



COOPERATIVE
STRATEGIES

COMPLETE FINANCIAL & DEMOGRAPHIC PLANNING FOR EDUCATION

**TEMPLE CITY UNIFIED
SCHOOL DISTRICT**

**DEVELOPER FEE JUSTIFICATION
STUDIES**

MAY 23, 2018



DEVELOPER FEES

OVERVIEW

- Developer Fees are intended to mitigate the impact created by new development on school facilities within a school district's boundaries.
- The State Allocation Board (SAB) adjusts the Level I Fees every other year:
 - On January 24, 2018, the SAB updated the statutory fee amounts for unified school districts from \$3.48 per square foot to \$3.79 per square foot for new residential development and \$0.56 per square foot to \$0.61 per square foot for new commercial/industrial construction.

Year	Residential Fee	Commercial/ Industrial Fee
2018	\$3.79	\$0.61
2016	\$3.48	\$0.56
Increase	\$0.31	\$0.05

- Updating the Fee Studies:
 - A fee of any amount can only be charged when specific conditions exist justifying the imposition of the fee – i.e. the nexus
 - The Fee Studies must address the most up-to-date factors, conditions, and assumptions within a school district



DEVELOPER FEES

RECOMMENDATION FOR USES OF FEES



INCLUDED

- Classrooms
- Interim housing
- Libraries
- Gymnasiums
- Restroom facilities
- Lunch shelters
- Playground
- Performing arts
- Cost of conducting an SFNA or Fee Study Report
- Preparation of the Annual and Five-Year Report
- Expansion of administrative and common areas to meet increased student population within a school
- Administrative time necessary for the collection of Level I fees not to exceed three percent (3%) of the amount collected each fiscal year



LEVEL 1 FEES



QUESTIONABLE

• Modernization*

*Level I Fees may only be spent on modernization projects to the extent the projects add new capacity to accommodate new students that result from new construction.



NOT INCLUDED

- Regular Maintenance/Routine Repair
- Deferred Maintenance
- Asbestos Abatement and Removal



LEVEL I FEE

RESIDENTIAL FEE CALCULATION

I



IDENTIFY FUTURE RESIDENTIAL DEVELOPMENT AT BUILD OUT

SFD^[1] = 378 units
MFA^[2] = 271 units

II



CALCULATE STUDENT GENERATION RATES (SGRS)

SFD = 50 students per 100 homes
MFA = 33 students per 100 homes

III



IDENTIFY NEED FOR NEW TEACHING STATIONS

9 Teaching Stations

IV



CALCULATE COST OF NEW FACILITIES

\$5,887,109

V



CALCULATE RESIDENTIAL FEE

SFD Impact:
\$3.89 per sq. ft.
MFA Impact:
\$3.82 per sq. ft.

[1] Single family detached ("SFD") homes.

[2] Multifamily attached ("MFA") homes.

\$0.10 and \$0.03 more than the school district's share of the maximum Level I Fee



LEVEL I FEE

COMMERCIAL/INDUSTRIAL FEE CALCULATION

NEW EMPLOYMENT OPPORTUNITIES

New development within the School District creates new jobs.



HOUSEHOLD FORMATION

Job creation leads to the formation of new households in the School District.



GREATER IMPACT

Employees will move into new homes and increase the impact on the School District.

Calculate CID developer fee to help fully mitigate impact of both Residential and CID development

DIRECT

INDIRECT

INTER-DISTRICT TRANSFERS

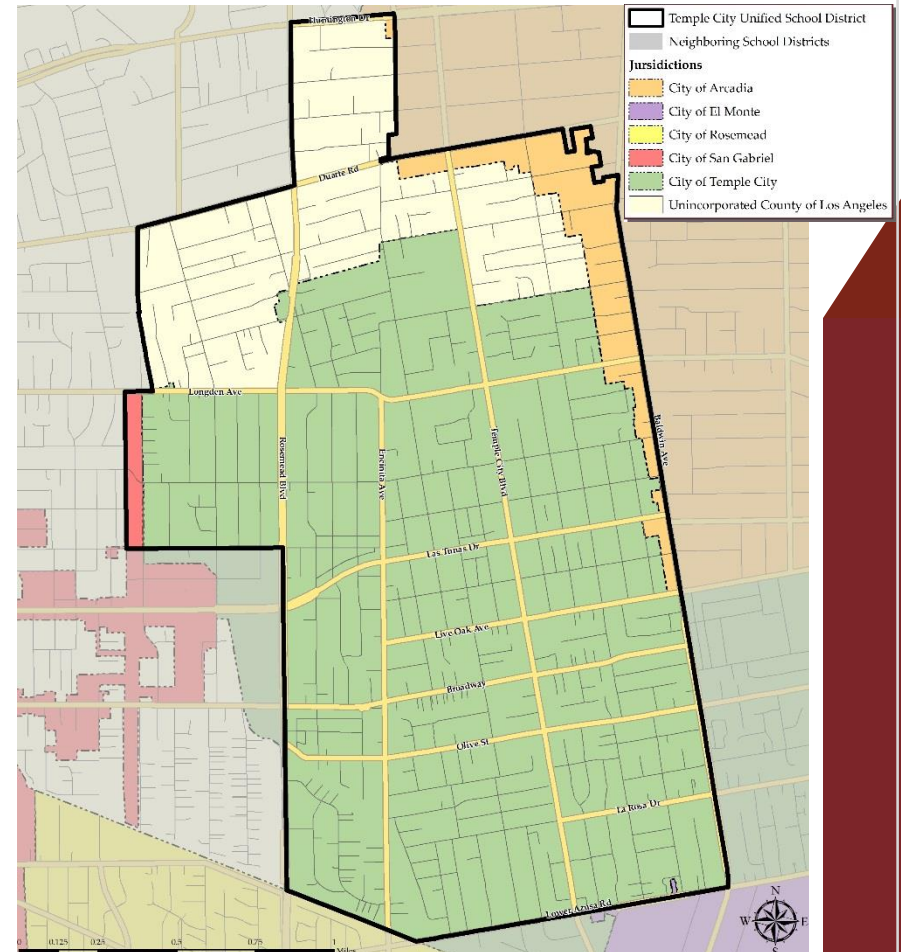
Job creation within the School District increases the enrollment of inter-district transfers within the School District.



LEVEL I FEE

HISTORICAL DEVELOPER FEE RATES

Year	Residential Rate Justified	Commercial Industrial Rate Justified
2018	\$3.79	\$0.61
2016	\$3.48	\$0.56
2014	\$3.36	\$0.54
2012	\$3.20	\$0.51
2010	\$2.97	\$0.47



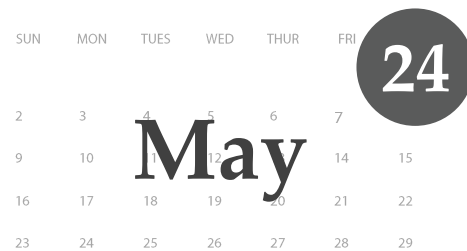


LEVEL I FEE

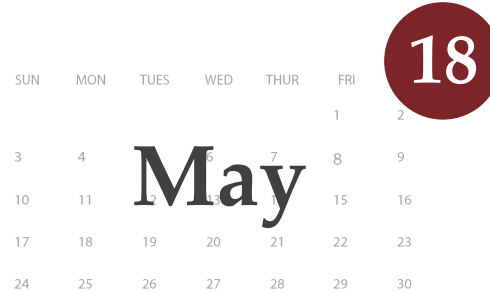
ADOPTION TIMELINE



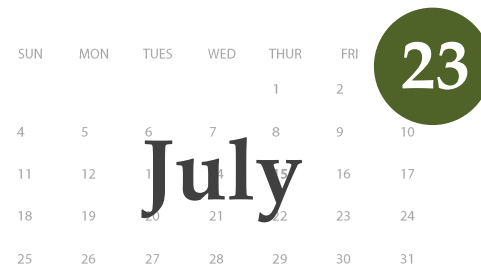
First Notice of Public Hearing in Newspaper; 10-day Public Review Period



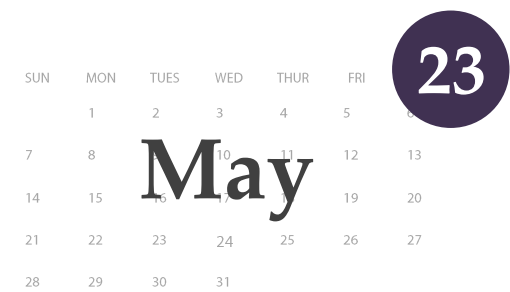
School District submits letters to all relevant public entities with Resolution, map of District, and 2018 Fee Studies



Second Notice of Public Hearing in Newspaper



School District may begin levying new Level I Fee amounts



Public Hearing by Board and approval of 2018 Fee Studies



QUESTIONS

David Lopez
Senior Director