

APPROVED



SACRAMENTO CITY UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION

Sacramento
City Unified
School District

Agenda Item# 10.4

Meeting Date: August 13, 2024

[Redacted]

**Subject: Public Hearing on Adoption of Resolution No. 3432 to Adopt 2024 Developer
Fee Justification Study and Developer Fee Increase**

[Redacted]

- Information Item Only
- Approval on Consent Agenda
- Conference (for discussion only)
- Conference/First Reading (Action Anticipated)

[Redacted]

2. Resolution No. 3432
3. Fee Justification Study

Estimated Time of Presentation: 10 minutes

Submitted by: Bob Wengler, Facilities Planning Manager

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT

PUBLIC HEARING

**NOTICE OF CONSIDERATION OF APPROVING A CHANGE IN
STATUTORY (LEVEL 1) SCHOOL FEES IMPOSED ON NEW
RESIDENTIAL AND COMMERCIAL/INDUSTRIAL**

[REDACTED]

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

RESOLUTION NO. 3432

**RESOLUTION TO APPROVE A CHANGE IN STATUTORY SCHOOL FEES
IMPOSED ON NEW RESIDENTIAL AND COMMERCIAL/INDUSTRIAL
CONSTRUCTION PURSUANT TO EDUCATION CODE SECTION 17620 AND
GOVERNMENT CODE SECTION 65995**

WHEREAS, the Board of Education of the Sacramento City Unified School District ("District") provides for the educational needs for Grade TK-12 students within portions of the Cities of Rancho Cordova and Sacramento located within the County of Sacramento; and

WHEREAS, new residential and commercial/industrial development continues to generate additional students for the District's schools, and the District is required to

School District ("District") provides for the educational needs for Grade TK-12 students within portions of the Cities of Rancho Cordova and Sacramento located within the County of Sacramento; and

WHEREAS, new residential and commercial/industrial development continues to generate additional students for the District's schools, and the District is required to

facilities required in response to new student growth and to maintain a level of service commensurate with that presently existing district-wide, acquisition or lease of property for enhanced students generated from new development in areas of the District;

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

such property may be needed and when needed, and purchase or lease of interim or

temporary school facilities in order to accommodate student capacity demands or to house students during construction, reconstruction or refurbishment of school facilities; and

[REDACTED]

the Board on this day, at which oral and written presentation was received regarding the Fee Study and the proposed increase in school fees

3. That the purpose of the school 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.

4. That the school fees levied against new residential, commercial and industrial development will be used in accordance with Education Code section 17620 to finance or fund school facilities necessary to accommodate students generated from new development, including, without limitation, the construction, reconstruction, or refurbishment of school facilities or other supporting facilities required in response to new student growth and to maintain a level of service commensurate with that presently existing

district-wide, acquisition or lease of property for unhoused students generated from new development in areas of the District where such property may be needed and when needed

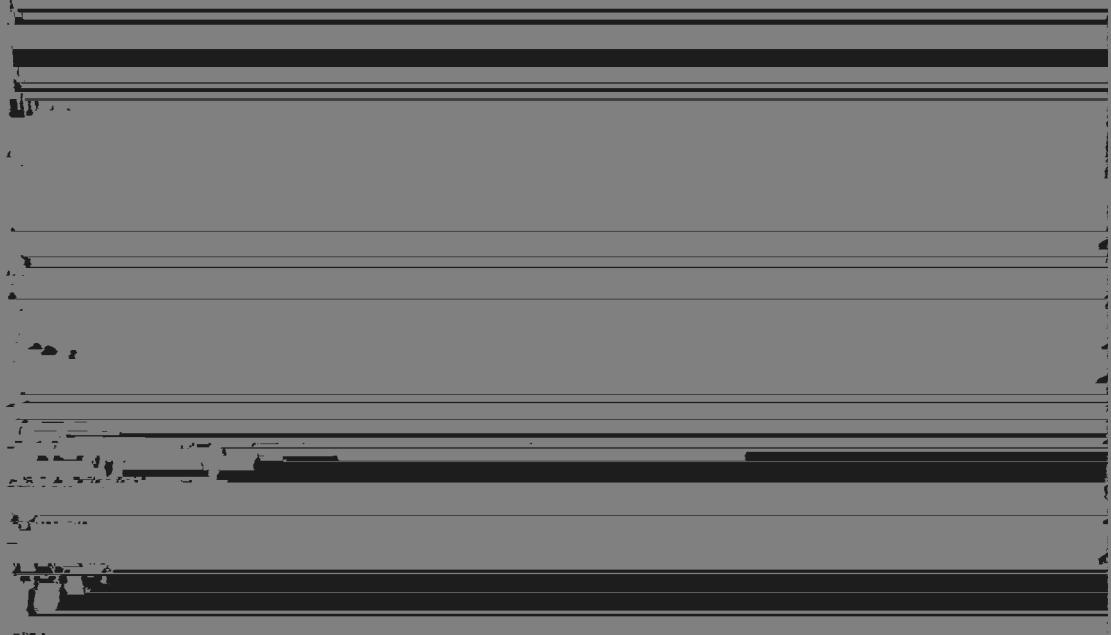
consisting of the proceeds of school fees, have been imposed for the purposes of construction and reconstruction of those school facilities necessitated by new residential and commercial/industrial development, and that these funds may be expended for those purposes.

9. That in accordance with Education Code section 17620(a)(5), the fees may also be expended by the District for the costs of performing any study or otherwise making the findings and determinations required under Government Code section 66001, subdivisions (a), (b), and (d) and, in addition, the District may also retain, as appropriate, an amount not to exceed in any fiscal year, three percent (3%) of the school fees collected in that fiscal year for reimbursement of the administrative costs incurred by the District in collecting the fees.

10. That there are no other adequate sources of funds to meet the District's school facilities needs occasioned by, and resulting from, the construction of new residential and/or commercial/industrial development within the District.

AND BE IT FURTHER RESOLVED that the Board incorporates herein by reference, approves and adopts the Fee Study prepared by Koppel & Gruber Public Finance which documents the need for the school facilities fees.

AND BE IT FURTHER RESOLVED that since the Fee Study justifies fees lower than the allowable limits, the District hereby changes the school fees on residential and commercial/industrial development to the following, which is in accordance with Education Code sections 17620 et seq. and Government Code sections 65005 et seq.



Commercial/Industrial Category	Per Square Foot of Chargeable Covered and Enclosed Space
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Banks	\$0.77
Community Shopping Center	\$0.41
Neighborhood Shopping Center	\$0.75
Industrial Business Park	\$0.84

Industrial Parks/ Warehousing/Manufacturing	\$0.37
Rental Self-Storage	\$0.02
Research & Development	\$0.82
Hospitality (Lodging)	\$0.30
Commercial Offices (Standard)	\$0.84
Commercial Offices (Large High Rise)	\$0.84
Corporate Offices	\$0.73
Medical Offices	\$0.84

AND BE IT FURTHER RESOLVED that the change in school fees shall take effect sixty (60) days after the date of this Resolution.

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 the Cities of Sacramento and Rancho Cordova, the County of Sacramento, and the Department of Health Care Access and Information (formerly Office of Statewide Health Planning and Development) ("HCAI") 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 which is sixty (60) days after the date of this Resolution, without certification from the District that the fee specified herein have been paid. Said notice shall

AND BE IT FURTHER RESOLVED that, in the event that the Board takes action in the future to adopt an alternative fee pursuant to Government Code section 65995.5 or 65995.7, commonly known as "Level 2" or "Level 3" fees, respectively, in an amount

greater than that authorized by this Resolution, this Resolution shall be held in abeyance during the time in which the greater Level 2 or Level 3 fee is authorized. If, for any reason, any future Board action to adopt a greater Level 2 or Level 3 fee ceases to be effective, this

APPROVED, ADOPTED, AND SIGNED by the Board of Education of the Sacramento City Unified School District, this 8th day of August, 2024, by the following vote:

AYES: 5
NOES: 0
ABSTAIN: 0
ABSENT: 2

I, Lisa Allen, Clerk of the Board, hereby certify that the foregoing is a full, true and correct copy of a resolution adopted by the Board at a regular meeting thereof held at its regular place of meeting on the date shown above and by the vote as stated.

which resolution is on file in the office of said Board.

Board

Date



Sacramento City Unified School District 2024 Fee Justification Study

July 19, 2024

Sacramento City Unified School District
5735 47th Ave
Sacramento, CA 95824
916-643-7400

KOPPEL & GRUBER
PUBLIC FINANCE

334 Via Vera Cruz, Suite 256
San Marcos, California 92078
760-510-0290
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SECTION I. LEGISLATION AND LEGAL REQUIREMENTS

This section discusses the legislative history of the Level I Fee.

[REDACTED]

Legislation" granted school districts the right to levy fees in order to offset the impacts to school facilities from new residential and commercial development. Originally set forth in Sections 53080 and 65995 of the Government Code, AB 2926 authorized statutory school fees to be levied, commencing January 1, 1987, in the amount of \$1.50 per square foot of new residential assessable space and \$0.25 per square foot of enclosed commercial or industrial assessable space. AB 2926 also provided for an annual increase of the statutory fees based on the Statewide cost index for Class B construction, as determined by the SAB. The provisions of AB 2926 have since been amended and expanded.

AB 1600 was enacted by the State legislature in 1987 and created Government Code Sections 66000 et seq. These sections require a public agency to satisfy the following requirements when

[REDACTED]

SB 50 also limited the power of cities and counties to require mitigation of school facilities impacts as a condition of approving new development and suspended the court cases known as Mira Hart, Murrieta. The Mira Hart, Murrieta cases previously permitted school districts to collect

[REDACTED]

[REDACTED]

mitigation fees in excess of school fees under certain circumstances

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

SECTION II. PROJECTED UNHOUSED STUDENTS AND ESTIMATED FACILITY AND PER STUDENT COSTS

The objective of this Study is to determine if a nexus exists between future residential and

commercial/industrial development and the need for school facilities. In addition, the Study aims

A. SCHOOL DISTRICT CAPACITY AND STUDENT ENROLLMENT

The School District's existing school facilities were inspected and

to identify the extent of such required school facilities and determine the amount of School Facility

that can be justifiably levied on residential and commercial/industrial development according to the estimated impacts caused by such development. This section evaluates whether existing

The types of residential units² considered include:

[REDACTED]

2. Student Generation Rates

In order to calculate student generation rates, the following information is required:

[REDACTED]

School Level	SFD Units	SFA/MF Units
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3. Projected Student Enrollment

School Level	SFD Units	SFA/MF Units
Elementary School	0.1914	0.0604
Middle School	0.0557	0.0174
High School	0.4079	0.0333

Projected Student Enrollment from Unmitigated Projected Units

School Level	SFD Units	SFA/MF Units
Elementary School	0.1914	0.0604
Middle School	0.0557	0.0174
High School	0.4079	0.0333

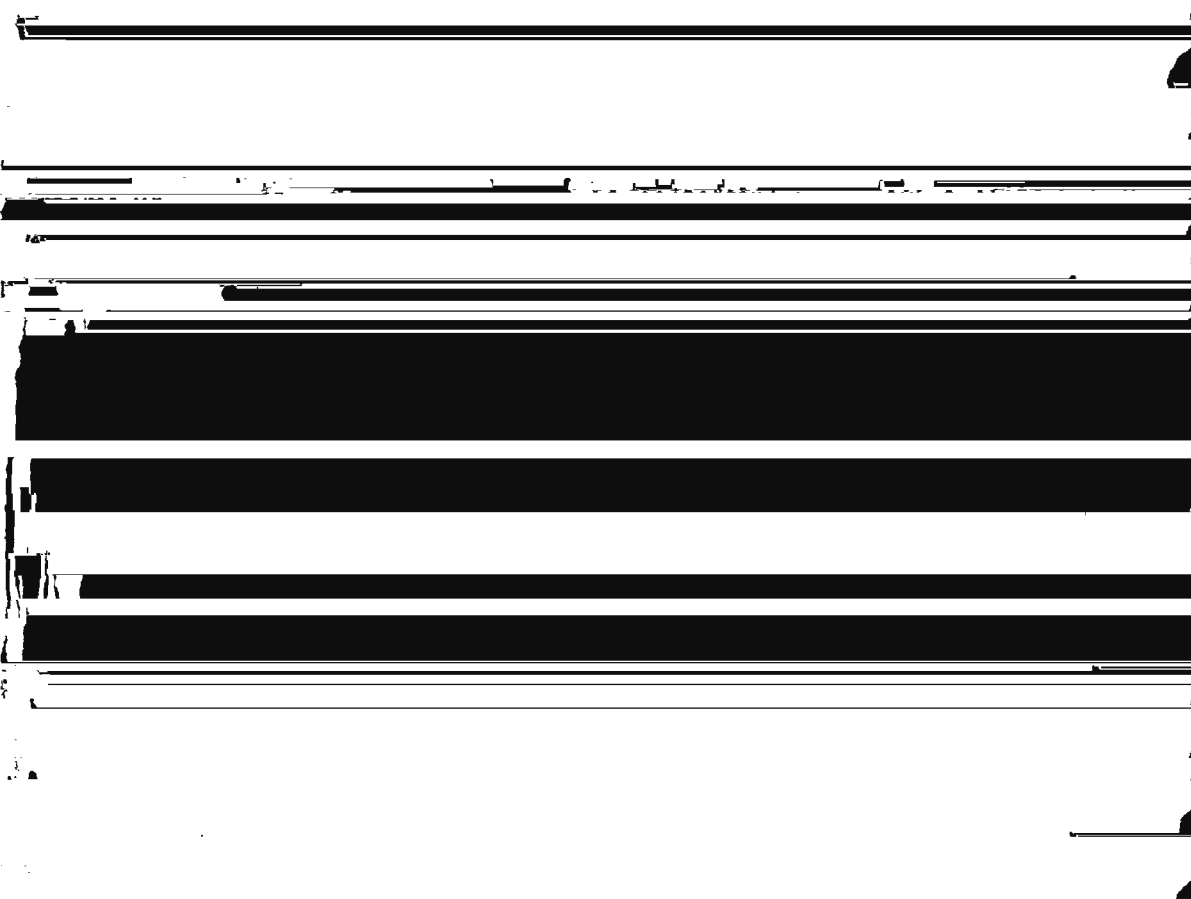
4. Projected Unhoused Students

As shown in Table 1, comparing the School District's October 2023 student enrollment

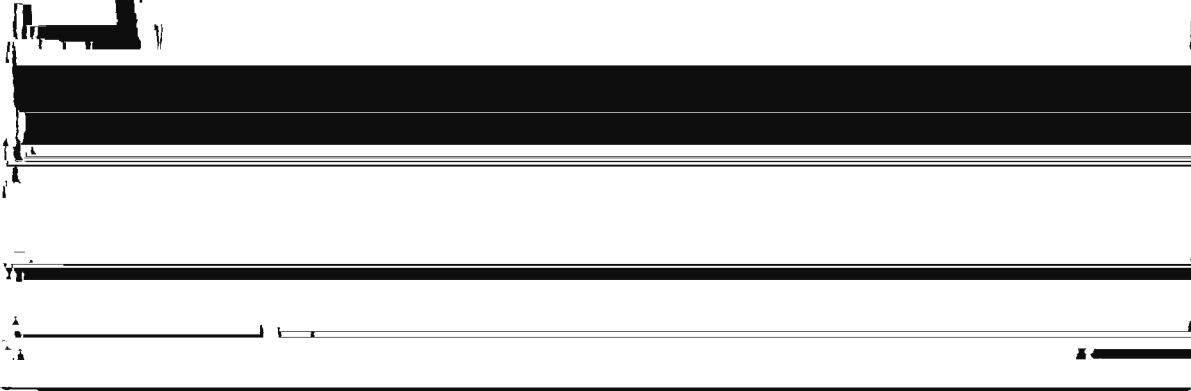
TABLE 2

Elementary School	0.1914	0.0604
Middle School	0.0557	0.0174
High School	0.4079	0.0333

exceed 25% of the School District's permanent classrooms, as one of the objectives of the SFP program is to provide funding for the replacement of portable classrooms with permanent facilities. Overall, portable classrooms account for approximately 25% of the School District's classroom inventory; however, at the Elementary School level, portable classrooms account for over 40% of the total classroom inventory. The findings suggest that deficit capacity at the Elementary School level is largely a result of the exclusion of a number of portable classrooms as instructed under the SFP Regulations, and an



permanent facilities, as needed throughout the School District. However, it should be further noted the capacity analysis shown in Table 1 does not consider the availability



of capacity within areas of the School District where a greater and disproportionate

C. FACILITY NEEDS AND ESTIMATED PER SEAT/STUDENT COST

1. Facilities Needs

Education Code section 17630 authorizes school districts to assess School Fees to fund
[REDACTED]

the collection system necessary to maintain a safe and healthy facility. Government Code Section
[REDACTED]

66001 (a) allows School Fees to be used to fund the collection of the fees and to
[REDACTED]



**TABLE 7
Total Facilities Cost Impact Per Seat/Student**

	Elementary School	Middle School	High School
<i>Site Facilities Cost Impact per Seat/Student</i>	\$47,171	\$49,110	\$6,244
School District-wide Facilities Costs	\$184,000,000	\$184,000,000	\$184,000,000
Total Existing School District Capacity	40,123	40,123	40,123

SECTION III. PROJECTED IMPACT OF RESIDENTIAL DEVELOPMENT

The following sections present the school facility impact analysis for new residential development and provide step-by-step calculations of the estimated per residential square foot cost impact.

To determine the school facilities cost impact per square foot of residential development, first

[This section contains a large table that has been completely redacted with black bars.]

Projected Unhoused Students as shown in Table 5 for each school level. The result of this

[This section contains a table that has been completely redacted with black bars.]

TABLE 10
School Facilities Cost per Residential Square Foot

Facilities Cost Impact per Residential Unit	Weighted Average Square Footage	Facilities Cost per Residential Square Foot
\$5,715	1,114	\$5.13

The school facilities impact per residential square foot determined in Table 10 is less than the

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

current maximum authorized residential School Fees of \$5.17 per square foot; therefore, the School District is justified in levying up to but not exceeding \$5.13 for residential construction and reconstruction.

SECTION IV. COMMERCIAL/INDUSTRIAL SCHOOL IMPACT ANALYSIS

The following section presents the school facilities impact analysis for commercial/industrial facilities.

A. EMPLOYEE GENERATION

The source of making the source findings to justify School Fees listed on

[Redacted Table Content]

Commercial/Industrial Category	Average Square Footage per Employee	Employees Per 1,000 Square Feet
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[Redacted Table Content]

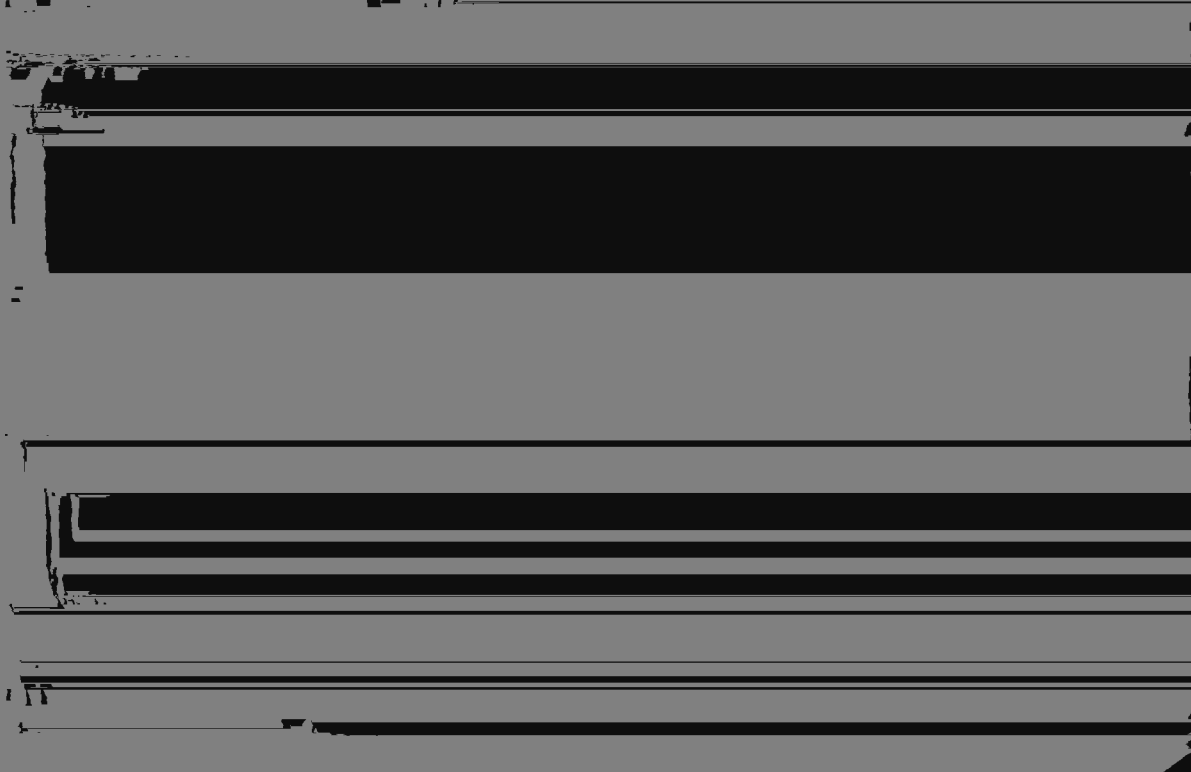
The following table provides a step-by-step calculation of the estimated commercial/industrial

[Redacted Table Content]


B. RESIDENTIAL IMPACT

1. Households

To evaluate the impact of commercial/industrial development on School District



Commercial/Industrial Category	School District Households per 1,000 Square Feet Com./Ind.
Banks	1.2594
Community Shopping Center	0.6842
Neighborhood Shopping Center	1.2475
Industrial Business Parks	1.5671
Industrial	
Parks/Warehousing/Manufacturing	0.6006



2. Household Student Generation

The student generation impacts per 1,000 square feet of commercial/industrial development were calculated by multiplying the household impacts shown in Table 12 by the student generation rates determined for each school level. The results of this

Commercial/Industrial Category	Elementary School Student Generation	Middle School Student Generation	High School Student Generation	Total Student Generation
Banks	0.0991	0.0287	0.0513	0.1791
Community Shopping Center	0.0538	0.0156	0.0278	0.0972
Neighborhood Shopping Center	0.0982	0.0284	0.0508	0.1774
Industrial Business Parks	0.1277	0.0357	0.0630	0.2264

3. Inter-District Student Impact

Based on information

Industrial Parks/Warehousing/ Manufacturing				
Research & Development	0.1067	0.0300	0.0550	0.1917

TABLE 14
Inter-District Cost Impact per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Elementary School Cost Impact	Middle School Cost Impact	High School Cost Impact	Total Inter-District Cost Impact
Banks	0.0088	0.0040	0.0062	0.0190
Community Shopping Center	0.0048	0.0021	0.0031	0.0100
Neighborhood Shopping Center	0.0087	0.0039	0.0062	0.0188
Industrial Business Parks	0.0109	0.0049	0.0077	0.0235
Industrial Parks/ Warehousing/Manufacturing	0.0042	0.0019	0.0030	0.0091
Rental Self-Storage	0.0002	0.0001	0.0001	0.0004
Research & Development	0.0094	0.0043	0.0067	0.0204
Hospitality (Lodging)	0.0035	0.0016	0.0025	0.0076
Commercial Offices	0.0141	0.0064	0.0100	0.0305

4. Total Student Generation Impact

The Total Student Generation Impact is determined by adding the Student Generation Impacts shown in Table 13 to the Inter-District Impacts determined in Table 14. Total Student Generation Impacts are listed in Table 15.

Total Student Generation Impact per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Elementary School Cost Impact	Middle School Cost Impact	High School Cost Impact	Total Student Generation
Commercial Offices (Large High Rise)	0.0141	0.0064	0.0100	0.0305
Corporate Offices	0.0083	0.0038	0.0059	0.0180
Medical Offices	0.0132	0.0060	0.0094	0.0286

C. NET IMPACT PER COMMERCIAL/INDUSTRIAL SQUARE FOOT

1. Cost Impact

The total cost impact is determined in Table 1C based on the amounts required to fully fund the project.

[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				

Banks	\$5,585	\$1,756	\$623	\$7,964
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[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				

2. Residential Fee Offsets

The total cost impact is determined in Table 1C based on the amounts required to fully fund the project.

Neighborhood Shopping Center	\$5,533	\$1,731	\$617	\$7,881
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[REDACTED]				
[REDACTED]				
[REDACTED]				
[REDACTED]				

Industrial Parks/	\$6,816	\$2,188	\$771	\$9,775
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Industrial Parks/ Warehousing/Manufacturing	\$2,665	\$838	\$297	\$3,800
Rental Self-Storage	\$129	\$43	\$14	\$186
Research & Development	\$6,000	\$1,800	\$670	\$8,470

TABLE 18

Net School Facilities Costs Per 1,000 Square Feet Commercial/Industrial Development

Commercial/Industrial Category	Total School Facilities Cost Impact	Residential Fee Offset	Net School Facilities Cost Impact
Banks	\$7,964	\$7,197	\$767
Community Shopping Center	\$4,321	\$3,910	\$411
Neighborhood Shopping Center	\$7,884	\$7,129	\$755
Industrial Business Park	\$0.000	\$0.000	\$0.000
Industrial Parks/ Warehousing/Manufacturing	\$3,800	\$3,432	\$368
Rental Self Storage	\$186	\$164	\$22
Research & Development	\$8,569	\$7,746	\$823
Commercial Office/Standard	\$12,421	\$12,202	\$219

TABLE 19

[Redacted table content]

D. COMMERCIAL/INDUSTRIAL DEVELOPMENT NOT IN PRESCRIBED CATEGORIES

[Redacted text]

Banks	\$0.77
Community Shopping Center	\$0.41
Neighborhood Shopping Center	\$0.75

E. AGE-RESTRICTED (SENIOR) HOUSING

[Redacted table content]

recorded CCRs or deed(s) and reserve the right to require a Certificate of Compliance

[REDACTED]

and/or require payment of difference of the amount per square foot paid to the then current amount of School Fees being levied on residential development per square foot should such Covenants, Conditions, and Restrictions ("CC&Rs") or deed(s) be modified to allow students to reside in 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 School District may wish to seek cooperation from the developer as a condition of levying

[REDACTED]

the commercial/Industrial School Fees rate. Such cooperation could take the form of an

SECTION V. REDEVELOPMENT

Government Code Section 66001, subdivision (a)(2) and (4) requires that a school district, in

[REDACTED]

imposing school-impact fees, establish a reasonable relationship between the fee's use, the need for the public facility, and the type of development project or projects for which the fee is imposed. The

[REDACTED]

SECTION VI. GOVERNMENT CODE SECTION 66000

Government Code Sections 66000 *et seq.* were enacted by State Legislature in 1987. In any action establishing, increasing, or imposing a fee as a condition of approval of a development project, such as the Applicable School Fees described herein, these Government Code sections require the public agency to satisfy the following requirements:

1. Determine the purpose of the fee;
2. Identify the use to which the fee is to be put;
3. Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed;

facilities and the type of development project on which the fee is imposed;

5. Determine that there is a reasonable relationship between the amount of the fee and the

Identify the Use of the School Fee

As determined in the preceding sections, adequate school facilities do not exist to accommodate the projected increase in residential and commercial/industrial developments will be used for the following purposes:

[Redacted text]

on residential and commercial/industrial developments will be used for the following purposes:

Relationship between the Use of the Fee, the Need for School Facilities and the Type of

As determined in the preceding sections, adequate school facilities do not exist to accommodate the projected increase in residential and commercial/industrial developments will be used for the following purposes:

Determination of the Relationship between the Fee Amount and the School Facilities Costs Attributable to Type of Development on which the Fee is Imposed

The imposition of the Applicable Residential School Fee of \$5.13 per square foot of residential development is justified as the fee is equal to or below the per square foot

[Redacted text]

Accounting Procedures for the Fees

The School District will deposit, invest, and expend the school-fee imposed and collected on

residential and commercial/industrial development in accordance with the provision of

Government Code Section 55000

APPENDIX A COMMERCIAL/INDUSTRIAL DEVELOPMENT DESCRIPTIONS

Include small branch offices to regional offices used for banking.

[REDACTED]

[REDACTED]

[REDACTED]

on-site.

Shopping centers which sell merchandising and services to

[REDACTED]

[REDACTED]

[REDACTED]

General Education

Special Education

Sutterville	9	6	2	0	17
Suy:U	7	10	1	1	19
Total	16	16	3	1	36

Theodore Judah	16	1	1	1	19
Washington	14	0	1	3	18

Woodbine	3	9	2	0	14
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K-8*

A M Win	10	9	0	0	19
Alice Birney	11	8	0	0	19
Genevieve Didion	0	22	0	0	22
John H. Still	39	0	2	1	42
John Morse Therapeutic Center	0	0	14	0	14
Leonardo Da Vinci	28	4	3	0	35

K-8

Tk-12*

K-12

Middle School Level
(Grades 7-8)

Albert Einstein	23	3	5	0	31
California	29	0	4	0	33
Fern Bacon	24	0	6	0	30
Miwok	39	0	1	1	41
Sam Brannan	16	0	4	0	20
Success Academy	0	0	4	0	4
Will C Wood	26	2	4	0	32

West Campus

55

0

1

0

54

Total

1,172

391

178

30

1,770

*Classroom inventory for various school levels was allocated based upon the proportion of October 2022 enrollment.

Day Class Class

in each grade level.

Estimated Student Capacity

APPENDIX D STUDENT GENERATION RATES



TABLE D-4

Allocation of Un

Units

Residential

SFD

685

14%

4,289

86%

Total

4,974

100%