

# TRACY UNIFIED SCHOOL DISTRICT'S 2020-2021 ANNUAL DEVELOPER FEE REPORT AND FIVE –YEAR DEVELOPER FEE FINDINGS

(Government Code §§ 66001 & 66006)

2020-2021 FISCAL YEAR

## I. Annual Developer Fee Report

The fee amounts reported were authorized by the District’s Board of Education.<sup>1</sup> The fees partially mitigate the impact caused by residential and commercial/industrial development and do not adequately fund the school facilities necessary to accommodate student growth.

Each of the capitalized letters A-H below, correspond to the specific letter and portion of Government Code section 66006(b)(1):

A. FEES COLLECTED IN FUND 25 (Mitigation/Developer Fee Fund) - A brief description of the types of Developer Fees in the Fund:

(1) Level 1 Developer Fees

- Commercial/industrial development
- Mini-storage category of commercial/industrial development
- new residential development
- residential additions, remodels, expansions, reconstruction

B. AMOUNT OF FEE – The amount of the Developer Fees for the 2020-2021 fiscal year:

| Type of Fee Collected           | Amount of Fee (\$/sf)          |                                       |
|---------------------------------|--------------------------------|---------------------------------------|
|                                 | 3/24/2020<br>(K-12 Boundaries) | 03/24/2020<br>(K-8 Feeder Boundaries) |
| Level 1 - Residential           | \$4.08/sf                      | \$1.02/sf                             |
| Level 1 – Commercial/Industrial | \$0.66 /sf                     | \$0.165/sf                            |
| Level 1 – Mini-storage          | \$0.66/sf                      | \$0.165/sf                            |
| Level 1 – Senior Housing        | \$0.66/sf                      | \$0.165/sf                            |

C. BEGINNING & ENDING FUND BALANCE FOR FISCAL YEAR 2020-2021:

|                                      |                  |
|--------------------------------------|------------------|
| July 1, 2020 Beginning Fund Balance: | \$ 41,991,601.96 |
| June 30, 2021 Ending Fund Balance:   | \$ 47,998,405.56 |

D. REVENUE – The amount of the Developer Fees collected and the interest earned for the 2020-2021 fiscal year:

<sup>1</sup> See Resolution No. 17-24, dated March 13, 2018 and Board Action on March 25, 2020

|                                   |                  |
|-----------------------------------|------------------|
| Amount of fees collected (gross): | \$ 6,011,708.60  |
| TOTAL REVENUE (GROSS):            | \$ 47,998,405.56 |

E. EXPENDITURES – Projects on which Developer Fees were expended during the 2020-2021 fiscal year and the amount of the expenditures on each Project, including the total percentage of the cost of the Project that was funded with Developer Fees:

| <b>Project</b>  | <b>Amount Expended in 2020-2021 Fiscal Year</b> | <b>% Funded with Developer Fees</b> |
|---|---|-------------------------------------|
| Reimbursement of Administrative Costs Incurred for Collecting Developer Fees for 2020-2021 Fiscal Year (up to 3% of amount of Developer Fees collected in same fiscal year) * | \$180,351.25                                    | 3%                                  |
| Other Indirect & Support Services:  | \$4,905.00                                      | Less than 1%                        |
| <b>TOTAL EXPENDITURES:</b>  | \$4905.00                                       | Less than 1%                        |

\*(Ed. Code, §17620(a)(5))

F. INCOMPLETE PROJECTS FUNDED WITH DEVELOPER FEE REVENUES – Incomplete Projects for which sufficient funds have been collected (as of the end of the 2020-2021 Fiscal Year) to complete financing of the Project, and the approximate date by which construction of the Project will commence:

| <b>Incomplete Projects for Which Sufficient Funds Have Been Collected to Complete Financing of Project</b> | <b>Approximate Date Construction Will Commence</b> |
|--|--|
| N/A  | TBD  |

In approximately 2024, the District intends on gathering all relevant data and contracting with a consultant in order to prepare an updated Developer Fee Justification Study that coincides with the State Allocation Board’s 2024 biennial adjustment to the amount of Level 1 residential and commercial/industrial Developer Fees, which typically occurs every other year at the SAB’s January meeting.

G. INTERFUND TRANSFERS & LOANS – Description of each interfund transfer or loan made to and/or from the Fund for the 2020-2021 fiscal year:

| <b>Amount of Interfund Transfer or Loan</b> | <b>Project that Transferred or Loaned Fees Expended on</b> | <b>Date Loan to be Repaid on (Loans Only)</b> | <b>Rate of Interest on Loan (Loans Only)</b> |
|---|--|---|--|
| N/A   | N/A  | N/A   | N/A  |

H. REFUNDS & ALLOCATIONS – The amount of refunds made pursuant to Government Code section 66001(e) and allocations made pursuant to Government Code section 66001(f) for the 2020-21 fiscal year:

|                   |     |
|-------------------|-----|
| Refunds Made:     | N/A |
| Allocations Made: | N/A |

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## II. Five-Year Developer Fee Findings

The following findings are made in connection with the public information set forth in Tracy Unified School District's 2020-2021 Annual Developer Fee Report.

A. PURPOSE TO WHICH DEVELOPER FEE IS TO BE PUT (Gov. Code, §66001(d)(1)(A)): With respect to only that portion of the Developer Fees Fund remaining unexpended at the end of the 2020-21 fiscal year, the purpose of the Developer Fees is to finance the construction or reconstruction, including refurbishment, of School Facilities necessary to accommodate student population growth resulting from development, cover costs attributable to the increased demand for School Facilities reasonably related to new development and necessary to maintain existing levels of service, and reduce overcrowding caused by the development on which the fees were levied. As necessary, the fees will be used to provide interim housing for children generated by new development and for other school-related considerations relating to the District's ability to accommodate enrollment growth generated from new development as permitted by law. Likewise, fees will also be used for other indirect and support services related to construction and reconstruction of School Facilities necessitated by growth resulting from new development. Projects (and other school-related considerations) include, without limitation, the following:

| <u>Project</u> | <u>Estimated Cost</u> |
|----------------|-----------------------|
| 1. N/A         | \$0.00                |

Note: The District has commissioned site facility condition assessments, site master planning, and a district-wide, comprehensive master facilities plan, which will also include a plan for funding the District's long-term facility needs. These documents will include lists of recommended projects, in order of need and priority for future.

B. REASONABLE RELATIONSHIP BETWEEN DEVELOPER FEE & PURPOSE (Gov. Code, §66001(d)(1)(B)): There is a reasonable relationship between the Developer Fees charged for residential and commercial/industrial development and the purposes for which they will be expended, as described in Paragraph A, in that the students that are generated by residential and commercial/industrial development will be accommodated by the School Facilities for which the Developer Fees are expended. The District does not have adequate facilities to accommodate students from new development, and thus there is a reasonable relationship between the Developer Fees charged and the need for construction and reconstruction, including refurbishment, of School Facilities. The Developer Fees collected do not exceed the cost of accommodating students generated by development. Rather, the Developer Fees only partially mitigate the impact caused by residential and commercial/industrial development and do not adequately fund the School Facilities necessary to accommodate student growth.

C. ANTICIPATED SOURCES & AMOUNTS OF FUNDING TO COMPLETE FINANCING OF INCOMPLETE PROJECTS (Gov. Code, §66001(d)(1)(C)): With respect to only that portion of the Developer Fees Fund remaining unexpended at the end of the 2020-2021 fiscal year, the sources and amounts of Anticipated Funding to complete financing of any incomplete improvements identified in Paragraph A are as follows:

| <b><u>Anticipated Source of Funding</u></b> | <b><u>Anticipated Amount of Funding</u></b> |
|---|---|
| State Funding Program Funds                 | \$13,402,247.06                             |
| Total Anticipated Funding:                  | \$13,402,247.06                             |

Note: The District has commissioned site facility condition assessments, site master planning, and a district-wide, comprehensive master facilities plan, which will also include a plan for funding the District's long-term facility needs. These documents will include lists of recommended projects, in order of need and priority. Developer Fees will be included in the funding model, to address construction/renovation (refurbishment) needs resulting from increased student enrollment due to development.

D. APPROXIMATE DATE THAT ANTICIPATED FUNDING IS EXPECTED (Gov. Code, §66001(d)(1)(D)): With respect to only that portion of the Developer Fees Fund remaining unexpended at the end of the 2020-2021 fiscal year, the following are the approximate dates on which the Anticipated Funding referred to in Paragraph C above is expected to be deposited into the Fund:

| <b><u>Anticipated Source of Funding</u></b> | <b><u>Anticipated Amount of Funding</u></b> |
|---|---|
| State Funding Program Funds                 |   |
| Total Anticipated Funding:                  | \$13,402,247.06                             |