providing school facilities within the District." The school facilities costs incurred by the District per square foot of new commercial/industrial construction are determined by multiplying together five factors:

- 1. Employees per square foot of new commercial/industrial development;
- 2. Percent of employees in the District that also live in the District;
- 3. Dwelling Units per employee;
- 4. Students per Dwelling Unit;
- 5. School facility cost per student.

Employees Per Square Foot Of New Commercial/Industrial Development

To make this determination, the study shall utilize employee generation estimates that are based on commercial and industrial factors within the District, as calculated on either an individual or categorical basis." The passage of Assembly Bill 530 (Chapter 633/Statutes 1990) allows the use of the employee generation factors set forth in the January 1990 edition of "<u>San Diego Traffic Generators</u>," a report of the San Diego Association of Governments. This study which was completed in January of 1990 identifies the number of employees generated per square foot of floor area for several demographic categories. These generation factors are shown in the table below.



Employees Per Square Foot of New Commercial/Industrial Development			
Commercial/Industrial Category	Average Square Foot Per Employee	Employees Per Average Square Foot	
Banks	354	0.00283	
Community Shopping Centers	652	0.00153	
Neighborhood Shopping Centers	369	0.00271	
Industrial Business Parks	284	0.00352	
Industrial Parks	742	0.00135	
Rental Self Storage	15,541	0.00006	
Scientific Research & Development	329	0.00304	
Lodging	882	0.00113	
Standard Commercial Office	209	0.00479	
Large High Rise Commercial Office	232	0.00431	
Corporate Offices	372	0.00269	
Medical Offices	234	0.00427	

Source	1000 SanDAG	Traffic	Generators report	
source.	1990 SanDAG	name	Generators report	

Percent of Employees in the District That Also Live in the District

To estimate the percentage of new District employees that will reside in the District, this study has utilized a conservative approach, whereby it is assumed that one-third of new employees in the District will also live in the District and two-thirds will live outside of the District.

Dwelling Units per Employee

Data from the American Community Survey indicates that there were 34,716 workers living in 27,568 housing units in the District. Therefore, there are 0.794 housing units for every one worker. This study, thereby assumes that each new resident worker in the District will demand 0.794 housing units.

Students per Dwelling Unit

As stated in Section 9 of this study, based on SFP standards, this study assumes that 0.7 students will reside in each dwelling unit.

The table below shows the calculation of the school facility cost generated by a square foot of new commercial/industrial development for each of the categories of commercial/industrial development.



School Facilities Cost Per Sq. Ft. of Commercial/Industrial Development												
Category	Employees Per Average Sq. Ft.	% Employees Residing in District	Dwelling Units Per Employee	K-12 Students per Dwelling Unit	Cost per K-12 Student	Cost per Square Foot						
Banks	0.00283	0.333	0.794	0.7	\$33,966	\$17.79						
Community Shopping Centers	0.00153	0.333	0.794	0.7	\$33,966	\$9.62						
Neighborhood Shopping Centers	0.00271	0.333	0.794	0.7	\$33,966	\$17.04						
Industrial Business Parks	0.00352	0.333	0.794	0.7	\$33,966	\$22.13						
Industrial Parks	0.00135	0.333	0.794	0.7	\$33,966	\$8.49						
Rental Self Storage	0.00006	0.333	0.794	0.7	\$33,966	\$0.38						
Scientific Research & Development	0.00304	0.333	0.794	0.7	\$33,966	\$19.11						
Lodging	0.00113	0.333	0.794	0.7	\$33,966	\$7.10						
Standard Commercial Office	0.00479	0.333	0.794	0.7	\$33,966	\$30.11						
Large High Rise Commercial Office	0.00431	0.333	0.794	0.7	\$33,966	\$27.09						
Corporate Offices	0.00269	0.333	0.794	0.7	\$33,966	\$16.91						
Medical Offices	0.00427	0.333	0.794	0.7	\$33,966	\$26.84						

Commercial Developer Fee Justification

As indicated in the per square foot cost provided above, maximum statutory developer fee of \$0.84 per square foot is justified for all categories except rental self-storage.

Based on data available for the purpose of determining the impact of rental self-storage construction on the District, it has been determined that rental self-storage construction has significantly less impact than other commercial/industrial construction. Rental self-storage construction generates 0.00006 employees per square foot of school construction. This information was provided by the San Diego Association of Governments, <u>Traffic Generators</u>, January 1990, and is cited for use in Education Code section 17621 (e) (B).

The generation of 0.00006 employees per square foot and the utilization of the student generation rate per household yields an impact of \$0.38 per square foot of mini storage construction.



SECTION 10: FINDINGS

Government Code section 66001 lists the requirements that districts must observe regarding the collection and use of developer fees. The major requirements are listed below:

Establishment of a Cost Nexus

The Board will collect fees on new residential and commercial/industrial development to fund the construction and/or reconstruction of school facilities to serve students generated by such projects. The District has undertaken significant reconstruction and modernization projects to serve existing development and potentially, all capacity that must be provided. Additionally, the cost for providing these facilities exceeds the amount of developer fees to be collected. It is clear that when educational facilities are provided for students generated by new residential, commercial and industrial development that the cost of new facilities exceeds developer fee generation, thereby establishing a cost nexus.

Establishment of a Benefit Nexus

Students generated by new residential, commercial and industrial development will be attending the District's schools. Housing District students in new and/or modernized facilities will directly benefit those students from the new development projects upon which the fee is imposed; therefore, a benefit nexus exists.

Establishment of a Burden Nexus

The generation of new students by development will create a need for additional and/or reconstructed school facilities. The District must carry the burden of constructing new facilities required by the students generated by future developments and the need for facilities will be, in part, satisfied by the levying of developer fees, therefore, a burden nexus exists.

<u>Conclusion</u>

The District has met the nexus requirements described in Government Code section 66001. As demonstrated in this study, the District is justified in charging up to the statutory maximum developer fee of \$5.17 per square foot of residential development and \$0.84 per square foot of commercial/industrial development, except for rental self-storage facilities, which are justified up to a fee of \$0.38 per square foot. In accordance with Government Code section 66016.5(a), this study has identified the existing level of service for the District's school facilities and the new proposed level of service, and explained why the new level of service is appropriate.



SECTION 11: IMPLEMENTATION OF THE FEES

If the Board accepts the recommendation to accept the developer fee as justified in this study, the following process should be followed for fee implementation.

District Board Approval

The Board should adopt the proposed fee as provided for in this study. To do so, the District must:

- Post a notice on its website and where it normally posts its Board meeting agenda materials at least 30 days prior to the hearing;
- Send a notice of a public hearing at least 14 days prior to the hearing to any party who files a written request with the local agency for mailed notice of the meeting on new or increased fees or service charges. Have this report and all supporting documentation available for review by the public at least 10 days prior to the hearing;
- Submit a notice of public hearing in the local newspaper at least 10 days prior to the public hearing. This notice should run at least twice in a newspaper of general circulation within the District, with the second notice published at least 5 days after the first notice;
- Hold the public hearing to consider adoption of the developer fee;
- Adopt a resolution to set the fee;
- Begin collecting the fee no sooner than 60 days following adoption of the resolution.

Notifications

The District should provide the planning and building departments of the City of Yuba City and the County of Sutter, with notice of the current fee rates and other information so that they may coordinate issuance of building permits with the District's fee program.

Fee Accounting

All fee revenues should be deposited into a restricted public facility fee account. Interest earned on fund balances should be credited to the fund.

On an annual basis, the District must provide a detailed accounting of the developer fee funds. This accounting must include such items as an indication of the specific public improvement or improvements on which fees were expended, the amount of expenditure on each improvement, the estimated date by which construction will begin if sufficient funds are in place and a particular improvement is not yet complete, a description of each transfer or loan made to or from the account, and the amount of refunds made or fees that had remained unexpended and uncommitted for five or more years. The new statute gives school districts 180 days from the close of the fiscal year to prepare this detailed annual accounting.



5 Year Historical and Current Year Enrollment										
Grade	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24				
К	1,020	1,057	898	1,000	1,040	1,075				
1	949	847	883	815	885	780				
2	897	929	842	868	826	896				
3	950	888	893	838	874	830				
4	893	940	865	882	818	875				
5	929	880	935	852	856	831				
6	960	910	840	903	826	838				
7	966	946	913	814	882	806				
8	986	976	940	895	846	881				
Total Elementary	8,550	8,373	8,009	7,867	7,853	7,812				
9	988	1,027	998	957	941	864				
10	964	975	1,037	990	944	943				
11	963	971	967	1,011	980	991				
12	963	969	982	976	967	1,028				
Total High	3,878	3,942	3,984	3,934	3,832	3,826				
Total District	12,428	12,315	11,993	11,801	11,685	11,638				

APPENDIX A: 5 YEAR HISTORICAL ENROLLMENT



APPENDIX B: SAMPLE NOTICE OF PUBLIC HEARING

PUBLIC HEARING ON MARCH 12, 2024 AT 7:00 PM AT YUBA CITY UNIFIED SCHOOL BOARD ROOM

Regarding

NOTICE OF PUBLIC HEARING AND OF PROPOSAL FOR INCREASING SCHOOL FACILITIES FEES AS AUTHORIZED BY GOVERNMENT CODE SECTION 65995

PLEASE TAKE NOTICE that immediately following a public hearing on the matter, a resolution will be considered by the Governing Board of the Yuba City Unified School District at its regular meeting on March 12, 2024 at 7:00 PM located at Yuba City Unified School District Office, 425 Plumas Boulevard, Yuba City CA, which if adopted by the Board will increase development fees established by the District against residential construction and reconstruction by the maximum of \$5.17 per square foot; while commercial or industrial construction will also be increased to the maximum of \$0.84 per square foot. The proposed fees are authorized by Government Code Section 65995. Data pertaining to the cost of school facilities is available for inspection during regular business hours at the District Office. The increased fee, if approved by the Governing Board, will become effective on May 11, 2024, which is 60 days after the proposed adoption of the resolution levying such fee by the Governing Board.

