

WESTERN PLACER UNIFIED SCHOOL DISTRICT
810 J STREET, LINCOLN, CALIFORNIA 95648
Phone: 916.645.6350 Fax: 916.645.06356

MEMBERS OF THE GOVERNING BOARD

Paul Long - President
James McLeod - Vice President
Paul Carras - Clerk,
Ana Stevenson - Member
Brian Haley - Member

DISTRICT ADMINISTRATION

Scott Leaman, Superintendent
Bob Noyes, Assistant Superintendent, Personnel Services
Carrie Carlson, Assistant Superintendent, Business Services
Mary Boyle, Assistant Superintendent, Educational Services

STUDENT ENROLLMENT

<u>School</u>	<u>05/01/07</u>	<u>6/01/07</u>
Sheridan School (K-5)	90	88
First Street School (K-5)	467	467
Carlin C. Coppin Elementary (K-5)	497	497
Creekside Oaks Elementary (K-5)	692	696
Twelve Bridges Elementary (K-5)	725	725
Foskett Ranch Elementary (K-5)	484	483
Glen Edwards Middle (6-8)	712	706
Twelve Bridges Middle School (6-8)	587	589
Lincoln High School (9-12)	1260	1262
Phoenix High School (10-12)	97	85
PCOE Home School	4	4
TOTAL:	5,615	5,602

Phoenix Infant/Toddler 18

Preschool/Head Start

First & J Street 24
Carlin Coppin 24
Sheridan 24

Adult Education 266

GLOBAL DISTRICT GOALS

- ~Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential.
- ~Foster a safe, caring environment where individual differences are valued and respected.
- ~Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.
- ~Promote the involvement of the community, local government, business, service organizations, etc. as partners in the education of our students.
- ~Promote student health and nutrition in order to enhance readiness for learning.

WESTERN PLACER UNIFIED SCHOOL DISTRICT SPECIAL MEETING OF THE BOARD OF TRUSTEES

July 24, 2007

4:00 P.M.

District Office Staff Development Room
810 J Street, Lincoln, CA 95648

AGENDA

2006-2007 Goals & Objectives (G & O) for the Management Team: Component I: Quality Student Performance; Component II: Curriculum Themes; Component III: Special Student Services; Component IV: Staff & Community Relations; Component V: Facilities/Administration/Budget.

1. **WELCOME/CALL TO ORDER/FLAG SALUTE**
James McLeod, Vice President, Board of Trustees

2. **PUBLIC HEARING**
ESTABLISH SCHOOL FEES IN ACCORDANCE WITH THE PROVISION OF SENATE BILL 50 - Allen

This public hearing provide the Board of Trustees an opportunity to hear public comment regarding the establishment of Level II and Level III school facility fees.

The proposed fee increases are as follows:

	Level II	Level III
Residential	\$5.00	\$10.00

3. **◆ACTION ◆DISCUSSION ◆INFORMATION**
CODE: (A) = Action (D) = Discussion (I) = Information

Members of the public wishing to comment on any items should complete a yellow **REQUEST TO ADDRESS BOARD OF TRUSTEES** form located on the table at the entrance of the location of the board meeting. Request forms are to be submitted to the Board Clerk before each item is discussed.

- 3.1 (D/A) **ADOPT RESOLUTION NO. 07/08.01 TO ESTABLISH SCHOOL FACILITY FEES IN ACCORDANCE WITH THE PROVISIONS OF SENATE BILL 50 – Allen (06-07 G & O Component IV-V)**

•Based on meeting certain criteria set forth in Senate Bill 50, the District is authorized to collect residential developer fees-and-above the level I rate established by the State Allocation Board. The fee, based upon the criteria outlined in the School Facilities Needs Analysis and Justification Study, known as Level II fees, is \$5.00 per square foot of residential development.

- 3.2 (D/A) **APPROVE THE PURCHASE OF ONE (1) 2007 62-PASSENGER BLUEBIRD TRANSIT SCHOOL BUS UTILIZING THE PIGGYBACK PROVISION OF THE WATERFORD UNIFIED SCHOOL DISTRICT BID FOR THE AMOUNT OF \$132,614.63 – Boyle (06-07 G & O Component V)**

July 24, 2007

Agenda

- The Western Placer Unified School District intends to purchase one 2007 62-Passenger Bluebird transit school bus by taking advantage of the piggy back provision of the Waterford Unified School District bid. The school bus is required to address student enrollment growth.

4. ADJOURNMENT

Posted: 7/18/07, 1:00 p.m.

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Public

Hearing

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEE MEETING FACT SHEET**

MISSION STATEMENT: Empower Students with the skills, knowledge, and attitudes for Success in an Ever Changing World.

DISTRICT GLOBAL GOALS

1. **Develop and continually upgrade a well articulated K-12 academic program that challenges all students to achieve their highest potential, with a special emphasis on students**
2. **Foster a safe, caring environment where individual differences are valued and respected.**
3. **Provide facilities for all district programs and functions that are suitable in terms of function, space, cleanliness and attractiveness.**
4. **Promote the involvement of the community, parents, local government, business, service organizations, etc. as partners in the education of the students.**
5. **Promote student health and nutrition in order to enhance readiness for learning.**

AGENDA ITEM:

Establish School Fees in Accordance
with the Provision of Senate Bill 50

SUBJECT AREA:

Public Hearing

REQUESTED BY:

Cathy Allen
Director of Site Development

ENCLOSURES:

No

MEETING DATE:

July 24, 2007

BACKGROUND:

This public hearing provides the Board of Trustees an opportunity to hear public comment regarding the establishment of Level II and Level III school facility fees. The proposed fee increases are as follows:

	Level II	Level III
Residential	\$5.00	\$10.00

ADMINISTRATION RECOMMENDATION:

Board conduct public hearing. No further action is required.

2

**SCHOOL FACILITY NEEDS ANALYSIS AND
JUSTIFICATION STUDY**

for the

WESTERN PLACER UNIFIED SCHOOL DISTRICT

April 2007

Prepared by
School Facility Consultants

DRAFT

2.1

**SCHOOL FACILITY NEEDS ANALYSIS AND
JUSTIFICATION STUDY**

for the

WESTERN PLACER UNIFIED SCHOOL DISTRICT

April 2007

Prepared for
Western Placer Unified School District
810 J Street
Lincoln, CA 95648
(916) 645-6350

Prepared by
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2.2

Table Of Contents

Executive Summary.....	1
Introduction.....	2
I. Authority to Collect Level II and Level III Fees.....	3
A. Eligibility for State Funding for New Construction.....	3
B. Adoption of School Facility Needs Analysis and Justification Study	3
C. Criteria in Government Code Section 65995.5(b)(3)(A-D).....	3
II. Amount of Level II and Level III Fees.....	4
A. Allowable Cost for New School Facilities.....	4
(1) Number of Unhoused Students.....	4
(2) Allowable Grant Costs.....	7
(3) Allowable Site Acquisition and Development Costs.....	7
(4) Local Funds Dedicated to School Facilities Necessitated by Future Development..	9
(5) Total Allowable School Facility Cost for Level II Fees.....	10
B. Amount of Level II Fee.....	10
C. Amount of Level III Fee.....	11
III. Findings and Recommendations.....	12
A. Findings.....	12
(1) Government Code Section 66001(a)(1) – Purpose of the Fee.....	12
(2) Government Code Section 66001(a)(2) – Use of the Fee.....	12
(3) Government Code Section 66001(a)(3) – Relationship Between Fee’s Use and the Type of Project Upon Which the Fee is Imposed.....	12
(4) Government Code Section 66001(a)(4) – Relationship Between the Need for the Public Facility and the Type of Project Upon Which the Fee is Imposed.....	13
(5) Government Code Section 66001(b) – Relationship Between the Fee and the Cost of the Public Facility Attributable to the Development on Which the Fee is Imposed.....	13
(6) Other Funding Sources.....	13
a) General Fund.....	13
b) State Programs.....	13
c) General Obligation Bonds.....	13
d) Parcel Taxes.....	14
e) Mello-Roos Community Facilities Districts.....	14
f) Surplus Property.....	14
g) Alternatives for Reducing Facility Costs.....	14
B. Recommendations.....	14
Appendix A. Calculation of Allowable Per-Pupil Grant Costs	
Appendix B. Calculation of Allowable Per-Pupil Site Acquisition and Site Development Costs	

Executive Summary

The Western Placer Unified School District is authorized to collect \$5.00 per square foot of residential development pursuant to Government Code Section 65995.5 and \$10.00 per square foot pursuant to Government Code Section 65995.7 (also known as Level II and III fees, respectively).

The District meets the eligibility requirements in Government Code Section 65995.5(b) regarding the collection of Level II and III fees. The dollar amounts of the fees are based on the following facts and projections:

1. The student generation rate of residential housing units projected to be built in the District, calculated in accordance with Government Code Section 65995.6(a), is 0.469 for single-family units and 0.463 for multi-family units.
2. The number of new residential housing units subject to Level II and Level III fees projected to be built in the District over the next five years is 42 single-family and 122 multi-family units, based on information provided by the City of Lincoln and County of Placer planning departments.
3. Multiplying the appropriate terms in (1) and (2) shows that future single- and multi-family residential development is projected to add 46 K-6 students, 12 7-8 students and 19 9-12 students.
4. The District has zero excess pupil capacity at the K-6 and 9-12 grade levels available for pupils generated by future residential development based on its 2006/07 CBEDS enrollment, the District's capacity as calculated on its SAB 50-02, *Existing School Building Capacity* form, and pupil capacity added by the Twelve Bridges Elementary School, Foskett Ranch Elementary School and Twelve Bridges Middle School projects. At the 7-8 grade levels the District has 398 seats of existing excess capacity available for students from both existing and future development.
5. The total number of unhoused pupils generated by future development equals 46 K-6 students and 19 9-12 students from future single- and multi-family residential development.
6. The per-pupil allowable costs for the Level II fee equation equal \$15,013.00, \$16,389.00 and \$19,174.50 for elementary, middle and high school students, respectively. These figures are equal to the per-pupil grant amounts in the State School Facility Program plus allowable per-pupil site development and site acquisition costs calculated pursuant to Government Code Section 65995.5(c) and 65995.6(h).
7. Total allowable costs for the Level II fee equation equal \$1,054,913.50 (K-6 and 9-12 unhoused students generated by future development times the appropriate allowable per-pupil cost).
8. The total amount of residential square footage projected to be built in the District over the next five years is 210,878 square feet, based on an average square footage of 2,151 square feet for single-family units and 988 square feet for multi-family units projected to be built in the District and subject to Level II fees.
9. The District has no local funds available to dedicate to school facilities necessitated by future residential development.

As shown in the body of this Report, the District meets the requirements of Government Code Section 66001 regarding the collection of developer fees (the nexus requirements).

End of Summary

Introduction

The purpose of this Report is to calculate the fee amount that the Western Placer Unified School District (District) is authorized to collect on residential development projects pursuant to Government Code Sections 65995.5 and 65995.7. *School Facility Consultants* has been retained by the District to conduct the analysis and prepare this Report.

State law gives school districts the authority to charge fees on new residential developments if those developments generate additional students and cause a need for additional school facilities. All districts with a demonstrated need may collect fees pursuant to Education Code Section 17620 and Government Code Section 65995 (referred to as Level I fees). Level I fees are currently capped at \$2.63 per square foot of new residential development. Government Code Sections 65995.5 and 65995.7 authorize districts to collect fees (referred to as Level II and Level III fees) in excess of Level I fees, provided that the districts meet certain conditions. Government Code Section 66001 requires that a reasonable relationship exist between the amount and use of developer fees and the developments on which they are to be charged.

This Report is divided into three sections. The first summarizes the specific requirements in State law regarding Level II and Level III fees and establishes the District's authority to collect them. The second calculates the dollar amounts of Level II and Level III fees that the District is authorized to collect. The third explains how the District satisfies the requirements of Government Code Section 66001 with respect to Level II and III fees, summarizes other potential funding sources for school facilities, and presents recommendations regarding the collection of developer fees.

End of Section

I. Authority to Collect Level II and Level III Fees

State law establishes several requirements in order for school districts to collect Level II fees. Specifically, districts must: (1) apply to the State Allocation Board and be deemed eligible for State funding for new school construction, (2) adopt a school facility needs analysis and justification study, and (3) satisfy at least two of the four criteria set forth in Government Code Section 65995.5(b)(3)(A-D).

The general conditions required for collecting Level III fees are the same as those for Level II fees. Before districts can collect Level III fees, however, the State Allocation Board must no longer be approving apportionments for new construction pursuant to Article 5 (commencing with Section 17072.20) of Chapter 12.5 of Part 10 of the Education Code.

The District satisfies the three conditions listed above in the following ways.

A. Eligibility for State Funding for New Construction

The District has been deemed eligible to receive State funding for construction of new school facilities as outlined in Government Code Section 65995.5(b)(1). The District's most recent eligibility approval was at the September 27, 2006, meeting of the State Allocation Board.

B. Adoption of School Facility Needs Analysis and Justification Study

This Report meets the requirements of Government Code Section 65995.6 for a School Facility Needs Analysis and Justification Study, that is, a study that shall "determine the need for new school facilities for unhoused pupils that are attributable to projected enrollment growth from the development of new residential units over the next five years." By adopting this study, the District will satisfy this requirement.

C. Criteria in Government Code Section 65995.5(b)(3)(A-D)

The District meets the criterion outlined in 65995.5(b)(3)(C) in that it has issued debt equal to at least 30% of its bonding capacity.

The District also meets the criterion outlined in 65995.5(b)(3)(D), that is, that at least twenty percent of a district's classrooms are relocatable. According to the District's current Office of Public School Construction Form SAB 50-02, 46.53 percent (67 out of 144) of the total classrooms in the District are relocatable. The District has also added capacity through the construction of Twelve Bridges Elementary School (30 permanent teaching stations), Foskett Ranch Elementary School (29 permanent teaching stations) and Twelve Bridges Middle School (39 permanent teaching stations). Including these projects in the District's capacity indicates that 27.8 percent (67 out of 241) of the total classrooms in the District are relocatable.

End of Section

II. Amount of Level II and Level III Fees

State law outlines the method by which Level II fees are calculated. The intent of the law is that the Level II fee represents half the cost of providing new school facilities, as defined in the State School Facility Program. The methods defined in State law for calculating the Level II fee, however, underestimate the District's true cost of providing school facilities. Additional sources of funds are necessary to fully fund the facilities that are required as a result of new development and the generation of students from such development activity within the District.

The Level II fee is calculated by (1) determining the allowable cost for new school facilities as outlined in the State School Facility Program, and (2) dividing that cost by the amount of new residential square footage projected to be built in the District over the next five years.

A. Allowable Cost for New School Facilities

State law prescribes the following process for calculating the allowable cost for new school facilities:

- (1) determine the number of unhoused students attributable to future residential development;
- (2) multiply the number of unhoused students by the per-pupil grant costs of new elementary, middle, or high schools as outlined in Education Code Section 17072.10;
- (3) determine the amount of site acquisition and development costs to be included as allowed by Government Code Section 65995.5(h); and
- (4) subtract the amount of local funds dedicated to school facilities necessitated by future residential development from the sum of (2) and (3).

1) Number of Unhoused Students

The number of unhoused students generated by future development equals the total number of students generated by future development minus the District's existing excess pupil capacity.

As required by Government Code Section 65995.6(a), this Report estimates the number of students generated by new development based on the historical student generation rates of residential units constructed during the previous five years.

This Report estimates the number of students that will be generated by each new single- and multi-family housing unit by (1) counting the number of students in the District who live in housing units that paid statutory developer fees between January 2001 through December 2005, and (2) dividing that number by the total number of housing units that paid developer fees over the same time period. This Report uses

historical developer fee collection data from the Western Placer Unified School District to derive the housing counts and a December 2006 District-provided student list to derive the student counts.

Addresses for units that paid developer fees from January 2006 to the present date are not used in the calculation because (1) student address files may not reflect residents' address changes for approximately one year, (2) students who have moved from a nearby district may continue to attend their previous school until the end of the school year and (3) units listed may not have been completed and occupied by the time the student address list was compiled.

It is noted that student generation rates are a calculation of students per residential unit at any one moment in time. Therefore, student generation rates are constantly changing based on increases and decreases in enrolled students and the number of residential units within the District at the time of calculation. As such, the District should be cautious with regards to using student generation rates for long-term planning and development and should adjust such planning and development based on updated student generation rates that are more in line with the current conditions at the time of evaluation.

Table 1-1 summarizes the student generation rates for single- and multi-family units.

**Table 1-1
Student Generation Rates**

Grade Group	Single-Family	Multi-Family
K-6	0.275	0.275
7-8	0.064	0.075
9-12	0.130	0.113
Total	0.469	0.463

Information provided by the City of Lincoln and County of Placer planning departments indicate that 42 single-family units and 122 multi-family units subject to Level II and Level III fees will be built in the District within the next five years. These estimates do not include residential units that are projected to be built within a school district Community Facilities District (CFD), as CFD units are not charged Level II fees and Level III fees.

Table 1-2 shows the total number of students projected to enter the District from new housing units subject to Level II and Level III fees built over the next five years.

(Continued on the next page)

**Table 1-2
Students Generated by Future Development**

	K-6 Students	7-8 Students	9-12 Students
Single-Family	0.275 x 42 = 12	0.064 x 42 = 3	0.130 x 42 = 5
Multi-Family	0.275 x 122 = 34	0.075 x 122 = 9	0.113 x 122 = 14
Total	46	12	19

In determining how many of the students in Table 1-2 are unhoused, the District must consider any existing excess capacity. State law requires districts to calculate their total pupil capacity according to the method described in Section 17071.10 of the Education Code. As stated on the District's current Office of Public School Construction Form SAB 50-02, the District's pupil capacity, as calculated pursuant to Education Code Section 17071.10 is 1,325 in grades K-6, 567 in grades 7-8 and 675 in grades 9-12. These capacities are inclusive of the Special Day Class (SDC) capacity identified on the District's Office of Public School Construction Form SAB 50-02 and include an adjustment for the Substantial Enrollment Requirement. In addition to the capacity reflected on the District's Form SAB 50-02, the District has added capacity through the State School Facility Program funding and construction of Twelve Bridges Elementary School (738 K-6 seats), Foskett Ranch Elementary School (713 K-6 seats) and Twelve Bridges Middle School (313 K-6 seats and 685 7-8 seats).

At the K-6 grade group, the District's current enrollment as reported in its 2006/07 CBEDS information is greater than the K-6 pupil capacity listed in Table 1-3, below: 3,285 students are enrolled in grades K-6. Therefore, all 46 students listed in Table 1-2 are defined as unhoused.

At the 7-8 grade group, the District has 398 seats of existing excess capacity. The District therefore has existing capacity available at the 7-8 grade level to house the 12 pupils identified in Table 1-2 as being generated by the future residential development subject to Level II and Level III fees.

At the 9-12 grade group, the District's current enrollment as reported in its 2006/07 CBEDS information is greater than the 9-12 pupil capacity listed in Table 1-3, below: 1,397 students are enrolled in grades 9-12. Therefore, all 19 students listed in Table 1-2 are defined as unhoused.

(Continued on the next page)

**Table 1-3
Existing Capacity**

Grade Group	Current Capacity	2006/07 Enrollment	Existing Excess Capacity	Existing Capacity Available for Students from Future Development	Unhoused Students From Future Development
K-6	3,089	3,285	0	0	46
7-8	1,252	854	398	398	0
9-12	675	1,397	0	0	19
Total	5,016	5,536	398	398	65

2) Allowable Grant Costs

Table 1-4 shows the total allowable grant costs for new facilities. The per-pupil grant costs are taken from Education Code Section 17072.10 and include adjustments as required by Labor Code Section 1771.7(e) and Education Code Section 17074.56(a) (see Appendix A for details regarding grant cost funding).

**Table 1-4
Allowable Grant Costs for Pupils Generated from
Future Residential Development**

Grade Group	Per-Pupil Grant Cost	Number of Unhoused Students	Total Grant Cost
K-6	\$8,301.50	46	\$381,869.00
7-8	\$8,796.00	0	\$0.00
9-12	\$11,144.00	19	\$211,736.00
Total	N/A	65	\$593,605.00

The per-pupil grant does not include all cost items that the local community may deem important to meeting the quality of facilities in the District. Because the per-pupil grants do not address certain costs, the actual funding will likely not be adequate to fund school facilities to the quality and level required by the District. Therefore, the final calculation of Level II fees will likely understate the funding required by the District.

3) Allowable Site Acquisition and Development Costs

Table 1-5 shows the per-pupil site acquisition and development costs for elementary middle and high school students. The site sizes for the District's elementary, middle and high school cost models are based on acreage amounts that are consistent with the

guidelines in the “School Site Analysis and Development Handbook” published by the California State Department of Education.

Site acquisition costs for the District’s planned elementary, middle and high school cost model projects are based on (1) per acre land prices from recent appraisals of future school sites and future land acquisition costs estimated by District administrators, and (2) applicable increases pursuant to Section 1859.74 of Title 2 of the California Code of Regulations for appraisals, surveys, site testing, CDE review/approval, preparation of the POESA and PEA and DTSC cost for review, approval and oversight of the POESA and the PEA.

Site development costs for elementary, middle and high school projects are consistent with the guidelines in Government Code Section 65995.5(h). For more detail regarding site acquisition and site development cost estimates, see Appendix B.

**Table 1-5
Calculation of Per-Pupil Site Acquisition and Development Costs**

Grade Group	Per-Pupil Site Acquisition Costs	Per-Pupil Site Development Costs	Per-Pupil Acquisition and Development Costs
K-6	\$5,206	\$8,217	\$13,423
7-8	\$6,941	\$8,245	\$15,186
9-12	\$7,455	\$8,606	\$16,061

Pursuant to Government Code Sections 65995.5(c) and 65995.5(h), the allowable cost for site acquisition and development is calculated by (1) multiplying the per-pupil cost by one-half and (2) multiplying that result by the number of unhoused elementary, middle and high school students. Table 1-6 shows the total allowable site acquisition and development costs.

**Table 1-6
Allowable Site Acquisition and Development Costs**

Grade Group	One-Half of Per-Pupil Costs	Number of Unhoused Students from Future Development	Allowable Cost
K-6	\$6,711.50	46	\$308,729.00
7-8	\$7,593.00	0	\$0.00
9-12	\$8,030.50	19	\$152,579.50
Total	N/A	65	\$461,308.50

2.11

4) Local Funds Dedicated to School Facilities Necessitated by Future Development

The District has no funds dedicated to school facilities necessitated by future development. All District funds available for additional school facilities are required to provide facilities for existing unhoused students.

In addition, the District has no surplus property that could be used for a school site or that is available for sale to finance school facilities.

According to District administrators, the District's current Capital Facility Fund balances total \$2,000,000. In addition, the District has been apportioned \$9,237,060 in State funding for the Lincoln Crossing Elementary School project.

As outlined in Table 1-7, the District currently has 196 K-6 and 722 9-12 students that are unhoused.

**Table 1-7
Existing Unhoused Pupils**

Grade Group	Current Capacity	2006/07 Enrollment	Existing Unhoused Pupils
K-6	3,089	3,285	196
7-8	1,252	854	0
9-12	675	1,397	722
Total	5,016	5,536	918

Table 1-8 summarizes the cost of providing school facilities for these students. Table 1-8 uses per-pupil grant costs that are twice the allowable costs for the Level II fee (because the Level II fee is intended to only reflect one-half the cost of providing school facilities, as defined in the State School Facility Program). Per-pupil site acquisition and development costs are the same as those used to calculate the allowable cost for Level II fees (See Table 1-5).

**Table 1-8
Cost of Providing School Facilities for Existing Unhoused Students**

Grade Group	Existing Unhoused Pupils	Per-Pupil Grant Costs	Per-Pupil Site Acquisition and Development Costs	Total Cost
K-6	196	\$16,603.00	\$13,423.00	\$5,885,096.00
7-8	0	\$17,592.00	\$15,186.00	\$0.00
9-12	722	\$22,288.00	\$16,061.00	\$27,687,978.00
Total	918	N/A	N/A	\$33,573,074.00

2.12

Comparing all of the District's funds (\$11,237,060) to the cost of providing school facilities for existing unhoused students (\$33,573,074) demonstrates that all District funds available for facilities are required to provide facilities for existing unhoused students.

5) Total Allowable School Facility Cost for Level II Fees

Table 1-9 shows the total allowable cost for Level II fees for K-6, 7-8 and 9-12 students from future residential development.

Table 1-9
Total Allowable Cost for Level II Fees

Category	Amount
SFP Grant	\$593,605.00
Site Acquisition and Development	\$461,308.50
Less Local Funds	N/A
Total	\$1,054,913.50

B. Amount of Level II Fee

The Level II fee is calculated by dividing the total allowable cost by the amount of new residential square footage projected to be built in the District over the next five years.

As stated in Section II.A.1. above, over the next five years, 42 single-family units and 122 multi-family units that will be subject to Level II and Level III fees are projected to be built in the District. As confirmed by the City of Lincoln Planning Department, this report estimates that new housing units in the District will have an average square footage of 2,151 and 988 for single- and multi-family units, respectively, based on the average square footage of housing units in the City of Lincoln that paid developer fees over the last five years. Multiplying the average square footage by number of units projected produces a total of 210,878 square feet of new residential development to be built in the next five years. Dividing this total square footage into total allowable cost results in a Level II fee of \$5.00 per square foot of new residential development.

The calculation of Level II fees, in accordance with the formulas provided in the statutes, will likely be understated when measured against the actual calculation of costs due to the limited inclusion of cost categories to determine actual costs per student and the fluctuating student generation rates. The District needs to account for these issues when conducting a revenue/cost analysis utilizing the calculated Level II fee.

C. Amount of Level III Fee

Under certain circumstances, State law allows school districts to charge a fee higher than a Level II fee if: (1) the district meets the requirements for Level II fees and (2) the State Allocation Board is no longer approving apportionments for new construction pursuant to Article 5 (commencing with Section 17072.20) of Chapter 12.5 of Part 10 of the Education Code. In the District's case, this higher fee, referred to as a Level III fee, can be no more than twice the Level II fee. The maximum Level III fee the District is authorized to charge, therefore, is \$10.00 per square foot of new residential development.

End of Section

III. Findings and Recommendations

This Section (1) shows that the District meets the requirements of Government Code Section 66001 regarding the collection of developer fees, (2) summarizes other potential funding sources for the District's capital projects, and (3) presents recommendations regarding the collection of developer fees.

A. Findings

(1) Government Code Section 66001(a)(1)—Purpose of the Fee

The purpose of collecting Level II and III fees on residential development is to acquire funds to construct or reconstruct school facilities for the students generated by future residential developments.

(2) Government Code Section 66001(a)(2)—Use of the Fee

The District use of the fee will involve constructing and/or reconstructing new elementary, middle and high school campuses and/or additional permanent facilities on existing elementary and middle school campuses. In addition, the District may build other school related facilities or purchase or lease portable classrooms to use for interim housing while permanent facilities are being constructed.

Revenue from Level II and III fees collected on residential development may be used to pay for all of the following:

- (1) land (purchased or leased) for school facilities,
- (2) design of school facilities,
- (3) permit and plan checking fees,
- (4) construction or reconstruction of school facilities,
- (5) testing and inspection of school sites and school buildings,
- (6) furniture for use in new school facilities, and
- (7) interim school facilities (purchased or leased) to house students generated by future development while permanent facilities are being constructed.

(3) Government Code Section 66001(a)(3)—Relationship Between Fee's Use and the Type of Project Upon Which the Fee is Imposed

All types of new residential development—including but not limited to single- and multi-family units in new subdivisions and in "in-fill" lots, single- and multi-family units in redevelopment projects, single- and multi-family units that replace demolished units (to the extent that the new units are larger than the demolished units), additions of residential space to existing single- and multi-family units, manufactured homes, mobile homes, and condominiums—are projected to cause new families to move into the District and, consequently, generate additional students in the District. As shown earlier in this Report, sufficient school facilities do not exist

for these students. All types of new residential development, therefore, create a need for additional school facilities. The fee's use (acquiring school facilities) is therefore reasonably related to the type of projects (new residential developments) upon which it is imposed.

(4) Government Code Section 66001(a)(4)—Relationship Between the Need for the Public Facility and the Type of Project Upon Which the Fee is Imposed

The District is currently operating over capacity, that is, the District has no available capacity to house additional students. Future residential development in the District will generate additional students and, consequently, a need for additional school facilities. A relationship exists, therefore, between the District's need to build additional school facilities and new residential development projects.

(5) Government Code Section 66001(b)—Relationship Between the Fee and the Cost of the Public Facility Attributable to the Development on Which the Fee is Imposed

This Report concludes that the methods prescribed by the State law for estimating school facility construction costs, and for calculating the Level II and Level III fees, supports the establishment of Level II and Level III fees which, when collected, will contribute to the District's cost of constructing and reconstructing school facilities to house students generated by future residential construction.

(6) Other Funding Sources

The following is a review of other potential funding sources for constructing school facilities:

a) General Fund

The District's General Fund budget is typically committed to instructional and day-to-day operating expenses and not used for capital outlay uses, as funds are needed solely to meet the District's non-facility needs.

b) State Programs

The District has applied for and received State funding for construction of new school facilities under the 1998 Leroy F. Greene School Facility Program. Even projects funded at 100 percent of the State allowance, however, often experience a shortfall between State funding and the District's actual facility needs. State funds for deferred maintenance may not be used to pay for new facilities. State law prohibits use of lottery funds for facilities.

c) General Obligation Bonds

School districts can, with the approval of either two-thirds or 55 percent of its voters, issue general obligation bonds that are paid for out of property taxes.

d) Parcel Taxes

Approval by two-thirds of the voters is required to impose taxes that are not based on the assessed value of individual parcels. While these taxes have been occasionally used in school districts, the revenues are typically minor and are used to supplement operating budgets.

e) Mello-Roos Community Facilities Districts

This alternative uses a tax on property owners within a defined area to pay long-term bonds issued for specific public improvements. Mello-Roos taxes require approval from two-thirds of the voters (or land owners if fewer than 12) in an election.

f) Surplus Property

The District has no properties that could be sold to create a significant source of capital outlay funds.

g) Alternatives for Reducing Facility Costs

Alternatives to reducing facility costs, which have been used and/or explored by the District, include additional portable classrooms, joint use of facilities, multi-track-year-round education, and other measures. These options remain available to the District in the future.

B. Recommendations

Based on the findings outlined above, it is recommended that the Board of Trustees, as provided for in Government Code Sections 65995.5 and 65995.7, approve a resolution to levy Level II and Level III fees on future residential development in the amounts of \$5.00 and \$10.00 per square foot, respectively.

End of Report

Appendix A

Calculation of Allowable Per-Pupil
Grant Costs

2.18

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Appendix A
Calculation of Allowable Per-Pupil Grant Costs

The per-pupil grant costs, calculated per the provisions of Government Code Section 65995.5(c)(1), include the School Facility Program (SFP) grants outlined in Education Code Section 17072.10, fire alarm and sprinkler grants mandated by Education Code Section 17074.56(a) and Labor Compliance Program (LCP) funding per Labor Code Section 1771.7(e).

Table A-1 increases the SFP base grant amounts by per-pupil grant increases mandated by SB 575 (fire alarm and sprinkler grants). For each of the District's cost models below, Table A-1 dollar amounts will be used in determining the LCP per-pupil grant increases for each grade grouping. The sum of SFP base grant amounts, per-pupil grant increases mandated by SB 575 and LCP per-pupil grant increases, will be used in calculating the District's Level II/III fees.

Table A-1
SFP Per-Pupil Grants Plus Fire Alarm/Sprinkler Funding

Grade Group	K-6	7-8	9-12
SFP Grant	\$8,081	\$8,546	\$10,873
SB 575 Fire Alarm Grant	\$10	\$14	\$23
SB 575 Sprinkler Grant	\$144	\$172	\$177
50% Total Grant	\$8,235	\$8,732	\$11,073
100% Total Grant	\$16,470	\$17,464	\$22,146

Estimated total funding (excluding site acquisition) for each cost model in Table A-2 illustrates new per-pupil base grants added to the per-pupil site development figures calculated in Appendix B, multiplied by the pupil capacity of each cost model. Table A-2 also calculates the per-pupil LCP grant addition by grade grouping, using the total LCP grants and dividing that figure by the appropriate pupil capacity.

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2.19

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Table A-2
Calculation of Total Funding for Each District Cost Model Project
and Per-Pupil LCP Grant Additions by Grade Grouping

Elementary Projects				
School	Per-Pupil Cost	Number of Pupils	Total Cost	Total LCP Grant
K-6 Cost Model Project	\$24,687	600	\$14,812,200	\$79,574
			N/A	\$79,574
			100%	\$133.00
			50%	\$66.50
Middle School Projects				
School	Per-Pupil Cost	Number of Pupils	Total Cost	Total LCP Grant
7-8 Cost Model Project	\$25,709	900	\$23,138,100	\$115,180
			N/A	\$115,180
			100%	\$128.00
			50%	\$64.00
High School Projects				
School	Per-Pupil Cost	Number of Pupils	Total Cost	Total LCP Grant
9-12 Cost Model Project	\$30,752	1400	\$43,052,800	\$198,822
			N/A	\$198,822
			100%	\$142.00
			50%	\$71.00

Table A-3 adds 50 percent of the per-pupil LCP grant addition calculated in Table A-2 to the totals calculated in Table A-1 to determine the final per-pupil grants allowable for use in the Level II/III fee calculations.

Table A-3
Calculation of Final Per-Pupil Grant Costs by Grade Group

Grade Group	K-6	7-8	9-12
SFP Grant	\$8,235.00	\$8,732.00	\$11,073.00
50% LCP Grant	\$66.50	\$64.00	\$71.00
50% Total Grant	\$8,301.50	\$8,796.00	\$11,144.00

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Appendix B

Calculation of Allowable Per-Pupil Site Acquisition and Site Development Costs

2.21

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Appendix B
Calculation of Allowable Per-Pupil Site Acquisition and Site Development Costs

Site Acquisition Costs for Elementary, Middle and High School Projects

The site sizes for the District’s elementary, middle and high school cost models are based on acreage amounts that are consistent with the guidelines in the “School Site Analysis and Development Handbook” published by the California State Department of Education.

Site acquisition costs for the District’s planned elementary, middle and high school cost model projects are based on (1) per acre land prices from recent appraisals of future school sites and future land acquisition costs estimated by District administrators, and (2) applicable increases pursuant to Section 1859.74 of Title 2 of the California Code of Regulations for appraisals, surveys, site testing, CDE review/approval, preparation of the POESA and PEA and DTSC cost for review, approval and oversight of the POESA and the PEA.

Table B-1
Calculation of Total Site Acquisition Cost

Grade Group	Site Acquisition Per Acre	Acreage	Total Site Acquisition Cost
New Elementary School	\$312,366	10*	\$3,123,660
New Middle School	\$312,366	20**	\$6,247,320
New High School	\$305,158	34.2***	\$10,436,404

*Based on 10 acres required for the District’s Elementary Cost Model project with a student capacity of 600 K-6 pupils.

**Based on 20 acres required for the District’s Middle School Cost Model project with a student capacity of 900 7-8 pupils.

***Based on 34.2 acres required for the District’s High School Cost Model project with a student capacity of 1,400 9-12 pupils.

Table B-2 calculates the per-pupil site acquisition costs by grade grouping by taking the per-pupil site acquisition costs for all of the above cost models and calculating the average cost per grade group.

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2.22

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