Burbank Unified School District
Administrative Services

REPORT TO THE BOARD

TO:	Members of the Board of Education
FROM:	Andrew Cantwell, Assistant Superintendent, Administrative Services
PREPARED BY:	Terri Ramirez-Adams, Senior Administrative Secretary
SUBMITTED BY:	Terri Ramirez-Adams, Senior Administrative Secretary
DATE:	April 3, 2025
SUBJECT:	Adoption of Resolution 35 – Increasing Level 1 Developer Fees

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Background:

The State Allocation Board sets the statewide rate for Level I Developer Fees and updates that amount every other year, publishing the new rate in January. In order to collect developer fees, school districts must conduct a study that meets all the requirements of code, make that study available for public review, hold a public hearing and then take action to adopt the fee structure justified in the study. The fees are to be used to finance the construction, reconstruction and modernization of school facilities, and to provide for interim housing.

Discussion/Issues:

The current fees allowable have been established by the State Allocation Board in January 2024 as $5.17 per square foot for new residential development and $0.84 per square foot for new commercial/industrial development. The District currently charges $4.79 per square foot for residential property and up to $0.78 per square foot for commercial/industrial property. The District proposes to move our developer fees to the new statutory state fees allowable as listed above. In order to move to the new rate structure, the District produced the required study to justify the fees. The study was made available 10 days in advance of the public hearing, scheduled for the April 3, 2025 Board meeting. Following this public hearing, the Board may adopt the new fee structure at the end of a 60-day waiting period.

Financial Impact:

Adoption of the new fee structure increases the per square footage income for the District by $0.38 for residential and up to $0.06 for commercial/industrial structures.

Recommendations:

Andrew Cantwell, Assistant Superintendent, Administrative Services, recommends that the Board of Education adopt Resolution 35, increasing school facilities (developer) fees, per Senate Bill 50, 1998 (Education Sections 17620) and Government Code Section 65995, and that authority to sign the resolution be exercised pursuant to BUSD—AR 3314, as presented.

RESOLUTION NO. 35

RESOLUTION INCREASING LEVEL 1 DEVELOPER FEES

WHEREAS Education Code section 17620 authorizes school districts to levy a fee, charge, or dedication against any development project within its boundaries for the purpose of funding the construction or reconstruction of school facilities and to impose certain fees thereon; and

WHEREAS the Burbank Unified School District ("District") may levy developer fees authorized by Government Code Section 65995, subdivision (b)(3), for development; and

WHEREAS pursuant to the authority of Government Code section 65995, subdivision (b)(3), allowable fees authorized by Education Code section 17620 for unified school districts have presently been established by the State Allocation Board ("SAB") in the amount of $5.17 per square foot for residential development and $0.84 per square foot for commercial/industrial development and senior housing; and

WHEREAS the governing board ("Board") of the District has caused a study to be prepared by Total School Solutions entitled Developer Fee Justification Document for Residential, Commercial and Industrial Development Projects - Level 1, which identifies the purpose and use for the fee and sets forth a reasonable relationship between the fee to be imposed, the developments on which the fee is to be imposed, as well as the cost of the school facilities made necessary by virtue of the burden imposed by the developments; and

WHEREAS based upon the increased level of fees permitted by the SAB pursuant to Government Code section 65995, the District may levy the following fees established by the SAB:

1. $5.17/sf of residential development.
2. $0.84/sf of commercial or industrial development, except for rental self-storage.

WHEREAS Education Code section 17621 specifically exempts the adoption, increase, or imposition of any fee, charge, dedication, or other requirement pursuant to Education Code section 17620 from the provisions of the California Environmental Quality Act ("CEQA") (Pub. Resources Code Section 21000 et seq.); and

NOW, THEREFORE, BE IT RESOLVED, that the Board makes the following findings:

1. Prior to the adoption of this resolution ("Resolution"), the Board of the District conducted a public hearing at which oral and written presentations were made as part of the Board's regularly scheduled April 3, 2025 meeting. Notice of the time and place of the meeting, including a general explanation of the matter to be considered has been published twice in accordance with Government Code sections 66017 and 66018. Additionally, at least 10 days prior to the meeting, the District made all relevant information available to the public indicating the cost, or estimated cost, of the construction or reconstruction of school facilities made necessary by the residential and/or commercial/industrial development to which the fee shall apply.
    (a) The purpose of the fees is to provide adequate school facilities for the students of the District who will be generated by residential and commercial/industrial development in the District.

(b) The fees will be used to finance the construction or reconstruction of school facilities.
(c) There is a reasonable relationship between the need for the imposition of the fee and development projects upon which the fees shall be imposed for the purpose of the construction or reconstruction of school facilities, in that residential, commercial, and industrial development will generate students who will attend District schools. The fees will be used to fund all, or a portion of, new school facilities, or to reconstruct existing school facilities.
(d) There is a reasonable relationship between the amount of the fee and the cost of the additional or reconstructed school facilities attributable to the development upon which the fee shall be imposed, in that the square footage of these developments has a direct relationship to the number of students that will be generated, and, thus, to the facilities the District must add or reconstruct in order to accommodate the additional students.
(e) The District maintains a separate capital facilities account, or fund, as required by Government Code section 66006.

AND BE IT FURTHER RESOLVED that the Board incorporates herein by reference, approves and adopts the Study entitled Developer Fee Justification Document for Residential, Commercial, and Industrial Development Projects - Level 1, dated February 2025 prepared by Total School Solutions which documents the need for the fees. Since the Study justifies fees in excess of the allowable limits, the District, in accordance with Education Code sections 17620, et seq., and Government Code sections 65995, et seq., hereby imposes fees in the following amounts:

1. $5.17/sf of residential development;
2. $0.84/sf of commercial or industrial development, except rental self-storage.

AND BE IT FURTHER RESOLVED that the increase in fees shall take effect no sooner than sixty (60) days after the date of this Resolution. The District elects to place the fees in effect on June 2, 2025.

AND BE IT FURTHER RESOLVED that the Superintendent of the District, or his or her designee, shall give notice of the Board's action herein to all cities and counties with jurisdiction over the territory of the District in accordance with the requirements of Education Code section 17620 and 17621, requesting that no building permits (or, for manufactured homes and mobile homes, certificates of occupancy) be issued on or after the date that the fees take effect, without certification from the District that the fees specified herein have been paid. Said notice shall specify that collection of the fee is not subject to the restriction set forth in Government Code section 66007, subdivision (a) but, pursuant to subdivision (b) of that statute, the fees are to be collected prior to issuance of building permits.

AND BE IT FURTHER RESOLVED that developers of commercial or industrial development be provided with the opportunity for a hearing to appeal the imposition of the fee on their developments.

AND BE IT FURTHER RESOLVED that nothing contained or expressed in this Resolution shall be construed to affect the District's authority to increase the fee, enter into agreements with developers, or otherwise adopt or impose, to the extent permitted by law, additional fees, to fully mitigate the impact of resident and/or commercial/industrial development upon the District's school facilities.

AND BE IT FURTHER RESOLVED that the District's administration is authorized to make expenditures and to incur obligations of the fees for the purposes authorized by law.

AND BE IT FURTHER RESOLVED that the Board hereby finds that the increase in fees hereunder is statutorily exempt from the requirements of CEQA pursuant to Education Code section 17621.

AND BE IT FURTHER RESOLVED that this Board hereby adopts this Resolution and directs the

Superintendent, or his or her designee, to file a certified copy of this Resolution, together with all relevant supporting documentation and a map clearly indicating the boundaries of the area subject to the fee, to each city and each county in which the District is situated, pursuant to Education Code section 17621.

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PASSED AND ADOPTED this 3rd day of April 2025, by the following vote:

BURBANK UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES

President, Board of Education

AYES: 5

NOES: 0

ABSTAIN: 0

ABSENT: 0

Attest:

By: _____

Clerk of the Board of Education