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2024 DEVELOPER FEE JUSTIFICATION STUDY  
FOR  
FREMONT UNION HIGH SCHOOL DISTRICT

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## Executive Summary

This Developer Fee Justification Study demonstrates that the Fremont Union High School District requires their share of the full statutory impact fee to accommodate impacts from development activity.

Per existing fee sharing agreements with its feeder school districts, Fremont Union High School District can levy up to 40% or 38% of the maximum fees, depending on the elementary district boundaries where the development occurs.

In the Sunnyvale Union School District (SUSD) 62% remains available to SUSD. A fee of \$1.82 (38% of \$4.79) per square foot for residential construction and a fee of \$0.30 (38% of \$0.78) per square foot for commercial/industrial construction is currently assessed on applicable permits pulled in the District. The new fee amounts are **\$1.96** (38% of \$5.17) per square foot for residential construction and **\$0.32\*** (38% of \$0.84) per square foot for commercial/industrial construction. This proposed increase represents \$0.14 per square foot and \$0.02 per square foot for residential and commercial/industrial construction, respectively.

In the Cupertino Union School District (CUSD) 60% remains available to CUSD. A fee of \$1.92 (40% of \$4.79) per square foot for residential construction and a fee of \$0.31 (40% of \$0.78) per square foot for commercial/industrial construction is currently assessed on applicable permits pulled in the District. The new fee amounts are **\$2.07** (40% of \$5.17) per square foot for residential construction and **\$0.34\*** (40% of \$0.84) per square foot for commercial/industrial construction. This proposed increase represents \$0.14 per square foot and \$0.02 per square foot for residential and commercial/industrial construction, respectively.



The following table shows the impacts of the new fee amounts:

**Table 1**  
**Fremont Union High School District**  
**Developer Fee Collection Rates**

<b>Totals</b>	<u>Previous</u>	<u>New</u>	<u>Change</u>
Residential	\$4.79	\$5.17	\$0.38
Commercial/Ind.	\$0.78	\$0.84	\$0.06

District Share with SUSD: 38.00%

<b>Net Impact</b>	<u>Previous</u>	<u>New</u>	<u>Change</u>
Residential	\$1.82	\$1.96	\$0.14
Commercial/Ind.	\$0.30	\$0.32	\$0.02

District Share with CUSD: 40.00%

<b>Net Impact</b>	<u>Previous</u>	<u>New</u>	<u>Change</u>
Residential	\$1.92	\$2.07	\$0.15
Commercial/Ind.	\$0.31	\$0.34	\$0.03

\*except for Rental Self Storage facilities in which a fee of \$0.05 per square foot is justified.

The total projected number of housing units to be built over the next five years is 3,129. The average area per unit is 1,369 square feet. This Study demonstrates a need of \$3.94 per square foot for residential construction.

## Background

Education Code Section 17620 allows school districts to assess fees on new residential and commercial construction within their respective boundaries. These fees can be collected without special city or county approval, to fund the construction of new school facilities necessitated by the impact of residential and commercial development activity. In addition, these fees can also be used to fund the reconstruction of school facilities to accommodate students generated from new development projects. Fees are collected immediately prior to the time of the issuance of a building permit by the City or the County.

As new development generates students, additional school facilities or modernization of existing facilities will be needed to house the new students. Because of the high cost associated with constructing school facilities and the District's limited budget, outside funding sources are required for future school construction. State and local funding sources for the construction and/or reconstruction of school facilities are limited.

The authority cited in Education Code Section 17620 states in part "... the governing board of any school district is authorized to levy a fee, charge, dedication or other form of requirement against any development project for the construction or reconstruction of school facilities." The legislation originally established the maximum fee rates at \$1.50 per square foot for residential construction and \$0.25 per square foot for commercial/industrial construction. Government Code Section 65995 provides for an inflationary increase in the fees every two years based on the changes in the Class B construction index. As a result of these adjustments, the fees authorized by Education Code 17620 are currently **\$5.17** per square foot of residential construction and **\$0.84** per square foot of commercial or industrial construction.

## Purpose and Intent

Prior to levying developer fees, a district must demonstrate and document that a reasonable relationship exists between the need for new or reconstructed school facilities and residential, commercial and industrial development. The justification for levying fees is required to address three basic links between the need for facilities and new development. These links or nexus are:

Burden Nexus: A district must identify the number of students anticipated to be generated by residential, commercial and industrial development. In addition, the district shall identify the school facility and cost impact of these students.

Cost Nexus: A district must demonstrate that the fees to be collected from residential, commercial and industrial development will not exceed the cost of providing school facilities for the students to be generated from the development.

Benefit Nexus: A district must show that the construction or reconstruction of school facilities to be funded by the collection of developer fees will benefit the students generated by residential, commercial and industrial development.

The purpose of this Study is to document if a reasonable relationship exists between residential, commercial and industrial development and the need for new and/or modernized facilities in the Fremont Union High School District.

Following in this Study will be figures indicating the current enrollment and the projected development occurring within the attendance boundaries of the Fremont Union High School District. The students generated will then be loaded into existing facilities to the extent of available space. Thereafter, the needed facilities will be determined and an estimated cost will be assigned. The cost of the facilities will then be compared to the area of residential, commercial and industrial development to determine the amount of developer fees justified.

**Enrollment and Impacts**

In 2023/2024 the District’s total enrollment (CBEDS) was 9,646 students. The enrollment by grade level is shown here in Table 2.

**Table 2**

**Fremont Union High School District  
CURRENT ENROLLMENT**

<b>Grade</b>	<b>2023/2024</b>
9	2,168
10	2,383
11	2,457
12	2,638
<hr/>	
9-12 Total	9,646

This data will be the basis for the enrollment impacts which will be presented later after a review of the development projections and the student generation factors.



Student Generation Factor

In determining the impact of new development, the District is required to show how many students will be generated from the new developments. In order to ensure that new development is paying only for the impact of those students that are being generated by new homes and businesses, the student generation factor is applied to the number of new housing units to determine development-related impacts.

The student generation factor identifies the number of students per housing unit and provides a link between residential construction projects and projections of enrollment. The State-wide factor used by the Office of Public School Construction is 0.20 for grades TK-12. For the purposes of this Study we will use the local factors to determine the students generated from new housing developments. This was done by comparing the number of housing units in the school district to the number of students in the school district as of the 2020 Census. Table 3 shows the student generation factors for the various grade groupings.

**Table 3**

**Fremont Union High School District  
STUDENT GENERATION FACTORS**

<u>Grades</u>	<u>Students per Household</u>
9-12	0.12495

When using the Census data to determine the average district student yield rate, it is not possible to determine which students were living in multi-family units versus single family units. Therefore, only the total average yield rate is shown. The Census data does indicate that **48.3%** of the total housing units within the district boundaries are single family units. It is reasonable to assume that the construction of new housing units would be similar to the current housing stock, which was confirmed by the various planning departments within the school district boundaries, and therefore the overall student generation rate will be used to determine student yields from the projected developments.

New Residential Development Impacts

The Fremont Union High School District has experienced an average new residential construction rate of approximately 728 units per year over the past four years. This was determined by reviewing the residential permits pulled and school development impact fees paid to the District. After contacting each of the planning departments within the school district boundaries, it was determined that the residential construction rate over the next five years will average 625.8 units per year. Projecting the average rate forward, we would expect that 3,129 units of residential housing will be built within the District boundaries over the next five years.

To determine the impact of residential development, a student projection is done. Applying the student generation factor of 0.12495 to the projected 3,129 units of residential housing, we expect that 391 high school students will be generated from the new residential construction over the next five years.

The following table shows the projected impact of new development. The students generated by development will be utilized to determine the facility cost impacts to the school district.

**Table 4**

**Fremont Union High School District**  
**DEVELOPMENT IMPACT ANALYSIS**

<u>Grades</u>	<u>Generation Rate</u>	<u>Students Generated</u>
9 to 12	0.12495	391

## Existing Facility Capacity

To determine the need for additional school facilities, the capacity of the existing facilities must be identified and compared to current and anticipated enrollments. The District’s existing building capacity will be calculated using the State classroom loading standards shown in Table 6. The following types of “support-spaces” necessary for the conduct of the District’s comprehensive educational program, are not included as “teaching stations,” commonly known as “classrooms” to the public:

**Table 5**  
**List of Core and Support Facilities**

Library	Resource Specialist
Multipurpose Room	Gymnasium
Office Area	Lunch Room
Staff Workroom	P.E. Facilities

Because the District requires these types of support facilities as part of its existing facility and curriculum standards at its schools, new development’s impact must not materially or adversely affect the continuance of these standards. Therefore, new development cannot require that the District house students in these integral support spaces.

### Classroom Loading Standards

The following maximum classroom loading-factors are used to determine teaching-station “capacity,” in accordance with the State legislation and the State School Building Program. These capacity calculations are also used in preparing and filing the baseline school capacity statement with the Office of Public School Construction.

**Table 6**  
**State Classroom Loading Standards**

9 <sup>th</sup> -12 <sup>th</sup> Grades	27 Students/Classroom
Non Severe Special Ed	13 Students/Classroom

Existing Facility Capacity

The State determines the baseline capacity by either loading all permanent teaching stations plus a maximum number of portables equal to 25% of the number of permanent classrooms or by loading all permanent classrooms and only portables that are owned or have been leased for over 5 years. As allowed by law and required by the State, facility capacities are calculated by identifying the number of teaching stations at each campus. All qualified teaching stations were included in the calculation of the capacities at the time the initial inventory was calculated. To account for activity and changes since the baseline was established in 1998/99, the student grants (which represent the seats added either by new schools or additions to existing schools) for new construction projects funded by OPSC have been added. Using these guidelines the District’s current State calculated capacity is shown in Table 7.

**Table 7**  
**Fremont Union High School District**  
**Summary of Existing Facility Capacity**

<u>School Facility</u>	<u>Permanent Classrooms</u>	<u>Portable Classrooms</u>	<u>Chargeable Portables</u>	<u>Total Chargeable Classrooms</u>	<u>State Loading Factor</u>	<u>State Funded Projects</u>	<u>Total State Capacity</u>
Grades 9-12	449	34	9	458	27	270	12,636
Special Ed	16	0	0	16	13	0	188
<b>Totals</b>	<b>465</b>	<b>34</b>	<b>9</b>	<b>474</b>		<b>270</b>	<b>12,824</b>

OPSC Funded Projects

<u>Name</u>	<u>Project #</u>	<u>9-12 Grants</u>	<u>Special Ed</u>
Cupertino High	1	27	0
Monta Vista	2	162	0
Homestead	3	81	0
<b>Totals</b>		<b>270</b>	<b>0</b>

This table shows a basic summary of the form and procedures used by OPSC (Office of Public School Construction) to determine the capacity of a school district. There were a total of 465 permanent classrooms in the District when the baseline was established. In addition there were 34 portable classrooms. However, 25 of the portable classrooms were leased and therefore were not considered chargeable classrooms and are not included in the baseline capacity. Therefore only the 9 owned portable classrooms are included in the baseline capacity. This results in a total classroom count of 474 and is referred to as the chargeable classrooms.

To determine the total capacity based on State standards, the capacity of the chargeable classrooms are multiplied by the State loading standards and then the capacity of the projects completed since 1998/99 (when the baseline was established) are added based on the State funded new construction projects. As Table 7 shows, the total State capacity of the District facilities is 12,824 students.

Unhoused Students by State Housing Standards

This next table compares the facility capacity with the space needed to determine if there is available space for new students from the projected developments. The space needed was determined by reviewing the historic enrollments over the past four years along with the projected enrollment in five years to determine the number of seats needed to house the students within the existing homes. The seats needed were determined individually for each grade grouping. The projected enrollment in the space needed analysis did not include the impact of any new housing units.

**Table 8**

**Fremont Union High School District  
 Summary of Available District Capacity**

<u>School Facility</u>	<u>State Capacity</u>	<u>Space Needed</u>	<u>Available Capacity</u>
Grades 9-12	12,636	10,677	1,959
Special Ed	188	159	29
<b>Totals</b>	<b>12,824</b>	<b>10,836</b>	<b>1,988</b>

The District capacity of 12,824 is more than the space needed of 10,836, assuming the existing facilities remain in sufficient condition to maintain existing levels of service. The difference is 1,988 students.

**Calculation of Development’s Fiscal Impact on Schools**

This section of the Study will demonstrate that a reasonable relationship exists between residential, commercial/industrial development and the need for school facilities in the Fremont Union High School District. To the extent this relationship exists, the District is justified in levying developer fees as authorized by Education Code Section 17620.

### Reconstruction/Modernization Costs

In addition to any new facilities needed, there is also a need to reconstruct or modernize existing facilities in order to maintain the existing levels of service as students from new development continue to arrive in the District's facilities. In order to generate capacity, it may also be necessary to reopen closed school facilities. Such reopening often requires reconstruction in order to provide the District's existing level of service. For purposes of this report, the analysis of modernization/reconstruction includes the possible reopening and refurbishing of closed or unused school facilities.

California has made a significant investment in school facilities through grants provided to help extend the useful life of public schools. The State's largest funding source for public school modernization projects, the School Facilities Program (SFP), requires a minimum local funding contribution of 40% of SFP-eligible costs. The State may provide up to 60% of the eligible costs at those times that State funding is available. However, SFP modernization grants frequently, if not usually, fall short of providing 60% of the actual costs for major modernizations. In the best cases, developer fees can help meet the District's required 40% local share. In many cases, developer fees may be necessary to supplement both the State's and the school district's contribution to a project.

Buildings generate eligibility for State reconstruction/modernization funding once they reach an age of 25 years old for permanent buildings and 20 years old for portables.

The usable life of school facilities is an important consideration in determining district facility needs into the future. The specific time when the projected residential developments will be built cannot be precisely predicted. Some new homes may be immediately occupied by families with school aged children, while others may be immediately occupied who will have school-aged children in five to ten years. As a result of these variables, for each new home, the District must be prepared to house the students residing there for an extended period of time. Students generated by the next five years of development will need to be accommodated in District schools for a significant amount of time that could exceed twenty years. Thus, the District will need to ensure that it has facilities in place for future decades.

As evidenced by the State Building program's use of the criteria that buildings older than twenty-five years (and portables older than twenty years) are eligible for modernization funds, school buildings require reconstruction/modernization to remain in use for students beyond the initial twenty to

twenty-five years of life of those buildings. To the extent that the District has buildings older than twenty to twenty-five years old, the point will be reached without reconstruction/modernization that those buildings will no longer be able to provide the existing level of service to students, and may, in some circumstances, need to be closed entirely for health and safety reasons. However, because of the new development, reconstruction/modernization must occur in order to have available school housing for the students generated from development.

The following table shows the District’s eligibility for modernization/reconstruction funding in the State Building Program.

**Table 9**

**Modernization Project Needs**

<u>School</u>	<u>Eligible Modernization Grants</u>		<u>State</u>	<u>District</u>	<u>Project</u>
	<u>High</u>	<u>Spec Ed</u>	<u>Funding</u>	<u>Share</u>	<u>Total</u>
Monta Vista	2,046	0	\$17,921,835	\$11,947,890	\$29,869,725
Fremont High	1,700	0	\$14,891,065	\$9,927,377	\$24,818,442
Homestead	1,830	0	\$16,029,794	\$10,686,530	\$26,716,323
Cupertino High	1,373	0	\$12,026,725	\$8,017,816	\$20,044,541
Lynbrook High	1,727	0	\$15,127,570	\$10,085,047	\$25,212,617
<b>TOTALS</b>	<b>8676</b>	<b>0</b>	<b>\$75,996,988</b>	<b>\$50,664,660</b>	<b>\$126,661,648</b>

**Table 10**

**New Development Share of Modernization Costs**

<u>Grade</u>	<u>Eligible</u>	<u>New Development</u>		
	<u>Modernization</u>	<u>Students</u>	<u>\$/Student</u>	<u>Amount</u>
<b>9-12</b>	<b>8,676</b>	<b>391</b>	<b>\$43,184</b>	<b>\$16,884,944</b>
<b>Totals</b>	<b>8,676</b>	<b>391</b>		<b>\$16,884,944</b>

**Includes students from new developments not housed in new facilities.  
 Amounts based on State OPSC allowances for new construction projects.**

This data is used to show that there are significant needs within the school District to invest in its existing facilities. Without modernizing its schools, the District could be forced to begin closing some of its buildings and schools.

To accurately account for the amount of the modernization projects attributed to the impact of new developments, only the students from new developments that were not already housed in new facilities are included in the net needs for modernization projects. As can be seen in the charts, the

net modernization needs due to new development impacts are much less than the total District modernization needs.

Impact of New Residential Development

This next table compares the development-related enrollment to the available district capacity for each grade level and then multiplies the unhoused students by the new school construction costs to determine the total school facility costs related to the impact of new residential housing developments.

The modernization needs are included for the students not housed in new facilities but who would be housed in existing facilities that are eligible for and need to be modernized to provide adequate housing and to maintain the existing level of service for the students generated by development.

**Table 11**  
**Fremont Union High School District**  
**Summary of Residential Impact**

<u>School Facility</u>	<u>Students Generated</u>	<u>Available Space</u>	<u>Net Unhoused</u>	<u>Construction Cost Per Student</u>	<u>Total Facility Costs</u>
High & Cont.	391	1,959	0	\$43,184	\$0
Site Purchase: 0.0 acres					\$0
Site Development:					\$0
<b>New Construction needs due to development:</b>					<b>\$0</b>
<b>Modernization needs due to development:</b>					<b>\$16,884,944</b>
<b>TOTAL DEVELOPMENT IMPACT:</b>					<b>\$16,884,944</b>
<b>Average cost per student:</b>					<b>\$43,184</b>
<b>Total Residential Sq Ft:</b>					<b>4,283,601</b>
<b>Residential Fee Justified:</b>					<b>\$3.94</b>

The total need for school facilities based solely on the impact of the 3,129 new housing units projected over the next five years totals \$16,884,944. To determine the impact per square foot of residential development, this amount is divided by the total square feet of the projected developments. As calculated from the historic Developer Fee Permits, the average size home built



has averaged 1,369 square feet. The total area for 3,129 new homes would therefore be 4,283,601 square feet. The total residential fee needed to be able to collect \$16,884,944 would be **\$3.94** per square foot.

#### Impact of Other Residential Development

In addition to new residential development projects that typically include new single family homes and new multi-family units, the District can also be impacted by additional types of new development projects. These include but are not limited to redevelopment projects, additions to existing housing units, and replacement of existing housing units with new housing units.

These development projects are still residential projects and therefore it is reasonable to assume they would have the same monetary impacts per square foot as the new residential development projects. However, the net impact is reduced due to the fact that there was a previous residential building in its place. Therefore, the development impact fees should only be charged for other residential developments if the new building(s) exceed the square footage area of the previous building(s). If the new building is larger than the existing building, then it is reasonable to assume that additional students could be generated by the project. The project would only pay for the development impact fees for the net increase in assessable space generated by the development project. Education Code allows for an exemption from development impacts fees for any additions to existing residential structures that are 500 square feet or less.

#### Impact of Commercial/Industrial Development

There is a correlation between the growth of commercial/industrial firms/facilities within a community and the generation of school students within most business service areas. Fees for commercial/industrial can only be imposed if the residential fees will not fully mitigate the cost of providing school facilities to students from new development.

The approach utilized in this section is to apply statutory standards, U.S. Census employment statistics, and local statistics to determine the impact of future commercial/industrial development projects on the District. Many of the factors used in this analysis were taken from the U.S. Census, which remains the most complete and authoritative source of information on the community in addition to the “1990 SanDAG Traffic Generators Report”.

Employees per Square Foot of Commercial Development

Results from a survey published by the San Diego Association of Governments “1990 San DAG Traffic Generators” are used to establish numbers of employees per square foot of building area to be anticipated in new commercial or industrial development projects. The average number of workers per 1,000 square feet of area ranges from 0.06 for Rental Self Storage to 4.79 for Standard Commercial Offices. The generation factors from that report are shown in the following table.

**Table 12**

<b>Commercial/Industrial Category</b>	<b>Average Square Foot Per Employee</b>	<b>Employees Per Average Square Foot</b>
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	15541	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: 1990 SanDAG Traffic Generators report*

Students per Employee

The number of students per employee is determined by using the S0802: Means of Transportation to Work by Selected Characteristics 2018-2022 American Community Survey 5-Year Estimates and DP1: Profile of General Population and Housing Characteristics 2020: DEC Demographic Profile for the District. There were 121,597 employees and 86,421 homes in the District. This represents a ratio of 1.4070 employees per home.

There were 10,798 school age children attending the District in 2020. This is a ratio of 0.0888 students per employee. This ratio, however, must be reduced by including only the percentage of employees that worked in their community of residence (36%), because only those employees living in the District will impact the District’s school facilities with their children. The net ratio of students per employee in the District is 0.0320.

### School Facilities Cost per Student

Facility costs for housing commercially generated students are the same as those used for residential construction. The cost factors used to assess the impact from commercial development projects are contained in Table 11.

### Residential Offset

When additional employees are generated in the District as a result of new commercial/industrial development, fees will also be charged on the residential units necessary to provide housing for the employees living in the District. To prevent a commercial or industrial development from paying for the portion of the impact that will be covered by the residential fee, this amount has been calculated and deducted from each category. The residential offset amount is calculated by multiplying the following factors together and dividing by 1,000 (to convert from cost per 1,000 square feet to cost per square foot).

- Employees per 1,000 square feet (varies from a low of 0.06 for rental self storage to a high of 4.79 for office building).
- Percentage of employees that worked in their community of residence (36 percent).
- Housing units per employee (0.7107). This was derived from the 2018-2022 ACS 5 Year Estimates and DP1 data for the District, which indicates there were 121,597 housing units and 86,421 employees.
- Percentage of employees that will occupy new housing units (75 percent).
- Average square feet per dwelling unit (1,369).
- Residential fee charged by the District.
- Average cost per student was determined in Table 11.

The following table shows the calculation of the school facility costs generated by a square foot of new commercial/industrial development for each category of development.

**Table 13**  
**Fremont Union High School District**  
**Summary of Commercial and Industrial Uses**

Type	Employees per 1,000 Sq. Ft.	Students per Employee	Students per 1,000 Sq. Ft.	Average Cost per Student	Cost per Sq. Ft.	Residential offset per Sq. Ft.	Net Cost per Sq. Ft.
Banks	2.83	0.0320	0.090	\$43,184	\$3.91	\$1.46	\$2.45
Community Shopping Centers	1.53	0.0320	0.049	\$43,184	\$2.11	\$0.79	\$1.32
Neighborhood Shopping Centers	2.71	0.0320	0.087	\$43,184	\$3.74	\$1.40	\$2.34
Industrial Business Parks	3.52	0.0320	0.113	\$43,184	\$4.86	\$1.81	\$3.05
Industrial Parks	1.35	0.0320	0.043	\$43,184	\$1.86	\$0.70	\$1.16
Rental Self Storage	0.06	0.0320	0.002	\$43,184	\$0.08	\$0.03	\$0.05
Scientific Research & Development	3.04	0.0320	0.097	\$43,184	\$4.20	\$1.57	\$2.63
Lodging	1.13	0.0320	0.036	\$43,184	\$1.56	\$0.58	\$0.98
Standard Commercial Office	4.79	0.0320	0.153	\$43,184	\$6.61	\$2.47	\$4.14
Large High Rise Commercial Office	4.31	0.0320	0.138	\$43,184	\$5.95	\$2.22	\$3.73
Corporate Offices	2.69	0.0320	0.086	\$43,184	\$3.71	\$1.39	\$2.32
Medical Offices	4.27	0.0320	0.137	\$43,184	\$5.89	\$2.20	\$3.69

\*Based on 1990 SanDAG Traffic Generator Report

Net Cost per Square Foot

Since the District’s share of the State Maximum Fee is now \$0.32 (38% of \$0.84) in CUSD and \$0.34 (40% of \$0.84) in SUSD for commercial/industrial construction, the District is justified in collecting the maximum fee for all categories with the exception of Rental Self Storage. The District can only justify collection of \$0.05 per square foot of Rental Self Storage construction.

Verifying the Sufficiency of the Development Impact

Education Code Section 17620 requires districts to find that fee revenues will not exceed the cost of providing school facilities to the students generated by the development paying the fees. This section shows that the fee revenues do not exceed the impact of the new development.

The total need for school facilities resulting from new development totals \$16,884,944. The amount the District would collect over the five year period at the maximum rate of \$1.96-\$2.07 (38%-40% of \$5.17) for residential and \$0.32-\$0.34 (38%-40% of \$0.84) for commercial/industrial development would be as follows:

$\$1.96 \times 1,903 \text{ homes} \times 1,369 \text{ sq ft per home} = \$5,106,206$  for Residential in SUSD

$\$2.07 \times 1,226 \text{ homes} \times 1,369 \text{ sq ft per home} = \$3,474,276$  for Residential in CUSD

$\$0.32 \times 326,209 \text{ sq ft per year} \times 5 \text{ years} = \$521,934$  for Commercial/Industrial in SUSD

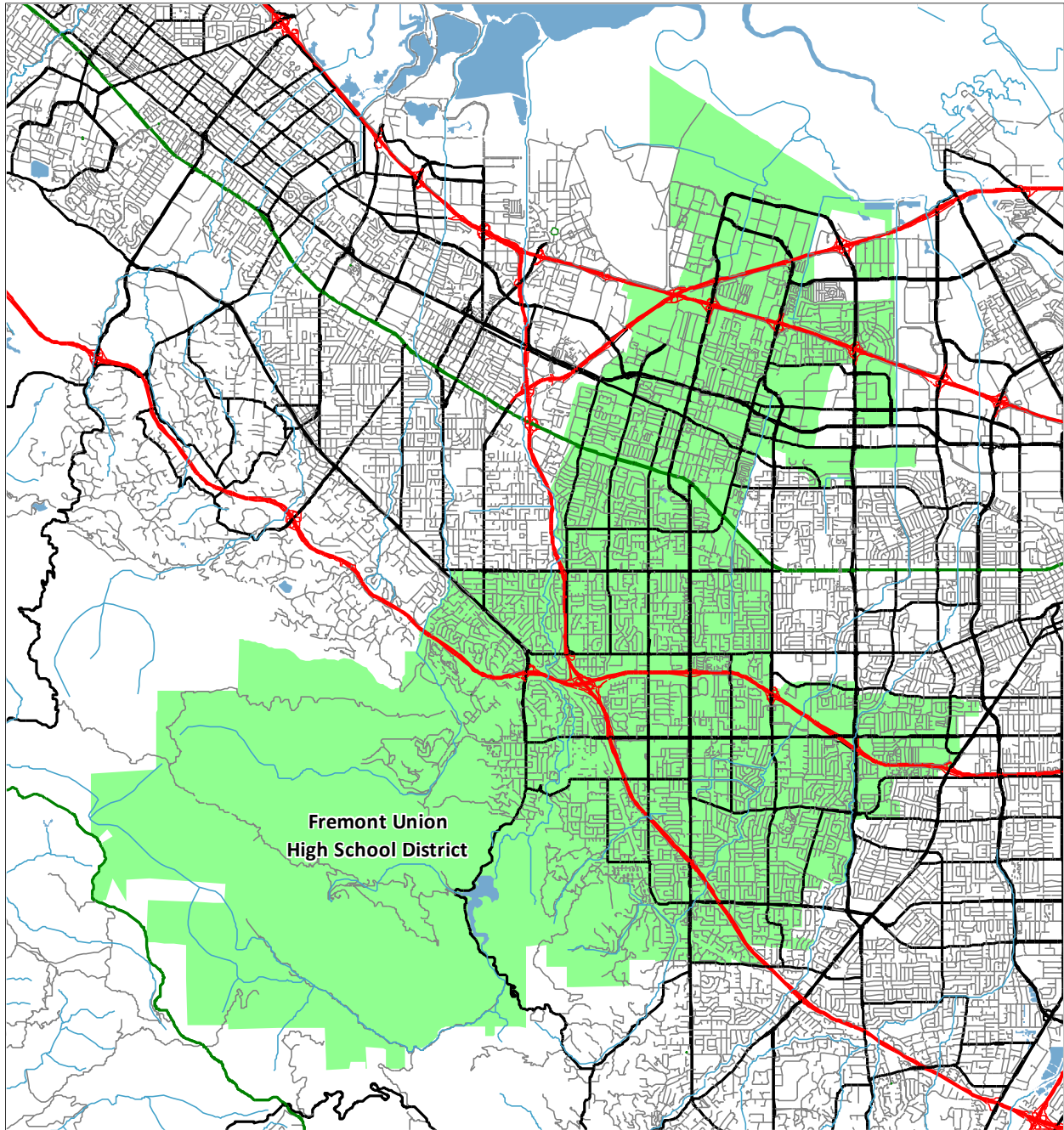
$\$0.34 \times 24,636 \text{ sq ft per year} \times 5 \text{ years} = \$41,881$  for Commercial/Industrial in SUSD

Total projected 5 year income: \$9,144,297

The estimated income is less than the projected facility needs due to the impact of new development projects.

**District Map**

The following map shows the extent of the areas for which development fees are applicable to the Fremont Union High School District.



## Conclusion

Based on the data contained in this Study, it is found that a reasonable relationship exists between residential, commercial/industrial development and the need for school facilities in the Fremont Union High School District. The following three nexus tests required to show justification for levying fees have been met:

Burden Nexus: New residential development will generate an average of 0.12495 9-12 grade students per unit. Because the District does not have adequate facilities for all the students generated by new developments, the District will need to build additional facilities and/or modernize/reconstruct the existing facilities in order to maintain existing level of services in which the new students will be housed.

Cost Nexus: The cost to provide new and reconstructed facilities is an average of \$3.94 per square foot of residential development. Each square foot of residential development will generate \$1.96 (38% of \$5.17) in SUSD or \$2.07 (40% of \$5.17) in CUSD in developer fees resulting in a shortfall of \$1.87-\$1.98 per square foot.

Benefit Nexus: The developer fees to be collected by the Fremont Union High School District will be used for the provision of additional and reconstructed or modernized school facilities. This will benefit the students to be generated by new development by providing them with adequate educational school facilities.

The District's planned use of the fees received from development impacts will include the following types of projects, each of which will benefit students from new developments.

- 1) **New Schools:** When there is enough development activity occurring in a single area, the District will build a new school to house the students from new developments.
- 2) **Additions to Existing Schools:** When infill development occurs, the District will accommodate students at existing schools by building needed classrooms and/or support facilities such as cafeterias, restrooms, gyms and libraries as needed to increase the school

capacity. Schools may also need upgrades of the technology and tele-communication systems to be able to increase their capacity.

- 3) Portable Replacement Projects: Some of the District's capacity is in portables and therefore may not be included in the State's capacity calculations. These portables can be replaced with new permanent or modular classrooms to provide adequate space for students from new developments. These projects result in an increase to the facility capacity according to State standards. In addition, old portables that have reached the end of their life expectancy, will need to be replaced to maintain the existing level of service. These types of projects are considered modernization projects in the State Building Program. If development impacts did not exist, the old portables could be removed.
  
- 4) Modernization/Upgrade Projects: In many cases, students from new developments are not located in areas where new schools are planned to be built. The District plans to modernize or upgrade older schools to be equivalent to new schools so students will be housed in equitable facilities to those students housed in new schools. These projects may include updates to the building structures to meet current building standards, along with upgrades to the current fire and safety standards and any access compliance standards.

The District plans to use the developer fees on classroom modernization projects at all high school sites. Please reference appendices.

Per the District's agreement with the Elementary School Districts, the high school share of the developer fees collected is 38% in SUSD or 40% in CUSD. The reasonable relationship identified by these findings provides the required justification for the Fremont Union High School District to levy the maximum fees of **\$1.96** (38% of \$5.17) per square foot for residential construction and **\$0.32** (38% of \$0.84) per square foot for commercial/industrial construction in SUSD and **\$2.07** (40% of \$5.17) per square foot for residential construction and **\$0.34** (40% of \$0.84) per square foot for commercial/industrial construction in CUSD, except for Rental Self Storage facilities in which a fee of **\$0.05** per square foot is justified as authorized by Education Code Section 17620.



# Appendices

2024 Developer Fee Justification Study

Fremont Union High School District