



LONG BEACH UNIFIED SCHOOL DISTRICT DEVELOPER FEE FAQs
GENERAL INFORMATION

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1. Why Does the District Charge School Developer Fees?

As a means to fund school facilities needed as a result of development. Government Code § 65995, Education Code § 17620, and Assembly Bill 2926, also known as the “1986 School Facilities Legislation,” granted school districts the right to levy fees to offset the capacity impacts of school facilities from new residential and commercial industrial developments, known as “School Developer Fees”.

If the District does not collect all the School Developer Fees it is deemed legally entitled to, the District would be ineligible to receive certain state funding.

2. Where Can the District Charge School Developer Fees?

The District may only charge School Developer Fees within the District’s boundaries. Education Code § 17620(a)(1) permits school districts to levy fees against any construction within the boundaries of a school district. The District’s boundaries include the Cities of Avalon (including



the entire island of Santa Catalina), Lakewood, Long Beach, Signal Hill, and unincorporated areas of the County of Los Angeles.

To determine if you are within the District's boundaries, please consult this interactive map.

3. What Types of Developments Can School Developer Fees Be Levied Against?

A. Residential:

i. On any **new** residential construction. Assessable space, which means all the square footage within the perimeter of a residential structure. Hallways and other common areas are also levied fees pursuant to the CC&Rs that developers will adopt where condominium owners have proportional ownership of these common areas.

ii. On any residential additions over 500 square feet ("sf"). This is an cumulative number.

iii. Accessory Dwelling Units ("ADUs"). ADUs are separate residential units that can house a new family that generates new students. Fees may be assessed against new ADUs. The following examples illustrate the application of fees, exemptions, and credits for ADUs:

- i. Construction of a new ADU that is detached or added to the exterior of an existing residential structure. Detached ADUs that contain less than 500 square feet are exempt from School Developer Fees. However, if the detached ADUs contain 500 square feet or more, the District will levy School Developer Fees as new residential construction.
- ii. Construction of an ADU that converts part of an existing residential structure and adds additional square footage beyond the existing residential structure. These ADUs will be treated as "other residential construction" that are subject to a 500-square-foot assessable space threshold exemption. For example, if a homeowner would like to construct a 600-square-foot ADU (with 400 square feet of the ADU is a converted existing garage and 200 square feet of the ADU is added to the existing garage), this ADU would be subject to School Developer Fees. In contrast, if a homeowner converts a 400-square-foot garage into an ADU, this ADU would be exempt from School Developer Fees because the ADU is less than 500 square feet of assessable space.



Please note that if the attached ADU has the characteristics of “new residential construction,” the District reserves the right to consider such ADU accordingly. This analysis will be conducted on a case-by-case basis.

- iii. Conversion of existing residential space into an ADU. If the new ADU were entirely enclosed within an existing residence, no School Developer Fees would be levied, since no new assessable space square footage would be created by the ADU. However, School Developer Fees would apply to the conversion of a garage into an ADU if it is more than 500 square feet.
- iv. Construction of JADU and Residential Addition. If applicant applies for a building permit consisting of: (1) the construction of a JADU that is less than 500 square feet, which is attached to an existing residence; and (2) the construction of a residential addition that is less than 500 square feet to the existing residence, the District may appropriately collect School Developer Fees against the proposed construction so long as the total square footage (i.e., the combined square footage of the JADU and the residential addition) proposed by the applicant exceeds 500 square feet.

The District reserves the right to analyze each School Developer Fees application on a case-by-case basis due to the highly fact-specific analysis necessitated by the construction of ADUs and the collection of School Developer Fees.

Note that the impact fee restrictions on ADUs imposed by Government Code section 66311 *et seq.* are mostly only applicable to impact fees levied by cities, counties, water corporations, and special districts. School districts are independently authorized to levy School Developer Fees per Education Code § 17620.

Similarly, the provisions relating to permit applications for previously unpermitted ADUs and the prohibition to collect impact fees found in Government Code section 66311.7(e) do not apply to school districts.

HCD has no jurisdiction over the District’s imposition of School Developer Fees. The Legislature has expressly imbued school districts with the sole power to determine compliance with its Developer Fee levies or fee exemptions:

“A city or county, whether general law or chartered, or the Office of Statewide Health Planning and Development shall not issue a building permit for any construction absent **certification by the appropriate school district that any fee, charge, dedication, or other requirement levied by the governing board of that school district has been complied with, or of the district's determination that**



the fee, charge, dedication, or other requirement does not apply to the construction. The school district shall issue the certification immediately upon compliance with the fee, charge, dedication, or other requirement.” (Ed. Code, § 17620(b), *emph. added.*)

By a completely different statute, a city or county has the separate duty to calculate an ADU’s square footage:

“The amount of the square footage within the perimeter of a residential structure shall be calculated by the building department of the city or county issuing the building permit, in accordance with the standard practice of that city or county in calculating structural perimeters.” (Gov. Code, § 65995(b)(1).)

The remaining duty of a city or county is to not issue a building permit without receiving the school district’s Certificate of Compliance, as set forth above in Education Code section 17620(b).

Nowhere in the law does it authorize HCD, a city, or a county to determine compliance with School Developer Fees and/or exemptions, and any contrary opinions by them cannot override a school district’s statutory authority and compliance determinations.

iv. Excluded:

The following are excluded from School Developer Fees on residential construction: Carports, walkways, garages, overhangs or patios, enclosed patios, detached accessory structures or similar enclosed areas, exclusively religious facilities, exclusively private full-time day schools, owned and operated federal facilities, owned and operated state facilities, owned and operated local agency facilities, construction to make a residential dwelling more accessible to a disabled person (requires a statement from a doctor), reconstruction of a structure destroyed in a disaster, replacement of a manufactured home on the original pad, replacement of a mobile home on the original pad, and greenhouses.

B. Commercial/Industrial Development:

i. Included:

All the square footage that is covered and enclosed within the perimeter of a commercial or industrial structure, which includes hotels, inns, motels, tourist homes, short-term (30 days or less), lodging for senior citizen housing (restricted to 55 years old and over, Civil Code, § 51.3), residential care facilities for the elderly (Health & Safety Code, § 1569.2(p)), multilevel facility for the elderly (Gov. Code, § 15432 (d)(9)), and mobile home development limited to older persons (55 – 62) and private universities.



a. Senior Citizen Housing

For senior citizen housing, residential care facility for the elderly, multilevel facility for the elderly, and mobile home developer limited to older persons, as defined above, the District will collect at the applicable commercial/industrial construction rate. The District may require the applicants to submit certain documentation that proves eligibility of such senior citizen housing projects. The District reserves the right to request that applicants/developers execute and record a deed restriction against the property as appropriate.

ii. Excluded:

Storage areas incidental to the development, garages, parking structures, unenclosed walkways, utility or disposal areas, and residential hotels.

4. How Much Are School Developer Fees?

School Developer Fees are subject to change:

- A. **Level I** fees are subject to change every two years in January but are effective 60 days from the date that the District elects to adopt the fee increase. As of January 2026, the maximum School Developer Fee rates are set at \$5.38 per square foot for new residential developments and \$0.87 per square foot for new commercial/industrial developments.
- B. **Level II** fees are subject to change annually if approved by the District and a School Facility Needs Analysis ("SFNA") is adopted by the District. These fees are effective the day after adoption.
- C. **Level III** fees are only effective when there are no state bond funds available.
- D. **As of June 14, 2026**, the District charges the following rates for developer fees:



FEE TYPE	NEW FEE PER SQUARE FOOT
Residential Fee	\$5.38
<i>Commercial/Industrial Land Use Category</i>	
Banks	\$0.870
Commercial Offices (Large High Rise)	\$0.870
Commercial Offices (Standard)	\$0.870
Community Shopping Center	\$0.870
Corporate Offices	\$0.870
Hospitality (Lodging)	\$0.870
Industrial Business Parks	\$0.870
Industrial / Warehouse / Manufacturing	\$0.870
Medical Offices	\$0.870
Neighborhood Shopping Center	\$0.870
Rental Self-Storage	\$0.100
Research & Development	\$0.870

5. How Do I Pay My School Developer Fees?

If the property is located in the Cities of Avalon (including the entire island of Santa Catalina), Lakewood, Long Beach, or Signal Hill, or unincorporated portions of Los Angeles County:

- A. School Developer Fees are collected by the school district directly. Confirm your project is located within the Long Beach Unified School District by visiting School Finder: <https://www.lbschools.net/departments/schools/school-finder>
 - Click on Find My Schools by Address
- B. Apply to the respective city and obtain an official letter specifying the permitted square footage for your project.
 - The City of Long Beach form for obtaining an official square footage letter is available online here: <https://www.longbeach.gov/lbcd/building/applications--forms/>.



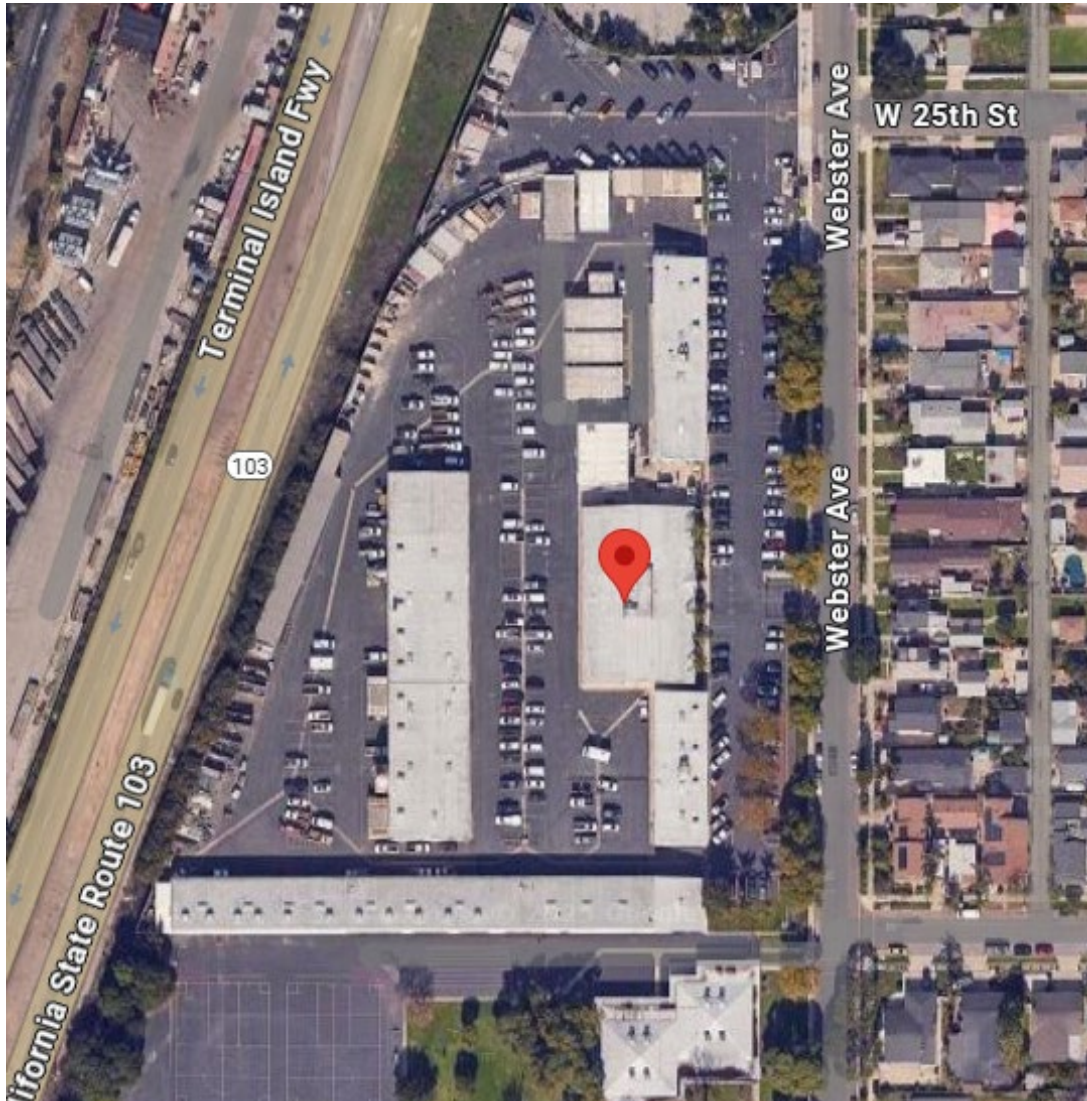
- For other cities within the District, contact the respective building departments directly to receive a letter that includes the project address, project type and square footage.
 - The official form must be completed and signed by the city or county agency and not by the Applicant.
- C. Complete an Application for a Certificate of Compliance here:
<https://www.lbschools.net/developerfees>
- D. For Designated Residential Development Projects eligible for School Developer Fee deferrals per Senate Bill 937, complete the Certificate of Acknowledgement Application here: <https://www.lbschools.net/developerfees>. Please ensure that the City form contains the qualifying deferral designation. Residential Additions and Commercial Industrial projects do not qualify. For more information on Designated Residential Development Projects, see FAQ #18, below.
- E. School Developer Fees may be paid IN PERSON **or** VIA MAIL at the LBUSD's Facilities Development and Planning office, see address below. When visiting the office, please bring your official letter from the respective City or County for the project. If the Certificate of Compliance was completed via the District's online portal, no physical documents are required. Fees are collected Monday-Friday, 9:00 am – 3:00 pm. Please visit our website for updates to hours, including holidays.

The District's address and telephone number for Developer Fee matters are as follows:

Long Beach Unified School District
Facilities Development and Planning
2425 Webster Ave
Long Beach CA 90810
(562) 997-7550



See the location of Facilities Development and Planning office below:



6. What Are the Acceptable Payment Methods?

ONLY cashier's checks will be accepted as of November 2, 2026

- A. Cashier's Check made payable to: LBUSD Developer Fee Collector.



- B. If a check is returned for any reason, the Applicant must restart the Application process, and payment must be made with a cashier's check along with a \$25 processing fee.
- C. The School Developer Fees must be paid prior to the issuance of a building permit or conversion approval unless a Certificate of Acknowledgement Application is submitted for a qualifying residential project.
- D. When fees are deferred, payment must be paid via cashier's check.

7. Can I Protest My School Developer Fees?

YES.

Protest Procedure:

- A. Tender payment in full.
- B. The protest must be made in writing and received by the District within 90 calendar days of the date the School Developer Fees were paid. The protest must state:
 - i. That the required payment is tendered under protest, and
 - ii. The factual elements of the dispute and legal theory forming the basis for the protest.
- C. Address all correspondence to: Attn: Governing Board, care of Facilities Department and Planning, Attention Developer Fee Collector, 2425 Webster Avenue, Long Beach, CA 90810.

8. Are There Refunds of School Developer Fees?

IN CERTAIN CIRCUMSTANCES.

- A. Only if construction does not commence, as provided in Education Code § 17624 and Government Code § 65995.
- B. To obtain a refund, you must confirm with the city that the project has been cancelled. Allow 30 to 60 days to receive the refund. The District will withhold \$50.00 from the original amount paid for the developer fee as an application fee.



C. Refund Procedure:

- i. Confirm that your Project has been updated or cancelled, with the city or county agency prior to submitting a request for refund.
- ii. If the project has changed, obtain a revised official city or county form with the revised information.
- iii. Gather your Certificate of Compliance and original payment information.
- iv. Fill out the School Developer Fee Refund Request Form electronically, visit <https://www.lbschools.net/developerfees>
- v. For Full Refund Requests, an application fee of \$50.00 will be withheld as an application fee.
- vi. Refunds may take 30 to 60 days to process.
- vii. Once the refund check is ready for pick-up, the District will contact the Requestor to pick up the check at the Facilities' office or have it mailed directly to the Applicant as selected in the Refund Request Form.

9. Is There a Time Limit for Refunds on School Developer Fees?

YES.

Education Code § 17624 authorizes refunds; however, per Civil Code § 338(a), the statute of limitations for a refund is three (3) years from the date that a refund becomes available. A refund becomes available once the building permit or conversion that the School Developer Fees were paid expires.

10. Is Demolition Credit Available?

IN CERTAIN CIRCUMSTANCES.

- A. Commercial/Industrial - Education Code § 17620(a)(1)(A) specifically requires a demolition credit for existing covered square footage of commercial/ industrial construction regardless of its age. However, under Education Code §17620(a)(1)(A), no credit is available for commercial/industrial that no longer exists on the day the building permit for the new construction was first applied for.
- B. Residential - A credit for demolition of a residential structure against reconstruction is available if the current fee justification study does not consider reconstructed



residential structures to generate new students beyond the original residential structure.

- C. Disaster Reconstruction - Education Code § 17626(a) defines a disaster as “a fire, earthquake, landslide, mudslide, flood, tidal wave, or other unforeseen event that produces material damage or loss.” Any structure that is damaged or destroyed as a result of a disaster is entitled to a demolition credit against reconstruction, so long as the rebuilt square footage does not exceed the structure’s original square footage. (*Ibid.*)

11. What Is a Certificate of Compliance?

A Certificate of Compliance is the District’s form that must be completed and certified by the District that the applicant has complied with the payment or exemption of School Developer Fees, and returns the Certificate of Compliance to the applicable city or county.

12. How Are School Developer Fees Spent?

School Developer Fees are to be used for designated school facility projects to house students attending the Long Beach Unified School District.

Level I (Statutory School Developer Fees)

- A. New construction or modernization of facilities for new capacity to accommodate new students resulting from new construction.
- B. Non-facility school costs associated with the costs of conducting a School Facilities Needs Analysis, preparing the Annual and Five-Year Report, and not more than 3% of the amount collected may be spent on the administrative time necessary for the collection of the fees.
- C. California Education Code § 17620 (a)(1) allows School Developer Fees to be used to fund “the construction of school facilities” subject to limitations set forth in relevant sections of the Government Code. In general, Education and Government Code sections and case law require that the District be able to show a reasonable relationship between the impact of the development and the use of the fees.

Level I Fees and Level II Fees



- A. New Construction: **YES**. Level I fees may be spent on new construction projects on facilities for new capacity to accommodate new students that result from new construction. Level II fees shall be solely expended on the school facilities identified in the SFNA as having been attributable to projected enrollment growth from the construction of new residential units.
- B. Construction to Improve Accessibility for the Handicapped: **NO**. Education Code § 17620(a)(1)(C)(ii) states that a school district is not authorized to levy School Developer Fees against residential construction if the construction qualifies for the exclusion set forth in Revenue and Taxation Code § 74.3, which excludes from School Developer Fees the following: construction, installation, or modification of an existing building to make the structure more accessible to a disabled person or that person's legal guardian. The proof required for the exclusion is a statement signed by a licensed physician or surgeon of appropriate specialty which certifies that a person is severely and permanently disabled and identifies the specific disability-related requirements necessitating accessibility improvements or features. The statement must also identify the construction, installation, or modification that was necessary to make the structure more accessible to the disabled person.
- C. Modernization: **NO**. Level I and Level II fees may be spent on modernization projects to the extent the projects add new capacity to accommodate new students that result from new construction and to preserve existing capacity from being removed.
- D. Regular Maintenance: **NO**. Per Education Code § 17620(a)(3)(A), Level I and II fees may not be spent on the regular maintenance or routine repair of school buildings and facilities.
- E. Asbestos Projects: **NO**. Per Education Code § 17620(a)(3)(B), Level I and II fees may not be spent on the inspection, sampling, analysis, encapsulation, or removal of asbestos-containing materials, except where incidental to school facilities construction or reconstruction.
- F. Deferred Maintenance: **NO**. Per Education Code § 17620(a)(3)(C), Level I and II fees may not be spent on deferred maintenance. Deferred maintenance projects include: major repair or replacement of plumbing, heating, air conditioning, electrical, roofing, and floor systems, the exterior and interior painting of school buildings, the inspection, sampling, and analysis of building materials to determine the presence of asbestos-containing materials, the encapsulation or removal of asbestos-containing materials, the inspection, identification, sampling, and analysis of building materials to determine the presence of lead-containing materials, the control management, and



removal of lead-containing materials, and any other item of maintenance approved by the State Allocation Board.

- G. Non-Facility Costs: **YES**. Per Education Code § 17620(a)(5), Level I fees may also be spent on the following non-facility costs: the costs of conducting an SFNA and FJS, preparing the Annual and Five-Year Report, and not more than three percent (3%) of the amount collected per fiscal year may be spent on the administrative time necessary for the collection of Level I fees.
- H. Portable Installation: **IT DEPENDS**. Installing portable classrooms meets the requirements of construction or reconstruction of a school facility. The question to ask, therefore, is whether the work would have to be performed absent the development? If, for instance, a portable is being installed to take advantage of the class-size reduction program and the District has not incurred an increase in student population, the District could not use developer fees to fund installation. If, however, the District can show that it has experienced an increase in student population, and in order to accommodate that increase and take advantage of class-size reduction programs, it must install the portable, the District probably could justify using developer fee funds to install the classroom.
- I. Interim Housing During Modernization: **IT DEPENDS**. Developer fees may only be spent on interim housing if it is part of a project that will increase school capacity to house children generated by new development.
- J. Purchase Textbooks, Furniture, and Supplies: **NO**. While textbooks, furniture, and supplies are "school-related considerations to a school district's ability to accommodate enrollment," they do not fall within the concepts of "construction" or "reconstruction." Therefore, the purchase of supplies is not generally a proper use of developer fees.
- K. Installing Technology: **IT DEPENDS**. If a district can show that the technology being installed is a function of growth resulting from developments, it will likely be able to use the fees to install the technology. Installing technology should, however, be distinguished from merely purchasing additional computers. It is the installation (e.g., cabling) that can be brought within the definition of "construction" or "reconstruction." If the district is installing technology throughout its existing campuses, the portion of the costs that are associated with the installation that is attributable to new development may be paid with the developer fees. The remainder of those costs relating to existing students must be paid from other



sources. The district should retain records that would justify the proper allocation in the event that a developer or interested party later requests documentation.

Level II fees must relate to school facilities identified in the SFNA as being attributable to projected enrollment growth from the construction of new residential units.

13. Are There School Developer Fees for Manufactured Homes, Mobile homes, and Factory-Built Homes?

A. Definitions

i. **Manufactured Home:** Health & Safety Code § 18007. A structure, transportable on one or more sections, within the traveling mode, is eight body feet or more in width, or 40 body feet or more in length, or, when erected on site, is 320 or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained therein.

ii. **Mobile Home:** Health & Safety Code § 18008. A structure that meets the requirements of section 18007. “Mobile Home” does not include a commercial coach, as defined in Section 18001.8, factory-built housing, as defined in § 19971, or a recreational vehicle, as defined in § 18010.

iii. **Factory-Built Housing:** Health & Safety Code § 19971. A residential building, dwelling unit, or an individual dwelling room or combination of rooms thereof, or building component, assembly, or system manufactured in such a manner that all concealed parts or processes of manufacture cannot be inspected before installation at the building site without disassembly, damage, or destruction of the part, including units designed for use as part of an institution for resident or patient care, that is either wholly manufactured or is in substantial part manufactured at an offsite location to be wholly or partially assembled onsite in accordance with building standards published in the California Building Standards Code and other regulations adopted by the commission pursuant to § 19990. Factory-built housing does not include a mobile home, as defined in § 18008, a recreational vehicle, as defined in § 18010.5, or a commercial modular, as defined in § 18012.5.

B. If an Existing Manufactured Home (MF) or Mobile Home (MH) Is Replaced with a New MF or MH and It Is Placed on the Original Pad, May School Districts Levy School Developer Fees?

NO. A fee may ONLY be levied if all three requirements under Education Code § 17625(a) are satisfied. Education Code § 17625(a)(2) requires that the mobile home is



located, installed, or occupied on a space or site on which no other mobile home was previously located, installed, or occupied. Therefore, if an existing mobile home is replaced with a new mobile home and the new mobile home is placed on a prior mobile home's pad, a school district cannot levy School Developer Fees on the new mobile home because it is located on a site where a mobile home was previously located. Education Code § 17625(A) does not draw a distinction on whether the mobile home is located inside or outside of a mobile home park.

C. For the Question Above, Does It Matter if the Replacement Manufactured Home or Mobile Home Has a Permanent Foundation?

NO. The fact that a manufactured home or mobile home has a permanent foundation is not relevant for purposes of whether the school district may levy School Developer Fees. The definitions of both manufactured home and mobile home indicate that these vehicles are "designed to be used as a dwelling with or without a permanent foundation." Per Education Code § 17625(a)(2), school districts may not levy School Developer Fees because the replacement mobile home is to be located on a space on which a mobile home was previously located.

D. May School Districts Charge School Developer Fees on Additions to Manufactured Homes or Mobile Homes?

NO. Manufactured homes or mobile homes are not treated as "new residential construction" per Education Code § 17620. School districts may only levy School Developer Fees on manufactured homes or mobile homes that: (1) satisfy the three requirements set forth in Education Code § 17625(a); and (2) and do not qualify for any of the specific exemptions under Education Code § 17625(s). A subsequent addition to a manufactured home or mobile home would not authorize the levy of School Developer Fees as such fee would not be charged on its initial installation or occupancy.

E. If There Is a Manufactured Home or Mobile Home Located Within a School District that Is Moved from its Original Pad to a New Pad Within the District, May the District Collect School Developer Fees at the New Location?

NO. School Developer Fees may only be levied on manufactured homes or mobile homes that: (1) satisfy the three requirements set forth in Education Code § 17625(a); and (2) do not qualify for any of the specific exemptions set forth in Education Code § 17625(c). The first of the three requirements states that School Developer Fees may



only be levied upon the initial location, installation or occupancy of a manufactured home or mobile home within the school district. Because the manufactured home or mobile home's first location would be considered the initial location within the school district, the school district cannot charge School Developer Fees when the owners move the manufactured home or mobile home to another location within the school district.

F. If an Existing Manufactured Home or Mobile Home Is Replaced with a Factory-Built House and the Factory-Built House Is Placed on the Original Manufactured Home or Mobile Home's Pad, May a School District Levy School Developer Fees?

YES. Per Education Code §17625(d), if a manufactured home or mobile home is replaced with a permanent residential structure (*i.e.*, a factory-built house, a bricks and mortar home, etc.) on the same lot, then the school district may give a credit for the original fee paid for the manufactured home or mobile home that is due toward the payment of the fee due under Education Code § 17620 for the factory-built house. However, pursuant to Education Code § 17620(a)(I)(C)(i), the District may only levy School Developer Fees if the resulting increase in assessable space exceeds 500-sf. The key difference between a manufactured home or mobile home and a factory-built house is that the manufactured home and mobile home have a chassis, while a factory-built house does not because it is built offsite and then assembled onsite.

G. What School Developer Fee Amount Should School Districts Charge for Manufactured Homes or Mobile Homes?

The Level II fee, if the rate is in effect within the school district, and if not, then the Level I fee. If the manufactured home or mobile home meets the three requirements as explained above under Education Code § 17625(a) and does not qualify for any of the specific exemptions in Education Code § 17625(c), then the school district should be charging the Level II fee (or Level I fee, if applicable in the school district at such time).

As explained above, per Government Code § 65995.2, only the Commercial/Industrial Rate should be charged for manufactured homes or mobile homes that are located within a mobile home park in which residence is limited to older persons.

H. What School Developer Fee Amount Should the School District Charge for Factory-Built Homes?



The Level II fee, if that rate is in effect within the school district, and if not, then the Level I Fee. Factory-built homes are treated the same as “new residential construction,” pursuant to Education Code § 17620. Please see the proceeding definitions to determine if a structure is a factory-built home.

I. If the School District Has Previously Collected School Developer Fees for a Manufactured Home or Mobile Home in a Situation in Which the School District Was Not Authorized to Levy School Developer Fees, May the Owner Require the School District to Repay such School Developer Fees?

YES. Education Code § 17625(e) provides that, notwithstanding any other provision of law, after January 1, 1987, any school district that collected any fee from a manufactured home or mobile home “shall immediately repay the fee” to the person who made the payment if the fee would not have been authorized pursuant to Education Code § 17625(a). Accordingly, if the school district now collects School Developer Fees for manufactured homes or mobile homes that do not meet the three requirements of Education Code § 17625(a) or manufactured homes or mobile homes that are exempt from School Developer Fees per Education Code § 17625(c), the school district will have to repay those School Developer Fees.

J. If the School District Has Previously Collected School Developer Fees for Factory-built Homes in a Situation in Which the School District Was Not Authorized to Levy School Developer Fees, May the Owner Require the School District to Repay such School Developer Fees?

YES. If they protest the amount of fees levied on residential development by a school district, the complaining party must pay the fee and submit a letter protesting the amount of the fee within 90 days of the date of imposition of the School Developer Fees (Gov. Code, § 66020(d)(1)). If a protest is timely served, an action to attack an imposition of fees must then be filed within 180 days of protest (*id.* § 66020(d)(2)). Fees that are not protested in a timely manner cannot be the subject of a civil action for recovery (*id.* § 66020(d)). Thus, if the District has collected fees from a factory-built house that was not subject to School Developer Fees, and the person who made the payment files a timely protest with the District, the District would be required to repay the School Developer Fees.

14. Are Remodeling Projects Assessed School Developer Fees?

YES. School Developer Fees are applied to remodeling that adds more than 500-sf.



A. Should a residential owner be charged for an additional 395-sf addition if he or she has already completed a 2,500-sf addition within the last 11 months?

Depends: If new building permits are necessary, the 395-sf addition is less than the 500-sf threshold for imposing School Developer Fees per Education Code § 17620(a)(1)(C)(I). Therefore, the District may not levy any additional fees. However, if the previous building permits have not been finalized, this may be treated as a 2,895-sf afterthought or a subterfuge to avoid additional fees.

B. Are There Second Floor Addition Charges?

It Depends. Per Education Code § 17620(a)(1)(C)(I), if the second-floor addition is greater than 500-sf, then the school district may charge School Developer Fees for the size of the total addition.

15. May I Pay My School Developer Fees With a Letter of Credit (LOC)?

NO. The posting of a bond or letter of credit (LOC) is a method in which a developer owes a district funds but cannot pay all of it up front. In the case of paying for development that has not yet been approved by the City, the District is not yet owed any funds. In fact, if we allowed this, the District would be placed in a compromised position since a Certificate of Compliance would be issued without any funds to account for it. Furthermore, the District would be forgoing any increases in fees.

16. Will Fees Be Assessed on a Use Conversion, i.e., Commercial to Residential?

YES. Changing the use from commercial/industrial to residential is considered “New Residential Construction” and will be assessed the current rate of School Developer Fees. This holds even if there is no construction per se, as this will be the first time the space has been used as a residence, therefore opening up the potential to house school-aged children.

If the developer can prove that School Developer Fees were paid for the original commercial/industrial construction, a credit for this payment may be applied to the amount of new residential fees assessed. However, the burden of proof lies with the developer.

If, in the future, the space is converted back to commercial space, NO REFUND/CREDIT would be issued.

17. Can Developer Fees Be Utilized to Pay for Charter Facilities?



California law does not specifically prohibit a school district from using developer fees to pay for charter school facilities. On the other hand, whether a school district can allocate developer fees to charter school facilities depends in part on whether the charter school facilities will provide capacity to accommodate students generated by new development within the school district.

Charters are schools of choice and are not typically opened or expanded because of growth in the school district student population, but in some situations, they could be tied to growth, especially a dependent charter. Most charters tend to result in movement of existing school enrollment from a regular school to a charter school, and absent other factors, use of developer fees to build or modernize a charter site may not meet nexus requirements if all the addition of the charter is merely reshuffling district enrollment (or if the growth at the charter is occurring because the charter is attracting out of district students). However, using developer fees to modernize or create space for a charter may be appropriate if it allows the school district to increase capacity at another site to make room for growth.

18. How Does SB 937 affect School Developer Fee Payments?

On September 19, 2024, the Governor signed Senate Bill No. 937's ("SB 937") into law, which amended portions of Government Code section 66007. Subsequently, AB 121 (2025) again clarified and amended provisions of Government Code section 66007 relating to the collection of School Developer Fees.

Government Code section 66007 provides for a deferral of School Developer Fees for "designated residential projects" ("DRDPs"). As defined by Government Code section 66007(c)(4) (as amended), DRDPs include:

- 1) Dedicated Low-Income Housing Projects (per Health & Saf. Code, § 50079.5);
- 2) Low Barrier Navigation Center Developments with Multi-Family Uses (per Gov. Code, § 65662);
- 3) Affordable Housing Developments in Commercial Zones (per Gov. Code, §§ 65912.110 et seq., or 65912.120 et seq.);
- 4) Mixed-Income Housing Developments with Two or More Units along Commercial Corridors (per Gov. Code, § 65913.4(a));
- 5) Lower & Moderate-Income Units on Land Owned by a Higher Education or Religious Institution (per Gov. Code, § 65913.16(c));
- 6) Projects Entitled to a Density Bonus (per Gov. Code, § 65915(b)); and
- 7) Residential Development Projects With 10 or Fewer Units (as determined by the District).



The collection of School Developer Fees for DRDPs may be deferred by the applicant until the time the City/County issues the first certificate of occupancy (whether temporary or permanent). To apply for a School Developer Fee deferral, the applicant is directed to complete the Certificate of Acknowledgement Application. See FAQ #5 for more information.

The District reserves its right to analyze the deferral of School Developer Fees for DRDPs on a case-by-case basis. When seeking a deferral of School Developer Fees, applicants may be required to provide written documentation confirming that such project meets the statutory definitions of a DRDP.