



School Facilities Fee Justification Report

Prepared Pursuant to Government Code Section 66001

October 3, 2024

Victor Valley Union High School District

2024/2025



A division of California Financial Services

Table of Contents

I.	Introduction	1
II.	The School District	3
III.	District Facilities Needs	4
	A. Enrollment.....	4
	B. Capacity of District Facilities	8
	C. District Facilities Needs	9
	D. Plan to Provide for District Facilities Needs.....	10
IV.	Financial Impact of Residential Development	11
	A. Cost of School Facilities.....	11
	B. Cost of Providing School Facilities Needs	12
	C. Cost of Providing School Facilities Per Square Foot of Future Residential Development.....	12
V.	Comparison of Impact and Residential School Fee Revenue	14
	A. Maximum Residential School Fee.....	14
	B. Comparison of Impact and Maximum School Fee.....	14
VI.	Financial Impact of Commercial/Industrial Development	15
	A. Employees Per 1,000 Square Feet	15
	B. Household Impact	17
	C. Student Generation Impact.....	18
	D. Cost of Providing School Facilities.....	20
	E. Residential School Fee Revenue Offset.....	21
VII.	Comparison of Impact and Commercial/Industrial Fee Revenues	24
	A. Maximum Commercial/Industrial School Fee	24
	B. Comparison of Impact and Maximum School Fee.....	24
	C. Senior Housing	25
VIII.	Conclusion and Statement of Findings	28

Exhibit A: Capacity Calculation

Exhibit B: Estimated School Facilities Cost

I. Introduction

In 1986, the Governor signed into law Assembly Bill (“AB”) 2926. AB 2926 provided for the addition of several sections to the Government Code establishing the ability of school districts to impose impact fees on new residential development (“Future Residential Development”) and commercial/industrial development (“Future Commercial/Industrial Development”) for the construction or reconstruction of school facilities (“School Fees”).

AB 2926 also established cities or counties may not issue a building permit for a development project unless such School Fees have been paid and set the maximum level of School Fees at \$1.50 per square foot for residential development and \$0.25 per square foot for commercial/industrial development. Initially, these maximums were subject to increase each year based on a statewide cost index, as determined by the State Allocation Board (“SAB”); however, the adjustment provisions were subsequently extended to every other year by AB 181. Pursuant to AB 2926, a school district wishing to impose School Fees must determine that the School Fees “are reasonably related and limited to the need for school facilities caused by the development”.

In 1987 AB 1600 was enacted providing additional guidance regarding the establishment of School Fees. Specifically, AB 1600 requires that public agencies satisfy the following requirements when establishing and imposing an impact fee as a condition of approval for a development project:

- Determine the purpose of the fee.
- Identify the facilities to which the fee will be applied.
- Determine that there is a reasonable relationship between the need for public facilities and the type of development on which a fee is imposed.
- Determine that there is a reasonable relationship between the amount of the fee and the public facility or portion of the facility attributable to the development on which the fee is imposed.

- Provide an annual accounting of any portion of the fee remaining unexpended, whether committed or uncommitted, in the school district's accounts five or more years after it was collected.

The purpose of this School Facilities Fee Justification Report ("Report") is to provide the information necessary to satisfy these requirements for the imposition of School Fees, pursuant to AB 2926, by the Victor Valley Union High School District ("District").

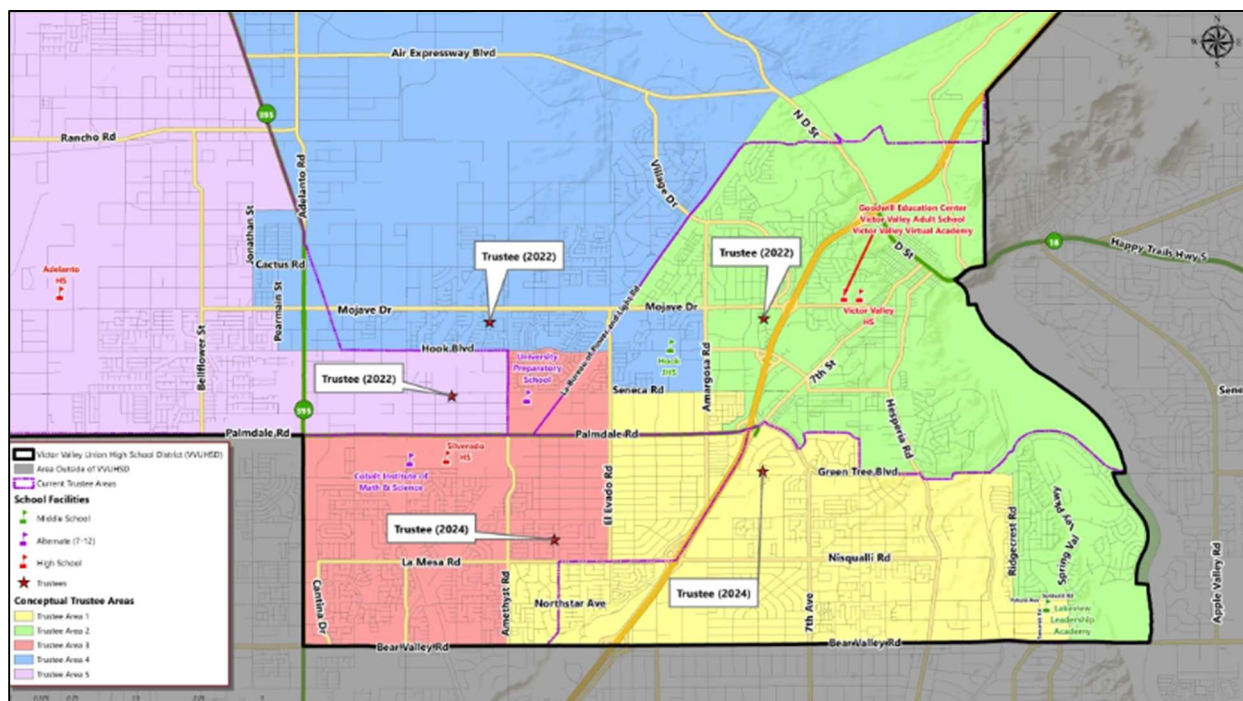
II. The School District

The District was formed in 1915 and provides public education within an area approximately 550 square miles, serving the City of Adelanto, a portion of the City of Victorville (collectively, “Cities”), and neighboring communities all within the County of San Bernardino (the “County”).

The District provides education to students in grades 7 through 12. With respect to the portion of the District served by Oro Grande School District (“OGSD”) and Victor Elementary School District (“VESD”), the District serves students in grades 7 through 12. With respect to the portion of the District served by Adelanto School District (“ASD”) and Helendale School District (“HSD”), the District serves students in grades 9 through 12.

Below is a map of the District’s boundaries.

Boundary Map



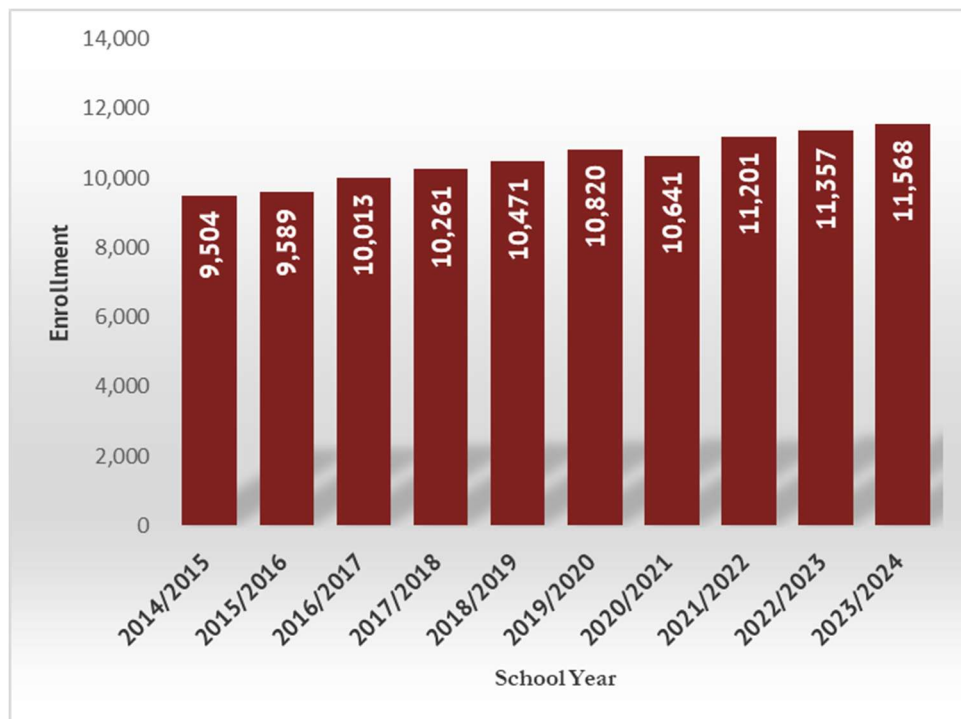
III. District Facilities Needs

In order to identify the impact of Future Residential Development on the facilities of the District, this Report (i) evaluates the District's current and projected enrollment, (ii) establishes the capacity of the District's existing facilities and (iii) identifies a plan to meet the District's facility needs.

A. Enrollment

- 1. Historical Enrollment** – This Report uses the California Basic Educational Data System (“CBEDS”) to identify the District's historical enrollment. Over the last ten (10) years the District has experienced increasing enrollment. Based on the amount of planned residential development, the District expects enrollment to continue to increase in the future. Chart 1 shows the historical enrollment.

Chart 1
Historical Enrollment Trend



2. Enrollment as a Result of Future Residential Development –

- a. Future Residential Development** - To evaluate the enrollment expected as a result of Future Residential Development, this Report must determine the number of units that are expected to be constructed within the District’s boundaries.

According to the Southern California Association of Governments (“SCAG”), approximately 34,820 additional residential units are expected to be constructed within the boundaries of the District through calendar year 2050 (“Future Units”). Table 1 outlines the Future Residential Development.

Table 1
Future Residential Development

Area of School District	Future Units
VESD/OGSD	12,092
ASD/HSD	22,728
Total	34,820

- b. Reconstruction** - Reconstruction means the voluntary demolition of existing residential dwelling units or commercial/industrial construction and the subsequent construction of new residential dwelling units (“Reconstruction”).

The District acknowledges that Reconstruction projects may occur. In such a situation, the District shall levy School Fees if there is a nexus established between the impact of the new residential dwelling units in terms of a net increase in students generated and the fee to be imposed. In other words, the School Fees must bear a nexus to the burden caused by the Reconstruction project.

- i. Existing Residential Dwelling Units** - To the extent Reconstruction increases the residential square footage

beyond what was demolished ("New Square Footage"), the increase in square footage is subject to the applicable School Fee as such construction is considered new residential development. As for the amount of square footage constructed that replaces only the previously constructed square footage ("Replacement Square Footage"), the determination of the applicable fee, if any, is subject to a showing that the Replacement Square Footage results in an increase in student enrollment and, therefore, an additional impact being placed on the District to provide school facilities for new student enrollment.

As of the date of this Report, the large-scale Reconstruction of residential development within the District has not occurred to the point where statistically significant data can be utilized to determine if Replacement Square Footage increases student enrollment. Therefore, prior to the imposition of School Fees on Replacement Square Footage, the District may undertake an analysis on any future proposed project(s) and may amend/update this Report. Such analysis will examine the extent to which an increase in enrollment can be expected from Replacement Square Footage due to any differential in student generation rates as identified in the Report for the applicable unit types between existing square footage and Replacement Square Footage. To the extent it can be demonstrated that Replacement Square Footage will increase student enrollment, the District may then impose a fee on the Replacement Square Footage. This fee amount on Replacement Square Footage shall be calculated by determining the cost impacts associated with any growth in student enrollment from the Replacement Square Footage. Any such fee that is calculated for the Replacement Square Footage shall not exceed the School Fee that is in effect at such time.

- ii. **Existing Commercial/Industrial Construction** - As with Reconstruction of existing residential dwelling units, there is not significant information regarding (i) the amount of Commercial/Industrial Reconstruction planned within the District or (ii) historical levels, which might indicate the amount to be expected in the future. Due to the lack of information, the District has decided to evaluate the impacts of Commercial/Industrial Reconstruction projects on a case-by-case basis and will make a determination of whether a fee credit is justified based on the nature of the project.

The fee credit determination will be based upon a comparison of the impacts of the planned residential project and the existing land use category (i.e. retail and services, office, research and development, industrial/warehouse/manufacturing, hospital, hotel/motel or self-storage). The actual impacts of the planned residential project will be reduced by the impact of the existing commercial/industrial category (derived from calculations contained in this Report). Any reduction to the School Fee would only occur if the reduced amount falls below the School Fee. In such a case, the District would levy the reduced amount per square foot of new residential construction for the subject Reconstruction project.

- c. **Student Generation Factors** - To estimate the impact on the District's enrollment of Future Units, Student Generation Factors ("SGFs") must be established.

The process of determining SGFs involved obtaining total student enrollment from CBEDS and dividing it by the total number of units within the District's boundaries, obtained from SCAG. Table 2 outlines the results of this analysis.

Table 2
Student Generation Factors

School Level	Students	Total Units	Student Generation Factor
Junior High School (Grades 7-8)	2,945	29,225	0.1008
High School (Grades 9-12)	8,623	54,876	0.1571
Total	11,568		0.2579

d. Projected Enrollment - When these SGFs are applied to the projected Future Units the resulting enrollment impact is 6,690 students. Table 3 outlines this calculation.

Table 3
Projected Enrollment
As a Result of Future Units

Area of School District	School Level	Future Units	Student Generation Rate	Students Generated
VESD/OGSD	Junior High School (Grades 7-8)	12,092	0.1008	1,219
	High School (Grades 9-12)	12,092	0.1571	1,900
	<i>Subtotal</i>			<i>3,119</i>
ASD/HSD	Junior High School (Grades 7-8)	NA	NA	NA
	High School (Grades 9-12)	22,728	0.1571	3,571
	<i>Subtotal</i>			<i>3,571</i>
Total				6,690

B. Capacity of District Facilities

To establish the capacity of the District's facilities, this Report utilizes the District's baseline capacity established with the SAB and makes adjustments for subsequent construction projects funded by the State. Table 4 summarizes the District's current capacity. A more detailed breakdown is included in Exhibit A.

Table 4
Current Facility Capacity

School Level	Facilities Capacity
Junior High School (Grades 7-8)	4,204
High School (Grades 9-12)	9,678
Total	13,882

C. District Facilities Needs

To evaluate the school facilities needed as a result of Future Units, this Report must first determine if there is any existing capacity that can be used to house future enrollment. This Report has determined that there are 2,314 existing seats that may be utilized to house students expected to be generated by Future Units. Table 5 outlines the districts available capacity at each school level.

Table 5
Summary of Available District Capacity

School Level	Facilities Capacity	School Year 2023/2024 Enrollment	Available Capacity
Junior High School (Grades 7-8)	4,204	2,945	1,259
High School (Grades 9-12)	9,678	8,623	1,055
Total	13,882	11,568	2,314

To determine the number of Unhoused Students expected to be generated by Future Units, *KeyAnalytics* subtracted the Available Capacity listed in Table 5 from the Projected Enrollment listed in Table 3. Table 6 outlines this calculation.

Table 6
Projected Unhoused Students
As a Result of Future Units

Area of School District	School Level	Projected Enrollment	Available Capacity	Projected Unhoused Students
VESD/OGSD	Junior High School (Grades 7-8)	1,219	1,259	0
	High School (Grades 9-12)	1,900	366	1,534
	<i>Subtotal</i>	3,119	1,625	1,534
ASD/HSD	Junior High School (Grades 7-8)	NA	NA	NA
	High School (Grades 9-12)	3,571	689	2,882
	<i>Subtotal</i>	3,571	689	2,882
Total		6,690	2,314	4,416

D. Plan to Provide for District Facilities Needs

Though the District may house students generated from Future Units in existing facilities over the short term, the District plans to construct new school facilities.

The timing of these improvements is unknown and relies heavily on the District's ability to access both local and State funding for such projects and the pace of Future Residential Development. Table 7 outlines the number of facilities needed by the District to house the Projected Unhoused Students resulting from Future Units.

Table 7
School Facility Needs
As a Result of Future Units

Area of School District	School Level	Projected Unhoused Students	Facility Capacity	Number of Facilities Needed
VESD/OGSD	Junior High School (Grades 7-8)	0	1,450	0
	High School (Grades 9-12)	1,534	2,400	0.6392
ASD/HSD	Junior High School (Grades 7-8)	NA	NA	NA
	High School (Grades 9-12)	2,882	2,400	1.2008

IV. Financial Impact of Residential Development

As outlined in Section III, Future Units are expected to generate additional enrollment for the District, resulting in the need to construct new school facilities. This Section quantifies the financial impact of the additional enrollment resulting from Future Units.

A. Cost of School Facilities

School facilities cost estimates were prepared by *KeyAnalytics*. The school facilities costs represent the full cost of site acquisition, site development, construction, furniture and equipment, as well as technology stated in 2024 dollars. The estimated site acquisition and facility construction costs are shown in Table 8. A more detailed breakdown of the costs is included in Exhibit B.

Table 8
Estimated School Facilities Cost

School Level	Construction Cost Per Facility	Site Cost Per Facility	Total Cost Per Facility
Junior High School (Grades 7-8)	\$130,081,910	\$1,904,751	\$131,986,661
High School (Grades 9-12)	\$272,636,092	\$4,161,434	\$276,797,526

The cost in Table 8 does not include costs associated with Central Administrative and Support Facilities. Future Units will generate 4,416 Unhoused Students. In accordance with the Provisions of Chapter 341, Statutes of 1992, SB 1612, the SAB adopted a report on January 26, 1994, requiring approximately four (4) square feet of central administrative and support facilities for every student. Based on this report and the estimated cost per square foot to construct and furnish these types of facilities, the Report incorporates a Central Administrative and Support Facilities cost impact of \$1,330 per student.

B. Cost of Providing School Facilities

This Report determines the cost of providing school facilities to house Unhoused Students resulting from Future Units by multiplying the number of facilities needed, by the Estimated School Facilities Cost. Table 9 outlines the total cost of providing school facilities to house Unhoused Students resulting from Future Units.

Table 9
Total Cost of Providing School Facilities
As a Result of Future Units

School Level	Facilities Required/ Students Generated	Cost Per Facility/ Student	Total Cost
Junior High School (Grades 7-8)	0.0000	\$131,986,661	\$0
High School (Grades 9-12)	1.8400	\$276,797,526	\$509,307,447
Central Admin Impacts	4,416	\$1,330	\$5,873,280
Total			\$515,180,727

C. Cost of Providing School Facilities per Square Foot of Future Residential Development

To determine the Cost of Providing School Facilities per Square Foot of Future Residential Development, this Report allocates the Total Cost of Providing School Facilities to the Future Units. Table 10 shows the calculation of the Cost of Providing School Facilities per Future Unit.

Table 10
Cost of Providing School Facilities
Per Future Units

Total School Facilities Impacts	Future Units	Total Cost Per Future Unit
\$515,180,727	34,820	\$14,796

The Cost of Providing School Facilities per Future Unit is then divided by the average square footage of Future Units.

To determine the average square footage of a Future Unit, *KeyAnalytics* reviewed developer fee logs from the district over the past year. Table 11 shows the Cost of Providing School Facilities per Square Foot of Future Unit.

Table 11
Cost of Providing School Facilities
Per Square Foot of Future Unit

Facilities Cost per Future Unit	Average Square Footage	School Facilities Cost Impact Per Square Foot
\$14,801	2,099	\$7.05

V. Comparison of Impact and Residential School Fee Revenue

As noted in the introduction to this Report, the maximum level of School Fee that may be imposed by a school district on Future Residential Development is set by the SAB. In order to impose School Fees at this level, the District must demonstrate that the cost of providing school facilities equals or exceeds the amount of the School Fee to be imposed. This section compares the maximum School Fee that may be imposed by the District with the cost of providing school facilities per square foot of Future Residential Development as established in Section IV.

A. Maximum Residential School Fee

In January of 2024, the SAB approved an increase to the maximum School Fee that may be imposed by a unified school district on Future Residential Development to \$5.17 per square foot. The District is required to share a portion of the maximum School Fee with their feeder school districts, as a result the District can only collect 32 percent, or \$1.66 per square foot, for all new Future Units built within the boundaries of ASD, 38 percent, or \$1.97 per square foot, for all new Future Units built within the boundaries of HSD, and 57 percent, or \$2.95 per square foot, for all new Future Units built within the boundaries of OGSD and VESD.

B. Comparison of Financial Impact and Maximum School Fee

This Report identifies in Section IV that the cost of providing school facilities per square foot of Future Residential Development is approximately \$7.05 within the boundaries of the District. Since the current maximum School Fee is less than the cost of providing school facilities per square foot of Future Residential Development, the District is justified in imposing their portion of the maximum School Fee for all Future Residential Development within its boundaries.

VI. Financial Impact of Commercial/Industrial Development

This Section analyzes the financial impact on the District resulting from students that are generated by Future Commercial/Industrial Development.

Future Commercial/Industrial Development will attract additional workers to the District. Because some of those workers will have school-age children, such Future Commercial/Industrial Development will generate additional enrollment for the District. The District is also likely to experience additional enrollment as a result of new workers who do not live within the District's boundaries, but whose children attend the District's schools as a transfer student.

A. Employees Per 1,000 Square Feet

To identify the impact of Future Commercial/Industrial Development this Report must first estimate the number of employees that will be generated by such development.

- 1. Employee Generation Rate** - As permitted by State law, this Report estimates the number of employees to be generated by Future Commercial/Industrial Development by utilizing the generation factors set forth San Diego Association of Governments ("SANDAG"). Table 12 shows these generation rates.

Table 12
Employee Generation Rates
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Employees Per 1,000 Square Feet
Retail and Services	2.2371
Office	3.4965
Research and Development	3.0395
Industrial/Warehouse/Manufacturing	2.6954
Hospital	2.7778
Hotel/Motel	1.1325
Self-Storage	0.0643

Source: SANDAG

- 2. Percentage of Employees Residing Within the District** - To accurately identify the number of employees that will reside within the District, this Report adjusts the Employee Generation Rates list in Table 12 to account for employees that may not live within the District.

To estimate the percentage of employees that will reside within the District this Report utilizes data collected by the US Census Bureau measuring individual's commute time. Based on this information, approximately 32.90 percent of employees within the District have a commute time of less than 30 minutes and thus are likely to reside within the District. Table 13 shows the Resident Employee Generation Rates.

Table 13
Resident Employee Generation Rates
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Employee Generation Rates	Employees Residing Within the District	Resident Employee Generation Rates
Retail and Services	2.2371	0.3290	0.7360
Office	3.4965	0.3290	1.1503
Research and Development	3.0395	0.3290	1.0000
Industrial/Warehouse/Manufacturing	2.6954	0.3290	0.8868
Hospital	2.7778	0.3290	0.9139
Hotel/Motel	1.1325	0.3290	0.3726
Self-Storage	0.0643	0.3290	0.0212

B. Household Impact

As noted in Section III, the SGFs calculated for the District are based on the number of students generated per housing unit. Therefore, this Report must convert the number of resident employees into the resulting number of new households to estimate the number of students to be generated.

- 1. Average Number of Employees per Household** - To estimate the number of households to be generated by these resident employees, this Report utilizes information collected by the US Census Bureau. According to the US Census Bureau the average number of employed persons per household within the District is 1.2335.
- 2. Household Impact Per 1,000 Square Feet of Commercial/Industrial Development** - The Household Impact per 1,000 Square Feet of Commercial/Industrial Development is calculated by dividing the Average Number of Employees per Household by the Resident Employee Generation Rates listed in Table 13. Table 14 summarizes this calculation.

Table 14
Household Impact
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Resident Employee Generation Rate	Average Employees Per Household	Household Impact Per 1,000 Square Feet
Retail and Services	0.7360	1.2335	0.5967
Office	1.1503	1.2335	0.9326
Research and Development	1.0000	1.2335	0.8107
Industrial/Warehouse/Manufacturing	0.8868	1.2335	0.7189
Hospital	0.9139	1.2335	0.7409
Hotel/Motel	0.3726	1.2335	0.3021
Self-Storage	0.0212	1.2335	0.0172

C. Student Generation Impact

This Report recognizes that employees may impact the District in two (2) ways. First, some of the employees will reside within the District and have school aged children who attend the District's schools. Secondly, of those employees that do not reside within the District some will have school aged children who choose to attend the District's schools as transfer students.

- 1. Resident Student Generation Impact** - To estimate the number of resident students to be generated per 1,000 Square Feet of Commercial/Industrial Development this Report multiplies the SGFs, outlined in Section III, by the Household Impacts listed in Table 14. The resulting Resident Student Generation Impact per 1,000 Square Feet of Commercial/Industrial Development is listed Table 15.

Table 15
Resident Student Generation Impact
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Junior High School (Grades 7-8)	High School (Grades 9-12)	Total
Retail and Services	0.0601	0.0938	0.1539
Office	0.0940	0.1465	0.2405
Research and Development	0.0817	0.1274	0.2091
Industrial/Warehouse/Manufacturing	0.0724	0.1130	0.1854
Hospital	0.0747	0.1164	0.1911
Hotel/Motel	0.0304	0.0475	0.0779
Self-Storage	0.0017	0.0027	0.0044

- 2. Inter-District Transfer Student Generation Impact** - To estimate the number of inter-district transfer students that may be generated, this Report utilizes enrollment data of the District. The total number of inter-district transfer students attending District schools was divided by the total number of employed persons within the District, as estimated by the US Census Bureau. This calculation is summarized in Table 16.

Table 16
Inter-District Transfer Rate Per Employee

Item	Junior High School (Grades 7-8)	High School (Grades 9-12)
Number of Employed Persons	63,656	63,656
Number of Inter-District Transfers	246	124
Inter-District Transfers Per Employee	0.0039	0.0019

3. Total Student Generation Impact Per 1,000 Square Feet of Commercial/Industrial Development - The Inter-District Transfer Rates, listed in Table 16, were multiplied by the Employee Generation Rates in Table 12 to calculate Inter-District Transfer Rates per 1,000 Square Feet of Future Commercial/Industrial Development. These Inter-District Transfer Rates were added to the Resident Student Generation Impact per 1,000 Square Feet of Commercial/Industrial Development, listed in Table 15, to calculate the Total Student Generation Impact per 1,000 Square Feet of Commercial/Industrial Development list in the Table 17.

Table 17
Total Student Generation Impact
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Junior High School (Grades 7-8)	High School (Grades 9-12)	Total
Retail and Services	0.0689	0.1581	0.2270
Office	0.1076	0.2472	0.3548
Research and Development	0.0935	0.2149	0.3084
Industrial/Warehouse/Manufacturing	0.0830	0.1905	0.2735
Hospital	0.0855	0.1964	0.2819
Hotel/Motel	0.0349	0.0801	0.1149
Self-Storage	0.0020	0.0046	0.0065

D. Cost of Providing School Facilities

To calculate the Cost of Providing School Facilities per 1,000 Square Feet of Commercial/Industrial Development, this Report calculates the cost impact per student using the information listed in Table 8 and multiplies the per student cost by the Total Student Generation Impacts listed in Table 17. Table 18 outlines the resulting Cost of Providing School Facilities per 1,000 Square Feet of Commercial/Industrial Development.

Table 18
Cost of Providing School Facilities
Per 1,000 Square Feet of Commercial/Industrial Development

Area of School District	Commercial/Industrial Category	Junior High School (Grade 7-8)	High School (Grades 9-12)	Total
VESD/OGSD	Retail and Services	\$6,359.04	\$18,449.32	\$24,808.36
	Office	\$9,938.75	\$28,835.01	\$38,773.76
	Research and Development	\$8,639.67	\$25,066.00	\$33,705.67
	Industrial/Warehouse/Manufacturing	\$7,661.38	\$22,227.65	\$29,889.03
	Hospital	\$7,895.81	\$22,907.85	\$30,803.66
	Hotel/Motel	\$3,219.44	\$9,340.58	\$12,560.03
	Self-Storage	\$183.23	\$531.76	\$715.00
ASD/HSD	Retail and Services	\$0.00	\$18,449.32	\$18,449.32
	Office	\$0.00	\$28,835.01	\$28,835.01
	Research and Development	\$0.00	\$25,066.00	\$25,066.00
	Industrial/Warehouse/Manufacturing	\$0.00	\$22,227.65	\$22,227.65
	Hospital	\$0.00	\$22,907.85	\$22,907.85
	Hotel/Motel	\$0.00	\$9,340.58	\$9,340.58
	Self-Storage	\$0.00	\$531.76	\$531.76

E. Residential School Fee Revenue Offset

A portion of the Cost of Providing School Facilities per 1,000 Square Feet of Commercial/Industrial Development will be mitigated through the collection of revenue from Future Residential Development. To determine the amount of revenue that will be collected, this Report estimates the average amount collected per unit based on the location of the Future Residential Development. These revenues are derived as follows:

1. The proposed maximum share of the residential school fee of \$2.95 per residential square foot within the portion of the School District served by VESD and OGSD, multiplied by the average residential square footage of 2,099.
2. The proposed maximum share of the residential school fee of \$1.97 per residential square foot within the portion of the School District served by ASD and HSD, multiplied by the average residential square footage of 2,099.

This amount is then multiplied by the Household Impacts listed in Table 14. Table 19 outlines this calculation.

Table 19
Residential School Fee Revenue
Per 1,000 Square Feet of Commercial/Industrial Development

Area of School District	Commercial/Industrial Category	Household Impact	Average Revenue Per Unit	Residential Revenue
VESD/OGSD	Retail and Services	0.5967	\$6,192.05	\$3,694.80
	Office	0.9326	\$6,192.05	\$5,774.71
	Research and Development	0.8107	\$6,192.05	\$5,019.89
	Industrial/Warehouse/Manufacturing	0.7189	\$6,192.05	\$4,451.46
	Hospital	0.7409	\$6,192.05	\$4,587.69
	Hotel/Motel	0.3021	\$6,192.05	\$1,870.62
	Self-Storage	0.0172	\$6,192.05	\$106.50
ASD/HSD	Retail and Services	0.5967	\$5,253.99	\$3,135.06
	Office	0.9326	\$5,253.99	\$4,899.87
	Research and Development	0.8107	\$5,253.99	\$4,259.41
	Industrial/Warehouse/Manufacturing	0.7189	\$5,253.99	\$3,777.09
	Hospital	0.7409	\$5,253.99	\$3,892.68
	Hotel/Motel	0.3021	\$5,253.99	\$1,587.23
	Self-Storage	0.0172	\$5,253.99	\$90.37

The Residential School Fee Revenue per 1,000 Square Feet of Commercial/Industrial Development listed in Table 19 is then subtracted from the Cost of Providing School Facilities per 1,000 Square Feet of Commercial/Industrial Development identified in Table 18 to calculate the Remaining Cost of Providing Facilities per 1,000 Square Feet of Commercial/Industrial Development. Table 20 outlines this calculation.

Table 20
Remaining Cost of Providing Facilities
Per 1,000 Square Feet of Commercial/Industrial Development

Area of School District	Commercial/Industrial Category	Cost of Providing School Facilities	Residential Revenue	Remaining Cost of Providing School Facilities
VESD/OGSD	Retail and Services	\$24,808.36	\$3,694.80	\$21,113.57
	Office	\$38,773.76	\$5,774.71	\$32,999.06
	Research and Development	\$33,705.67	\$5,019.89	\$28,685.77
	Industrial/Warehouse/Manufacturing	\$29,889.03	\$4,451.46	\$25,437.57
	Hospital	\$30,803.66	\$4,587.69	\$26,215.97
	Hotel/Motel	\$12,560.03	\$1,870.62	\$10,689.41
	Self-Storage	\$715.00	\$106.50	\$608.50
ASD/HSD	Retail and Services	\$18,449.32	\$3,135.06	\$15,314.27
	Office	\$28,835.01	\$4,899.87	\$23,935.14
	Research and Development	\$25,066.00	\$4,259.41	\$20,806.59
	Industrial/Warehouse/Manufacturing	\$22,227.65	\$3,777.09	\$18,450.56
	Hospital	\$22,907.85	\$3,892.68	\$19,015.17
	Hotel/Motel	\$9,340.58	\$1,587.23	\$7,753.35
	Self-Storage	\$531.76	\$90.37	\$441.40

VII. Comparison of Impact and Commercial/Industrial Fee Revenues

As with Future Residential Development the maximum level of School Fee that may be imposed by a school district on Future Commercial/Industrial Development is set by the SAB. In order to impose School Fees at the maximum level the District must demonstrate that the cost of providing school facilities does not exceed the amount of the School Fees to be imposed. This section compares the maximum School Fee that may be imposed by the District, with the cost of providing school facilities as a result of Commercial/Industrial Development, as established in Section V.

A. Maximum Commercial/Industrial School Fee

In January of 2024, the SAB approved an increase to the maximum School Fee that may be imposed by a unified school district on Commercial/Industrial Development to \$0.84 per square foot. The District is required to share a portion of the maximum School Fee with their feeder school districts, as a result the District can only collect 32 percent, or \$0.27 per square foot, for Commercial/Industrial Development within the boundaries of ASD, 38 percent, or \$0.32 per square foot, for Commercial/Industrial Development within the boundaries of HSD, and 57 percent, or \$0.48 per square foot, for Commercial/Industrial Development within the boundaries of OGSD and VESD.

B. Comparison of Financial Impact and Maximum School Fee

This Report identified in Section VI that the Remaining Cost of Providing School Facilities per 1,000 Square Feet of Commercial/Industrial Development ranges from \$441.40 to \$32,999.06. Table 21 compares these costs to the maximum School Fee for Commercial/Industrial Development.

Table 21
Comparison of Remaining Cost of Providing School Facilities
And Maximum School Fee for Commercial/Industrial Development

Area of School District	Commercial/Industrial Category	Remaining Cost of School Facilities		Maximum School Fee	Justified School Fee
		Per 1,000 Square Feet	Per Square Foot		
VESD/OGSD	Retail and Services	\$21,113.57	\$21.11	\$0.48	\$0.48
	Office	\$32,999.06	\$33.00	\$0.48	\$0.48
	Research and Development	\$28,685.77	\$28.69	\$0.48	\$0.48
	Industrial/Warehouse/Manufacturing	\$25,437.57	\$25.44	\$0.48	\$0.48
	Hospital	\$26,215.97	\$26.22	\$0.48	\$0.48
	Hotel/Motel	\$10,689.41	\$10.69	\$0.48	\$0.48
	Self-Storage	\$608.50	\$0.61	\$0.48	\$0.48
ASD	Retail and Services	\$15,314.27	\$15.31	\$0.27	\$0.27
	Office	\$23,935.14	\$23.94	\$0.27	\$0.27
	Research and Development	\$20,806.59	\$20.81	\$0.27	\$0.27
	Industrial/Warehouse/Manufacturing	\$18,450.56	\$18.45	\$0.27	\$0.27
	Hospital	\$19,015.17	\$19.02	\$0.27	\$0.27
	Hotel/Motel	\$7,753.35	\$7.75	\$0.27	\$0.27
	Self-Storage	\$441.40	\$0.44	\$0.27	\$0.27
HSD	Retail and Services	\$15,314.27	\$15.31	\$0.32	\$0.32
	Office	\$23,935.14	\$23.94	\$0.32	\$0.32
	Research and Development	\$20,806.59	\$20.81	\$0.32	\$0.32
	Industrial/Warehouse/Manufacturing	\$18,450.56	\$18.45	\$0.32	\$0.32
	Hospital	\$19,015.17	\$19.02	\$0.32	\$0.32
	Hotel/Motel	\$7,753.35	\$7.75	\$0.32	\$0.32
	Self-Storage	\$441.40	\$0.44	\$0.32	\$0.32

Since the District's share of the current maximum School Fee is less than the Remaining Cost of Providing School Facilities per Square Foot of Commercial/Industrial Development, the District is justified in imposing their portion of the maximum School Fee for all Future Commercial/Industrial Development.

C. Senior Housing

As it relates to the imposition of developer fees upon senior citizen housing projects, Section 65995.1(a) of the Government Code reads as follows:

Notwithstanding any other provision of law, as to any development project for the construction of senior citizen housing, as described in

section 51.3 of the Civil Code, a residential care facility for the elderly as described in subdivision (k) of Section 1569.2 of the Health and Safety Code^[1], or a multilevel facility for the elderly as described in paragraph (9) of subdivision (d) of Section 15432, any fee charge, dedication or other requirement that is levied under Section 53080^[2] may be applied only to new construction and is subject to the limits and conditions applicable to under subdivision (b) of Section 65995 in the case of commercial or industrial development.

[1] Although described in subdivision (k), definition found under subdivision (o) and (p).

[2] Government Code section 53080 was revised to Education Code section 17620.

The District must exercise discretion in determining whether a particular project qualifies as “senior citizen housing” for the purpose of imposing developer fees. (See *California Ranch Homes Development Co. v. San Jacinto Unified School Dist.* (1993) 17 Cal.App.4th 573, 580–581.) The District also acknowledges that students typically do not reside in senior citizen housing units unless the CC&Rs permit such living arrangements. However, the development of such housing generally generates jobs for facilities maintenance and administration, and in the case of assisted care living situations, health professionals. These jobs may be filled by persons living either within the boundaries of the District or outside the boundaries of the District. In either case, the employees may enroll their students in the District. As a result, some students may be generated as a result of the development of new senior citizen housing.

The District acknowledges Section 65995.1 and will levy developer fees on any senior citizen housing projects at the current commercial/industrial rate of \$0.27 for development within the boundaries of ASD, \$0.32 for development within the boundaries of HSD, and \$0.48 for development within the boundaries of OGSD and VESD. These rates are per square foot of development. The District will require proof that such senior units are indeed restricted to seniors (i.e. a copy of the recorded CC&Rs or deed(s)) and reserves the right to revoke a Certificate of Compliance and/or require payment of difference of the amount per square foot paid to the then current amount of developer fees being levied on residential development per square foot should such

CC&Rs or deed(s) be modified to allow students to reside such the housing units. If there is any uncertainty as to whether a project qualifies as senior citizen housing or will, in fact, remain senior citizen housing beyond initial approval, the District may wish to seek cooperation from the developer as a condition of levying the commercial/industrial rate. Such cooperation could take the form of an agreement by the developer to record a condition upon the property that then current residential fees would be due to be paid should the residency requirements change so as to allow students to reside on the property.

VIII. Conclusion and Statement of Findings

Based on the findings of this School Facilities Fee Justification Report (“Report”), the District is justified in collecting their portion of the legal maximum fee (\$5.17) which is **\$1.66** per square foot, for all new Future Units built within the boundaries of ASD, **\$1.97** per square foot, for all new Future Units built within the boundaries of HSD or **\$2.95** per square foot, for all new Future Units built within the boundaries of OGSD and VESD as authorized by Government Code Section 65995, as future residential development creates a school facility impact greater than the legal maximum fee.

The District is also justified in collecting their portion of the legal maximum fee (\$0.84) which is **\$0.27** within the boundaries of ASD, **\$0.32** within the boundaries of HSD or **\$0.48** per square foot, for development within the boundaries of OGSD and VESD for all Future Commercial/Industrial Development.

The findings of this Report are based on the following:

- According to SCAG there are 34,820 residential units planned to be built within the District.
- These residential units are expected to generate 6,690 students, of which 4,416 cannot be accommodated in the District’s current facilities. The District expects these students will require the District to construct new school facilities.
- Each square foot of future residential development creates an estimated school facility cost impact of \$7.05.
- If the District collects the maximum school fee, fee revenue will offset between 23.54 – 41.84 percent of the school facility cost impact of such residential development.
- Future commercial/industrial development will create the need for additional school facilities by increasing the number of households within the District and the number of inter-district transfer students.
- After accounting for the collection of the maximum school fee from residential development the remaining school facilities cost impact of

commercial/industrial development ranges between \$0.44 and \$33 per square foot depending on the category of development.

- If the District collects their portion of the maximum school fee per commercial/industrial square foot, the fee revenue will offset between 1.12 – 78.78 percent of the school facility cost impact of such development.

Exhibit A

Capacity Calculation

**Victor Valley Union High School District
School Facilities Capacity Calculation**

Application	Project	Middle School	High School
N/A	SAB Form 50-02	1,485	2,997
N/A	Non-Severe/Severe Capacity	46	93
N/A	Relocatable Added - 2007	189	81
N/A	Relocatable Added - 2008	250	100
N/A	Relocatable Added - 2018	54	0
50/67934-00-002	Victor Valley Junior High	1,728	0
50/67934-00-004	Silverado 9th Grade High	0	1,674
50/67934-00-005	Imogene Garner Hook Junior High	270	0
50/67934-00-006	Goodwill High	0	1,080
50/67934-00-007	Relocatables - SMA/Success	0	89
50/67934-00-009	Adelanto High School	0	2,820
50/67934-00-011	Relocatables - Hook JH	32	0
50/67934-00-013	Relocatables - Silverado HS	0	152
50/67934-00-014	Relocatables - Victor Valley JH	150	0
50/67934-00-017	Relocatables - Silverado HS	0	135
50/67934-00-020	Silverado High	0	189
50/67934-00-021	Imogene Garner Hook Junior High	0	187
50/67934-00-022	Victor Valley Union High	0	81
Total Capacity	N/A	4,204	9,678

Exhibit B

Estimated School Facilities Cost

Victor Valley Union High School District
Estimated "True" Cost
Junior High School Facility

A. Site			\$1,904,751
	Site Purchase Price	\$1,839,751	
	Acres	25.20	
	Cost Per Acre	\$73,006	
	EIR		\$30,000
	Appraisals		\$15,000
	Surveys		\$10,000
	Escrow/Title		\$10,000
B. Plans			\$5,326,350
	Architect's Fee	\$4,537,500	
	Preliminary Testing	\$45,000	
	DSA/SDE Plan Check	\$657,950	
	Energy Fee Analysis	\$25,000	
	CDE Plan Check Fee	\$60,900	
C. Construction			\$110,193,685
	Square Feet Per Student	100	
	Cost Per Square Foot ¹	\$760	
D. Testing			\$180,000
E. Inspection			\$405,000
	Cost Per Month	\$15,000	
	Months	18	
	Inspectors	1.5	
F. Furniture and Equipment			\$2,203,874
	(2% of Construction)		
G. Contingency			\$5,509,684
	(5% of Construction)		
H. Items Not Funded By State			\$6,263,317
	Technology (5% of Construction)	\$5,509,684	
	Library Books (8 books/student @ \$20)	\$232,000	
	Landscaping (\$0.44 per Sq. Ft.)	\$482,993	
	Landscaping Architect Fees (8% of Landscaping)	\$38,639	
I. Total Estimated Cost			\$131,986,661
	School Facility Capacity		1,450
	School Facility Cost Per Student		\$91,025

¹ Includes site development costs.

**Victor Valley Union High School District
Estimated "True" Cost
High School Facility**

A. Site			\$4,161,434
	Site Purchase Price	\$4,066,434	
	Acres	55.70	
	Cost Per Acre	\$73,006	
	EIR		\$50,000
	Appraisals		\$15,000
	Surveys		\$15,000
	Escrow/Title		\$15,000
B. Plans			\$10,683,750
	Architect's Fee	\$9,187,500	
	Preliminary Testing	\$70,000	
	DSA/SDE Plan Check	\$1,270,250	
	Energy Fee Analysis	\$30,000	
	CDE Plan Check Fee	\$126,000	
C. Construction			\$227,986,935
	Square Feet Per Student	125	
	Cost Per Square Foot ¹	\$760	
D. Testing			\$350,000
E. Inspection			\$720,000
	Cost Per Month	\$15,000	
	Months	24	
	Inspectors	2	
F. Furniture and Equipment			\$4,559,739
	(2% of Construction)		
G. Contingency			\$11,399,347
	(5% of Construction)		
H. Items Not Funded By State			\$16,936,321
	Technology (5% of Construction)	\$11,399,347	
	Library Books (8 books/student @ \$20)	\$384,000	
	Landscaping (\$0.44 per Sq. Ft.)	\$1,067,568	
	Landscaping Architect Fees (8% of Landscaping)	\$85,405	
	Stadium Track	\$4,000,000	
I. Total Estimated Cost			\$276,797,526
	School Facility Capacity		2,400
	School Facility Cost Per Student		\$115,332

¹ Includes site development costs.