



► **RESIDENTIAL AND
COMMERCIAL/INDUSTRIAL
DEVELOPMENT SCHOOL FEE
JUSTIFICATION STUDY**

**WILLIAM S. HART UNION HIGH
SCHOOL DISTRICT**

APRIL 24, 2020

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**COOPERATIVE
STRATEGIES**

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EXHIBITS

EXHIBIT A:

Current SAB Form 50-02

EXHIBIT B:

Updated School Facilities Capacity Calculation

EXHIBIT C:

Updated School Facilities Cost Estimates

EXHIBIT D:

Allocation of Surplus Seats

EXECUTIVE SUMMARY

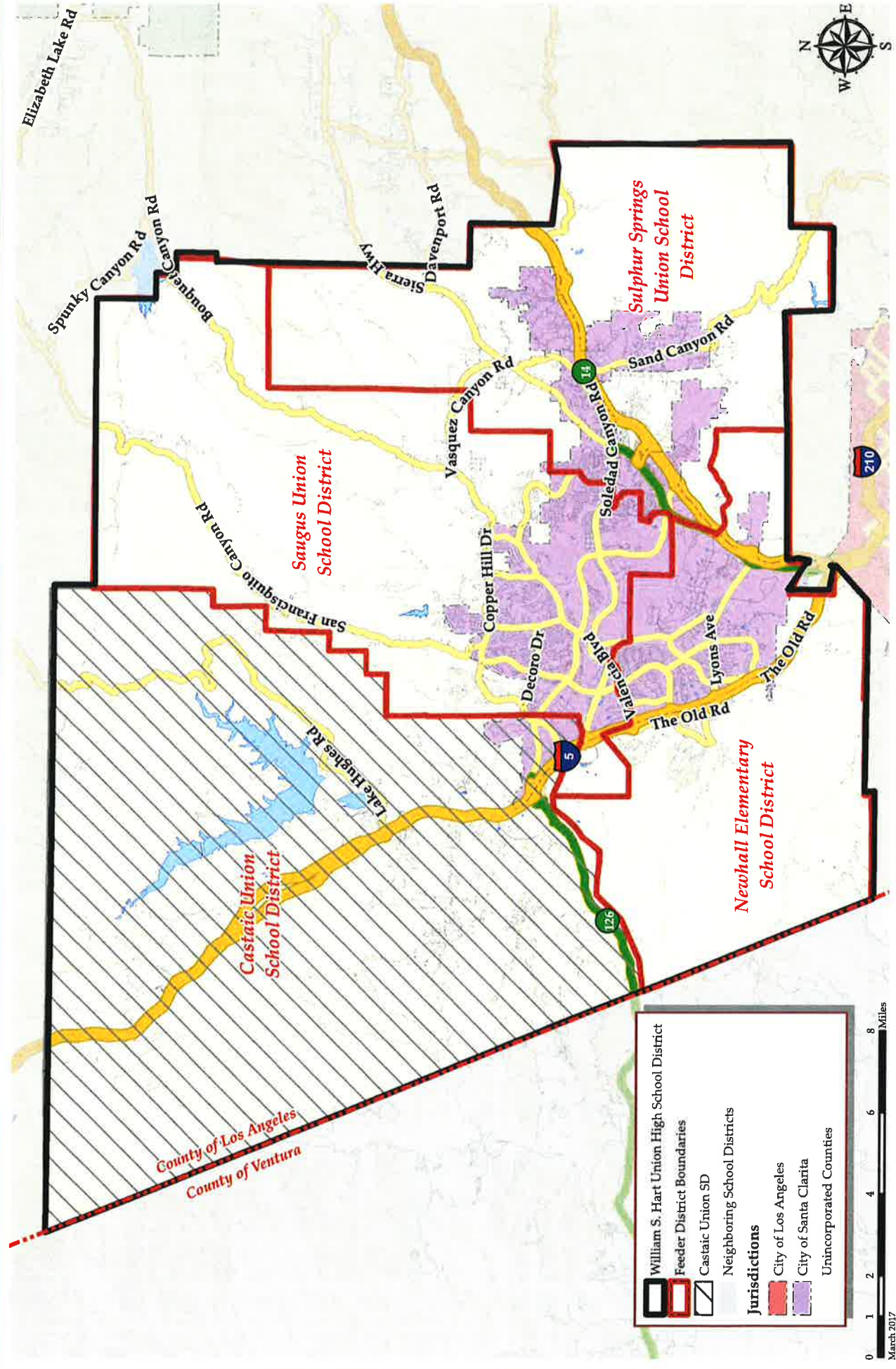
This Residential and Commercial/Industrial Development School Fee Justification Study ("Study") is intended to determine the extent to which a nexus can be established in the William S. Hart Union High School District ("School District") between residential and commercial/industrial development ("CID") and (i) the need for school facilities, (ii) the cost of school facilities, and (iii) the amount of statutory school fees ("School Fees") per residential and CID building square foot that may be levied for schools pursuant to the provisions of Section 17620 of the Education Code, as well as Sections 65995 and 66001 of the Government Code, Assembly Bill ("AB") 181, and subdivision (e) of Section 17621 of the Education Code.

The School District provides education to students in grades 7 through 12 residing within the City of Santa Clarita ("City") and a portion of the unincorporated County of Los Angeles ("County"). With respect to the portion of the School District served by Newhall School District ("NSD"), Saugus Union School District ("SUSD"), and Sulphur Springs Union School District ("SSUSD"), the School District serves students in grades 7 through 12. With respect to the portion of the School District served by Castaic Union School District ("CUSD") the School District serves students in grades 9 through 12 (please see map on following page for a geographic profile of the School District).

Collectively, the School District's school facilities in school year 2019/2020 have a capacity of 24,370 students per Section 17071.10(a) of the Education Code, of which 6,725 are at the junior high school level (i.e., grades 7 and 8), and 17,645 are at the high school level (i.e., grades 9 through 12). This capacity includes seats from all new school facility construction projects funded by the State of California ("State"), and teaching stations purchased by the School District without State funding (see Exhibit A for SAB Form 50-02 and Exhibit B for an updated school facilities capacity calculation). Based on data provided by the School District, student enrollment is 22,228 in school year 2019/2020. Comparing student enrollment to facilities capacity reveals that student enrollment exceeds facilities capacity at the junior high school levels while facilities capacity exceeds student enrollment at the high school levels in school year 2019/2020 (please see Section IV for more information on student enrollment and facilities capacity).

WILLIAM S. HART UNION HIGH SCHOOL DISTRICT

GEOGRAPHIC PROFILE



To establish a nexus and a justifiable residential School Fee level, the Study evaluated the number and cost of new facilities required to house students generated from future residential development within the School District. Based on data provided by the Southern California Association of Governments ("SCAG") approximately 30,116 additional residential units are expected be constructed within the School District's boundaries through calendar year 2035 ("Future Units"). Of these 30,116 Future Units, 9,767 single family detached ("SFD") units and 11,763 multi-family attached ("MFA") units have mitigated their impact on the School District through the execution of a mitigation agreement wherein units pay fees separate of School Fees or alternative school facility fees ("Alternative Fees"). These mitigated SFD and MFA units include:

- 8,490 SFD units and 10,225 MFA units within the portion of the School District served by NSD, SUSD, and SSUSD.
- 1,277 SFD units and 1,538 MFA units within the portion of the School District served by CUSD

Of the remaining 8,586 Future Units that have not mitigated their impacts on the School District, 3,896 are expected to be SFD units while 4,690 are expected to be MFA units. These non-mitigated SFD and MFA units include:

- 3,854 SFD units and 4,640 MFA units within the portion of the School District served by NSD, SUSD, and SSUSD.
- 42 SFD units and 50 MFA units within the portion of the School District served by CUSD.

To determine the impact on the School District from non-mitigated Future Units, the Study first multiplied the number of non-mitigated Future Units by the student generation factors ("SGFs") calculated by Cooperative Strategies, to determine the projected student enrollment from non-mitigated Future Units ("Projected Unhoused Students").

- 639 unhoused junior high school students and 599 unhoused high school students are anticipated to be generated from non-mitigated Future Units within the portion of the School District served by NSD, SUSD, and SSUSD.
- seven (7) unhoused high school students are anticipated to be generated from non-mitigated Future Units within the portion of the School District served by CUSD (as stated above, this portion of the School District only serves students in grades 9 through 12).

To adequately house the Projected Unhoused Students, the School District will need to construct new junior high school and high school facilities. Using design capacities of 1,200 students at the junior high school level and 2,600 students at the high school level, the School District will need to construct:

- 0.5325 new junior high schools and 0.2304 new high schools to accommodate the Projected Student Enrollment from non-mitigated Future Units projected to be constructed within the portion of the School District served by NSD, SUSD, and SSUSD.
- 0.0027 high schools to accommodate the Projected Student Enrollment from non-mitigated Future Units projected to be constructed within the portion of the School District served by CUSD.

Based on school facility cost estimates prepared by Cooperative Strategies, a junior high school is projected to cost \$97,850,000 and a high school is projected to cost \$218,250,000 (see Exhibit C).

In addition to the school facilities cost impacts, the School District will incur (i) interim facilities impacts and (ii) Central Administrative and Support Facilities cost impacts. Based on estimates prepared by Cooperative Strategies, the cost of providing interim facilities is estimated at \$2,845 per junior high school student and \$2,875 per high school student. In January 1994, the State Allocation Board ("SAB") approved a policy of four (4) square feet of Central Administrative and Support Facilities per student, which based on School District cost estimates equates to a per-student cost of \$1,330. Multiplying these costs by the facilities needed and the students generated yielded the total school facilities cost impacts shown in Table ES-1.

TABLE ES - 1

**TOTAL SCHOOL FACILITIES COST IMPACTS FROM
NON-MITIGATED FUTURE UNITS (2020\$)**

Area of School District	School Levels	Cost Per Facility/ Student	Facilities Required/ Students Generated	Total School Facilities Cost Impacts
NSD, SUSD, SSUSD	Junior High School	\$97,850,000	0.5325	\$52,105,125
	High School	\$218,250,000	0.2304	\$50,284,800
	Central Admin Impacts	\$1,330	1,238	\$1,646,540
	Interim Facilities Impacts (7-8)	\$2,845	639	\$1,817,955
	Interim Facilities Impacts (9-12)	\$2,875	599	\$1,722,125
	Subtotal	N/A	N/A	\$107,576,545
CUSD	High School	\$218,250,000	0.0027	\$589,275
	Central Admin Impacts	\$1,330	7	\$9,310
	Interim Facilities Impacts (9-12)	\$2,875	7	\$20,125
	Subtotal	N/A	N/A	\$618,710

The amounts listed in Table ES-1 were apportioned to each land use class based on the number of students generated from such residential land use. Thereafter, the school facilities cost impacts for each land use class were divided by the number of non-mitigated Future Units to calculate the school facilities cost impacts per residential unit. Table ES-2 below lists the school facilities cost impacts per residential unit.

TABLE ES - 2
SCHOOL FACILITIES COST IMPACTS PER NON-MITIGATED
RESIDENTIAL UNIT (2020\$)

Area of School District	Land Use	Total School Facilities Cost Impacts	Non-Mitigated Future Units	School Facilities Cost Impacts per Residential Unit
NSD, SUSD, SSUSD	Single Family Detached	\$61,113,939	3,854	\$15,857
	Multi-Family Attached	\$46,462,606	4,640	\$10,013
CUSD	Single Family Detached	\$353,549	42	\$8,418
	Multi-Family Attached	\$265,161	50	\$5,303

To determine the school facilities cost impacts per square foot of residential construction, the school facilities cost impacts per unit were divided by the average square footage of a residential unit in each land use class. Table ES-3 below lists the school facilities cost impacts per average residential square foot.

TABLE ES - 3
SCHOOL FACILITIES COST IMPACTS PER RESIDENTIAL
SQUARE FOOT (2020\$)

Area of School District	Land Use	School Facilities Cost Impacts per Non-Mitigated Future Units	Average Square Footage	School Facilities Cost Impacts per Residential Square Foot
NSD, SUSD, SSUSD	Single Family Detached	\$15,857	3,131	\$5.06
	Multi-Family Attached	\$10,013	1,297	\$7.72
CUSD	Single Family Detached	\$8,418	3,143	\$2.68
	Multi-Family Attached	\$5,303	1,314	\$4.04

To determine the commercial/industrial School Fee levels that satisfy the rigorous nexus requirements of AB 181, the Study divides CID into seven (7) land use categories: retail and services, office, research and development, industrial/warehouse/manufacturing, hospital, hotel/motel, and self-storage. The employment impacts of each of these land uses, in terms of the number of employees per 1,000 square feet of building space, are based on information from the San Diego Association of Governments ("SANDAG") pursuant to Section 17621 (e)(1)(B) of the Education Code. These employee impacts are shown in Table ES-4.

TABLE ES - 4
EMPLOYMENT IMPACTS PER 1,000 SQUARE FEET CID

CID Land Use Category	Square Feet per Employee	Employees per 1,000 Square Feet
Retail and Service	447	2.2371
Office	286	3.4965
Research and Development	329	3.0395
Industrial/Warehouse/Manufacturing	371	2.6954
Hospital	360	2.7778
Hotel/Motel	883	1.1325
Self-Storage	15,552	0.0643

Additional data from SCAG, the U.S. Bureau of Census ("Census"), and CoreLogic provide a basis for estimating net school district household impacts. This number includes only those households occupying new housing units within the School District, as opposed to existing units whose previous occupants may have included school-aged children. Multiplying net school district households by (i) the number of students per household and (ii) total school facilities costs per student, results in estimates of school facilities cost impacts. Collectively, this calculation represents the total school facilities cost impacts per 1,000 square feet of commercial/industrial floor space, expressed in 2020 dollars. These results are summarized in Table ES-5.

TABLE ES - 5
GROSS SCHOOL FACILITIES COSTS IMPACTS
PER HOUSEHOLD (2020\$)

Area of School District	School Level	Total Student Generation Impacts	Cost per Student	Gross School Facilities Costs Impacts per Unit
NSD, SUSD, SSUSD	Junior High School	0.0020	\$85,717	\$171.43
	High School	0.0047	\$88,153	\$414.32
	Impact per Household	N/A	N/A	\$585.75
CUSD	Junior High School	N/A	\$0	\$0.00
	High School	0.0047	\$88,387	\$415.42
	Impact per Household	N/A	N/A	\$415.42

The revenue component of the Study estimates the potential fee revenues generated by CID, including residential fees paid by CID related households, as well as CID School Fees. CID related residential revenues are calculated based on the School District's maximum share of the proposed residential School Fee of \$2.24 per square foot within the portion of the School District served by NSD, SSUSD, and SUSD, and \$1.43 per square foot within the portion of the School District served by CUSD, justified in this Study. The residential revenues per household are then subtracted from the impact per household listed above. This results in net impact per household, as summarized in Table ES-6.

TABLE ES - 6
NET SCHOOL FACILITIES COST IMPACTS
PER HOUSEHOLD (2020\$)

Area of School District	Item	Amount
NSD, SUSD, SSUSD	Impact per Household	\$585.75
	Residential Revenue Per Household	\$152.28
	Net School Facilities Cost Impacts Per Household	\$433.47
CUSD	Impact per Household	\$415.42
	Residential Revenue Per Household	\$123.55
	Net School Facilities Cost Impacts Per Household	\$291.87

The net impact per household is then divided by the appropriate square feet per employee for each of the seven (7) CID land use categories to determine the cost impact per square foot of CID for each CID category, as shown in Table ES-7.

TABLE ES - 7

SCHOOL FACILITIES COST IMPACTS PER SQUARE FOOT (2020\$)

Area of School District	School Level	Net Impact per Household	Square Feet per Employee	Cost Impact per Square Foot Of CID
NSD, SUSD, SSUSD	Retail and Services	\$433.47	447	\$0.970
	Office	\$433.47	286	\$1.516
	Research and Development	\$433.47	329	\$1.318
	Industrial/Warehouse/Manufacturing	\$433.47	371	\$1.168
	Hospital	\$433.47	360	\$1.204
	Hotel/Motel	\$433.47	883	\$0.491
	Self-Storage	\$433.47	15,552	\$0.028
CUSD	Retail and Services	\$291.87	447	\$0.653
	Office	\$291.87	286	\$1.021
	Research and Development	\$291.87	329	\$0.887
	Industrial/Warehouse/Manufacturing	\$291.87	371	\$0.787
	Hospital	\$291.87	360	\$0.811
	Hotel/Motel	\$291.87	883	\$0.331
	Self-Storage	\$291.87	15,552	\$0.019

On January 22, 2020, the SAB increased the maximum Residential and CID School Fees authorized by Section 17620 of the Education Code from \$3.79 to \$4.08 per residential building square foot, and from \$0.61 to \$0.66 per CID square foot for unified school districts.

Based on the School District's fee sharing agreement, the School District can collect:

- 50.00 percent of the maximum residential School Fee of \$4.08 per square foot, or \$2.04 per square foot, for non-mitigated future residential development built within the portion of the School District served by SSUSD, pursuant to its fee sharing agreement with SSUSD.

- 55.00 percent of the maximum residential School Fee of \$4.08 per square foot, or \$2.24 per square foot, for non-mitigated future residential development built within the portion of the School District served by NSD and SUSD, pursuant to its fee sharing agreements with NSD and SUSD.
- 35.00 percent of the maximum residential School Fee of \$4.08 per square foot, or \$1.43 per square foot, for non-mitigated future residential development built within the portion of the School District served by CUSD, pursuant to its fee sharing agreement with CUSD.

Since the School District's share of the current maximum School Fee is less than the school facilities cost impacts per square foot identified in Table ES-3, the School District is fully justified in levying its portion of the maximum residential School Fee of \$2.04 per square foot for all new non-mitigated residential development within the portion of the School District served by SSUSD, \$2.24 per square foot for all new non-mitigated future residential development within the portion of the School District served by NSD and SUSD, and \$1.43 per square foot for all new non-mitigated future residential development within the portion of the School District served by CUSD, as shown in Table ES-8.

TABLE ES - 8

**MAXIMUM JUSTIFIED STATUTORY RESIDENTIAL FEE
PER SQUARE FOOT (2020\$)**

Land Use	Maximum School Fee Per Residential Square Foot Within SSUSD	Maximum School Fee Per Residential Square Foot Within NSD & SUSD	Maximum School Fee Per Residential Square Foot Within CUSD
Single Family Detached	\$2.04	\$2.24	\$1.43
Multi-Family Attached	\$2.04	\$2.24	\$1.43

Pursuant to the School District's fee sharing agreement, the maximum CID School Fee the School District can receive is:

- 50.00 percent of the maximum CID School Fee of \$0.66 per square foot, or \$0.33 per square foot, for non-mitigated future residential development built within the portion of the School District served by SSUSD, pursuant to its fee sharing agreement with SSUSD.

- 55.00 percent of the maximum CID School Fee of \$0.66 per square foot, or \$0.363 per square foot, for non-mitigated future residential development built within the portion of the School District served by NSD and SUSD, pursuant to its fee sharing agreements with NSD and SUSD.
- 35.00 percent of the maximum CID School Fee of \$0.66 per square foot, or \$0.231 per square foot, for the non-mitigated future residential development built within the portion of the School District served by CUSD, pursuant to its fee sharing agreement with CUSD.

Justification of the CID School Fee is based on a comparison of cost impacts per CID square foot, as shown in Table ES-7, against the maximum CID Fee per square foot as noted above. As shown in Table ES-9, the School District is justified in levying:

TABLE ES - 9
MAXIMUM JUSTIFIED STATUTORY CID FEE
PER SQUARE FOOT (2020\$)

CID Land Use Category	Maximum School Fee SSUSD	Maximum School Fee NSD & SUSD	Maximum School Fee CUSD
Retail and Service	\$0.330	\$0.363	\$0.231
Office	\$0.330	\$0.363	\$0.231
Research and Development	\$0.330	\$0.363	\$0.231
Industrial/Warehouse/Manufacturing	\$0.330	\$0.363	\$0.231
Hospitals	\$0.330	\$0.363	\$0.231
Hotel/Motel	\$0.330	\$0.363	\$0.231
Self-Storage	\$0.028	\$0.028	\$0.019

I. INTRODUCTION

Senate Bill ("SB") 50, which Governor Wilson signed on August 27, 1998, was enacted on November 4, 1998, following the approval of Proposition 1A by the voters of the State in the general election on November 3, 1998. SB 50 includes provisions for the following:

1. Issuance of State general obligation bonds in an amount not to exceed \$9.2 billion;
2. Reformation of the State School Building Program; and
3. Reformation of the School Fee mitigation payment collection procedure.

Additionally, Assembly Bill ("AB") 16, which Governor Davis signed on April 26, 2002, was enacted following the approval of Proposition 47 ("Prop 47") by the voters of the State in the general election on November 5, 2002. Prop 47 includes the authorization for issuance of State general obligation bonds in the amount of \$13.05 billion, and AB 16 provides for additional reformation of the State School Building Program into the School Facilities Program. On March 2, 2004, the voters of the State approved Proposition 55 ("Prop 55"). Prop 55 includes the authorization for the additional issuance of State general obligation bonds in the amount of \$12.3 billion. Finally AB 127, which Governor Schwarzenegger signed on May 20, 2006, was enacted following the approval of Proposition 1D ("Prop 1D") by the voters of the State in the general election of November 7, 2006. Prop 1D includes the authorization for the issuance of State general obligation bonds in the amount of \$10.4 billion. On November 8, 2016, the voters of the State approved Proposition 51 ("Prop 51"). Prop 51 includes the authorization for the issuance of State general obligation bonds in the amount of \$9 billion.

The Mira-Hart-Murrieta Decisions, which formerly permitted school districts to collect mitigation payments in excess of School Fees under certain circumstances, are suspended by AB 127. In lieu of the powers granted by the Mira-Hart-Murrieta Decisions, SB 50 and subsequent legislation provide school districts with a reformed School Fee collection procedure that, subject to certain conditions, authorizes school districts to collect Alternative Fees on residential developments. However, not all school districts will qualify to charge Alternative Fees, and Alternative Fees are generally not imposed upon residential units that have existing mitigation agreements with a school district.

Therefore, school districts must still rely on School Fees as a funding source for school facilities required by new development. However, before a school district can levy School Fees on new development, State law requires that certain nexus findings must be made and documented. The objective of this Study is to provide a rigorous basis for such findings.

II. LEGISLATION

State legislation, specifically AB 2926 and AB 1600, provides guidelines, procedures, and restrictions on the levy of School Fees for school facilities. Certain provisions of this legislation are summarized below:

A. AB 2926

AB 2926 was enacted by the State in 1986. Among other things, AB 2926 added various sections to the Government Code which authorize school districts to levy School Fees on new residential and commercial/industrial developments in order to pay for school facilities. In addition, AB 2926 provides for the following:

1. No city or county can issue a building permit for a development project unless such School Fees have been paid.
2. School Fees for commercial/industrial development must be supported by the finding that such School Fees "are reasonably related and limited to the needs for schools caused by the development."
3. School Fees for 1987 were limited to \$1.50 per square foot on new residential construction and \$0.25 per square foot for new commercial/industrial construction.
4. Every year, School Fees are subject to annual increases based on the Statewide cost index for Class B construction, as determined by the SAB at its January meeting (This provision was changed to every other year by AB181).

The provisions of AB 2926 have since been expanded and revised by AB 1600.

B. AB 1600

AB 1600, which created Sections 66000 et seq. of the Government Code, was enacted by the State in 1987. AB 1600 requires that all public agencies satisfy the following requirements when establishing, increasing or imposing a fee as a condition of approval for a development project.

1. Determine the purpose of the fee.
2. Identify the facilities to which the fee will be put.
3. Determine that there is a reasonable relationship between the need for public facilities and the type of development on which a fee is imposed.

4. Determine that there is a reasonable relationship between the amount of the fee and the public facility or portion of the public facility attributable to the development on which the fee is imposed.
5. 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.

In other words, AB 1600 limits the ability of a school district to levy School Fees unless (i) there is a need for the School Fee revenues generated and (ii) there is a nexus or relationship between the need for School Fee revenues and the type of development project on which the School Fee is imposed. (The requirements of AB 1600 were clarified with the passage in 2006 of AB 2751, which codifies the findings of *Shapell Industries vs. Milpitas Unified School District*.) The Study will provide information necessary to establish such a nexus between School Fees and residential development.

C. AB 181

AB 181, enacted by the State in 1989, made significant changes in several State Codes, including Sections 53080 et seq. of the Government Code which was re-codified as Sections 17620 et seq. of the Education Code on January 1, 1998. Changes in Section 53080 included additional requirements and procedures for imposing School Fees and other conditions on new development. Specifically, AB 181 imposes more stringent nexus requirements on school districts that wish to levy School Fees on CID, as follows:

1. In order to levy a School Fee on CID, a formal study must be conducted to determine the impact of "the increased number of employees anticipated to result" from new CID on the "cost of providing school facilities within the School District".
2. Only that portion of the School Fee justified by the "nexus findings" contained in this study may be levied. Nexus findings must be made on an individual project basis or on the basis of categories of CID and must "utilize employee generation estimates that are based on commercial/industrial factors within the school district." Categories to be evaluated may include, but are not limited to, office, retail, transportation, communications and utilities, light industrial, heavy industrial, research and development, and warehouse uses.
3. Starting in 1990, maximum School Fees for residential and CID will be subject to increases every two (2) years rather than annually.

4. An appeals procedure shall be established whereby the levy of School Fees on a commercial/industrial project may be appealed to the governing board of a school district. Grounds for an appeal must include, but are not limited to, improper project classification by commercial/industrial category, or the application of improper or inaccurate employee or student generation factors to the project.

In summary, AB 181 establishes additional requirements which must be satisfied by school districts prior to their levying School Fees on CID.

III. METHODOLOGY OF STUDY

The School District is projecting an increase in student enrollment attributable to new development in future years. This projected growth will create a demand for new school facilities to be constructed within the School District and the need to incur significant school facilities costs to meet that demand. As a result, the School District has determined that School Fees should be levied on new development projects. The objective of the Study is to provide a basis for such findings consistent with the requirements of AB 2926, AB 1600, AB 181, and the provisions of Section 66001 of the Government Code.

A. RESIDENTIAL METHODOLOGY

The School District has determined that School Fees must be levied on new residential projects, if findings can be made that such projects will lead to higher student enrollment and increased facilities costs. In order to evaluate the existence of a nexus, the Study identifies and analyzes the various connections or linkages between residential development and (i) the need for school facilities, (ii) the cost of school facilities, and (iii) the amount of School Fees that can justifiably be levied. The primary linkages identified include the following:

1. Housing projections - The number of future residential units to be constructed within the boundaries of the School District.
2. Student generation - The number of students generated from a residential unit within the School District.
3. Facility requirements - The number of new school facilities required to house students generated from new residential units
4. School facilities cost impacts - The costs to the School District associated with the construction of new school facilities.
5. School Fee requirements – The School District's need to levy School Fees to cover the cost of new school facilities.

The above linkages result in a series of impacts which (i) connect new residential development with increased school facilities costs and (ii) connect School Fees per residential building square foot with increased facilities costs.

B. COMMERCIAL/INDUSTRIAL METHODOLOGY

The School District has also determined that School Fees must be levied on new CID projects. In order to determine the nexus relationships identified in AB 181, the Study analyzes the various linkages between CID and (i) the need for school facilities, (ii) the cost of school facilities, and (iii) the amount of the School Fee that can justifiably be levied. The primary connections or linkages include the following:

1. Job creation (i.e., new CID within the School District creates new jobs);
2. Household formation (i.e., job creation within the School District leads to the formation of new households in the School District);
3. Student generation (i.e., household formation within the School District generates new students);
4. Facilities requirements (i.e., student generation within the School District leads to the need to incur additional costs for new school facilities); and
5. School Fee requirements (i.e., additional costs for new school facilities within the School District leads to the need to levy School Fees for new development).

The above linkages result in a series of impacts which (i) connect new CID with increased school facilities costs and (ii) connect increased school facilities costs with School Fees on CID buildings. These impacts are identified for different CID land use categories, based on a "prototypical unit" of 1,000 square feet of new commercial or industrial floor space for each category. These "linkage impacts" include five (5) major types:

1. Employment Impacts
2. Household Impacts
3. Student Generation Impacts
4. School Facilities Cost Impacts
5. Fee Revenues

The nature and components of these impacts are summarized in Section III.C, along with the key assumptions and data sources used in estimating their magnitude.

Analysis of the first four (4) linkage impacts provides an estimate of the gross school facilities cost impacts per 1,000 square feet of floor space for each CID category. Analysis and comparison of all five (5) impacts provide an estimate of (i) net school facilities cost impacts (i.e., gross school facilities cost impacts minus residential revenues) per 1,000 square feet of CID floor space and (ii) the maximum commercial/industrial School Fee that can be justified.

C. COMMERCIAL/INDUSTRIAL LAND USE CATEGORIES

Linkage impacts are analyzed for the following CID land use categories:

1. Retail and Services
2. Office
3. Research and Development
4. Industrial/Warehouse/Manufacturing
5. Hospital
6. Hotel/Motel
7. Self-Storage

RETAIL AND SERVICES

The retail and services category includes commercial establishments which sell general merchandise, building materials, hard goods, apparel, and other items and services to consumers. Additional establishments in the retail and services category include nurseries, discount stores, restaurants, entertainment theme parks, new/used car sales facilities, service stations, supermarkets, banks, real estate sales offices, and similar uses.

OFFICE

A general office building houses one (1) or more tenants and is the location where affairs of a business, commercial or industrial organization, professional person or firm are conducted. The building or buildings may be limited to one (1) tenant, either the owner or lessee, or contain a mixture of tenants including professional services, insurance companies, investment brokers, company headquarters, and services for the tenants such as a bank or savings and loan, a restaurant or cafeteria, and service retail and services facilities. There may be large amounts of space used for file storage or data processing.

The office category may also include medical offices that provide diagnoses and outpatient care on a routine basis, but which are unable to provide prolonged in-house medical/surgical care. A medical office is generally operated by either a single private physician or a group of doctors.

RESEARCH AND DEVELOPMENT

Research and development facilities are those primarily associated with the application of scientific research to the development of high technology products. Areas of concentration include materials, science, computer, electronic, and telecommunications products. Facilities may also contain offices and fabrication areas. Activities performed range from pure research to product development, testing, assembly, and distribution.

INDUSTRIAL/WAREHOUSE/MANUFACTURING

Warehouses are facilities that are primarily devoted to the storage of materials. They may also include office and maintenance areas. This category also includes buildings in which a storage unit or vault is rented for the storage of goods.

Manufacturing facilities are building structures where the primary activity is the conversion of raw materials or parts into finished products. Size and type of activity may vary substantially from one facility to another. In addition to actual production of goods, manufacturing facilities generally have office, warehouse, research and associated functions. This category includes light industrial facilities such as printing plants, material testing laboratories, assemblers of data processing equipment, and power stations.

HOSPITAL

Hospital refers to any institution where medical or surgical care is given to non-ambulatory and ambulatory patients. The term does not however, refer to medical clinics (facilities that provide diagnoses and outpatient care only) or to nursing homes (facilities devoted to the care of persons unable to care for themselves).

HOTEL/MOTEL

Hotels and motels are commercial establishments primarily engaged in providing lodging, or lodging and meals, for the general public. As defined by Government Code Section 65995(d), the hotel/motel category includes, but is not limited to, any hotel, motel, inn, tourist home, or other lodging for which the maximum term of occupancy does not exceed 30 days. It does not, however, include any residential hotel as defined by Section 50519(b)(1) of the Health and Safety Code.

SELF-STORAGE

This category includes buildings in which a storage unit or vault is rented for the storage of goods and/or personal materials. This category may also include office areas associated with storage.

Note that CID land use categories may include different industry types. For example, firms in the transportation, communications, or utilities industries may be classified in up to six (6) of the seven (7) land use categories shown above. Similarly, retail firms may also occupy office or industrial space (e.g., for corporate headquarters or warehousing) and manufacturing firms may occupy retail space (e.g., factory retail outlets). In evaluating any given project, the School District should assign the project to whichever CID category is the predominant use within the project.

IV. FACILITIES CAPACITY AND STUDENT ENROLLMENT

In order to determine whether the School District's existing school facilities contain excess capacity to house students generated by new residential and CID development, school year 2019/2020 student enrollment and school facilities capacity of the School District were evaluated.

Collectively, the School District's school facilities in school year 2019/2020 have a capacity of 24,370 students per Section 17071.10(a) of the Education Code, of which 6,725 are at the junior high school level (i.e., grades 7 and 8) and 17,645 are at the high school level (i.e., grades 9 through 12). This capacity includes seats from all new school facility construction projects funded by the State of California ("State"), and teaching stations purchased by the School District without State funding (see Exhibit A for SAB Form 50-02 and Exhibit B for an updated school facilities capacity calculation). Based on data provided by the School District, student enrollment is 22,228 in school year 2019/2020. Comparing student enrollment to facilities capacity reveals that student enrollment exceeds facilities capacity at the junior high school level while facilities capacity exceeds student enrollment at the high school level in school year 2019/2020.

TABLE 1

EXISTING SCHOOL FACILITIES CAPACITY AND STUDENT ENROLLMENT

School Level	2019/2020 Facilities Capacity	2019/2020 Student Enrollment	Excess/ (Shortage) Capacity
Junior High School (Grades 7-8)	6,725	6,863	(138)
High School (Grades 9-12)	17,645	15,365	2,280
Total	24,370	22,228	2,142

As indicated in Table 1, 2,280 high school seats are available to house students generated from Future Units. These surplus seats will be addressed in Section V below.

V. IMPACT OF RESIDENTIAL DEVELOPMENT ON SCHOOL FACILITIES NEEDS

As discussed in Section III, the objective of the Study is to determine the appropriateness of the imposition of a School Fee to finance school facilities necessitated by students to be generated from new residential development. Section III outlined the methodology which was employed in the Study to meet that objective. Section V is a step-by-step presentation of the results of the analysis.

A. PROJECTED RESIDENTIAL DEVELOPMENT WITHIN THE SCHOOL DISTRICT

The initial step in developing a nexus as required by AB 2926 and AB 1600 is to determine the number of Future Units to be constructed within the School District's boundaries. Based on information provided by SCAG, the School District expects the construction of approximately 30,116 Future Units through calendar year 2035. Of these 30,116 Future Units, 9,767 SFD units and 11,763 MFA units have mitigated their impact on the School District through the execution of a mitigation agreement wherein units pay fees separate of School Fees or Alternative Fees. These mitigated SFD and MFA units include:

- 8,490 SFD units and 10,225 MFA units within the portion of the School District served by NSD, SUSD, and SSUSD.
- 1,277 SFD units and 1,538 MFA units within the portion of the School District served by CUSD

Of the remaining 8,586 Future Units that have not mitigated their impacts on the School District, 3,896 are expected to be SFD units while 4,690 are expected to be MFA units. These non-mitigated SFD and MFA units include:

- 3,854 SFD units and 4,640 MFA units within the portion of the School District served by NSD, SUSD, and SSUSD.
- 42 SFD units and 50 MFA units within the portion of the School District served by CUSD.

TABLE 2
FUTURE UNITS

Area of School District	Land Uses	Mitigated Future Units	Non-Mitigated Future Units	Total Future Units
NSD, SUSD, SSUSD	SFD Units	8,490	3,854	12,344
	MFA Units	10,225	4,640	14,865
	Total Units	18,715	8,494	27,209
CUSD	SFD Units	1,277	42	1,319
	MFA Units	1,538	50	1,588
	Total Units	2,815	92	2,907

B. RECONSTRUCTION

Reconstruction is the act of replacing existing structures with new construction, which may have an alternative land use (i.e., commercial/industrial versus residential) or may consist of different residential unit types (i.e., SFD versus MFA, etc.).

B1. RESIDENTIAL RECONSTRUCTION

Residential Reconstruction consists of voluntarily demolishing existing residential units and replacing them with new residential development. 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 School District to provide school facilities for new student enrollment.

Prior to the imposition of fees on Replacement Square Footage, the School District shall undertake an analysis on any future proposed projects(s) to examine the extent to which an increase in enrollment can be expected from Replacement Square Footage due to any differential in SGFs as identified in the Study for the applicable unit types between existing square footage and 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.

B2. RECONSTRUCTION OF COMMERCIAL/INDUSTRIAL CONSTRUCTION INTO RESIDENTIAL CONSTRUCTION

The voluntary demolition of existing commercial/industrial buildings and replacement of them with new residential development is a different category of Reconstruction. Cooperative Strategies is aware that such types of Reconstruction may occur within the School District in the future, however, Cooperative Strategies was unable to find information (i) about the amount planned within the School District in the future or (ii) historical levels, which might indicate the amount to be expected in the future. Prior to the imposition of fees on Replacement Square Footage, the School District shall undertake an analysis on any future proposed projects(s) to examine the extent to which an increase in enrollment can be expected from Replacement Square Footage due to any differential in impacts as identified in the Study for the applicable types between existing square footage and 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.

C. STUDENT GENERATION FACTORS PER RESIDENTIAL UNIT

In order to analyze the impact on the School District's student enrollment from non-mitigated Future Units, Cooperative Strategies calculated SGFs for SFD and MFA units. The process of determining SGFs involved cross-referencing the School District's enrollment data against the County Assessor residential data.

Sorting and extracting the County Assessor records by land use, Cooperative Strategies developed a database of 57,681 SFD units within the entire School District ("High School Portion"), of which 51,497 SFD units are within the portion of the School District served by NSD, SSUSD, and SUSD ("Junior High School Portion"). This database was then compared with the School District's student enrollment database to identify address matches. Upon comparison of the two (2) databases, 15,298 student matches were found, resulting in the SGFs shown in Table 3.

TABLE 3
STUDENT GENERATION FACTORS FOR SINGLE FAMILY DETACHED UNITS

School Level	Students Matched	Single Family Detached Units	Student Generation Factors
Junior High School	4,608	51,497	0.0895
High School	10,690	57,681	0.1853
Total	15,298	N/A	0.2748

A procedure identical to the one used in calculating the SGFs for SFD units was used to determine SGFs for MFA units. A total of 5,148 students matched to the MFA database which consisted of 30,620 MFA units, of which 29,976 MFA units are within the Junior High School Portion of the School District. The resulting SGFs for MFA units are shown in Table 4 below.

TABLE 4
STUDENT GENERATION FACTORS FOR MUTLI-FAMILY ATTACHED UNITS

School Level	Students Matched	Multi-Family Attached Units	Student Generation Factors
Junior High School	1,813	29,976	0.0605
High School	3,335	30,620	0.1089
Total	5,148	N/A	0.1694

However, due to incomplete and incorrect address information in both the student enrollment and residential databases, Cooperative Strategies was unable to match all of the School District's students. The results are SGFs that understate the number of students generated by SFD and MFA units. After accounting for incoming interdistrict students that reside outside of the School District's boundaries, there were 1,782 unmatched students. Therefore, Cooperative Strategies adjusted the SGFs listed in Tables 3 and 4 based on a rate which considers the number of students successfully matched to a school level and land use. The adjusted SGFs for each land use by school level are shown in Table 5.

TABLE 5
ADJUSTED STUDENT GENERATION FACTORS

School Levels	Single Family Detached Units	Multi-Family Attached Units
Junior High School	0.0914	0.0618
High School	0.1887	0.1109
Total	0.2801	0.1727

D. SCHOOL DISTRICT FACILITIES REQUIREMENTS

By multiplying the non-mitigated Future Units as listed in Table 2 by the SGFs identified in Table 5, the Study determined the projected number of new students to be generated from non-mitigated Future Units. The Projected Student Enrollment by school level is shown in Table 6.

TABLE 6
PROJECTED STUDENT ENROLLMENT FROM FUTURE UNITS

Area of School District	School Level	Projected Student Enrollment from Non-Mitigated Future SFD Units	Projected Student Enrollment from Non-Mitigated Future MFA Units	Projected Student Enrollment from Non-Mitigated Future Units
NSD, SUSD, SSUSD	Junior High School	352	287	639
	High School	727	515	1,242
	Subtotal	1,079	802	1,881
CUSD	Junior High School	N/A	N/A	0
	High School	8	6	14
	Total	1,087	808	1,895

As indicated in Section IV, 2,280 surplus high school seats are available to accommodate the Projected Student Enrollment. These surplus seats were first apportioned between students projected to be generated from mitigated future units and non-mitigated Future Units, and then between students generated from non-mitigated Future Units within NSD, SSUSD, and SUSD and students generated from non-mitigated Future Units within CUSD .

Therefore, it was determined that 643 surplus high school seats are available to house students generated from non-mitigated Future Units within NSD, SSUSD, and SUSD and seven (7) surplus high school seats are available to house students generated from non-mitigated Future Units within CUSD. Therefore, the Projected Unhoused Students are less than the Projected Student Enrollment at the high school level. Table 7 shows Projected Unhoused Students for the School District, while Exhibit D provides more information on the apportionment of surplus seats.

TABLE 7
PROJECTED UNHOUSED STUDENTS FROM FUTURE UNITS

Area of School District	School Level	Projected Students from Future Units	Surplus Seats	Projected Unhoused Students
NSD, SUSD, SSUSD	Junior High School	639	0	639
	High School	1,242	643	599
	Total	1,881	643	1,238
CUSD	Junior High School	N/A	N/A	N/A
	High School	14	7	7
	Total	14	7	7

To determine the number of junior high school and high school facilities necessary to adequately house the Projected Unhoused Students, Cooperative Strategies divided the Projected Unhoused Students by the estimated school facilities capacity at each school level, as provided by the School District. The additional school facilities requirements are identified in Table 8.

TABLE 8
ADDITIONAL SCHOOL FACILITIES FOR PROJECTED UNHOUSED STUDENTS

Area of School District	School Level	Projected Unhoused Students	Estimated Facilities Capacity	Additional Facilities Needed
NSD, SUSD, SSUSD	Junior High School	639	1,200	0.5325
	High School	599	2,600	0.2304
CUSD	Junior High School	0	1,200	0.0000
	High School	7	2,600	0.0027

E. SCHOOL DISTRICT FACILITIES COSTS

School facilities cost estimates at the junior high school and high school levels were prepared by Cooperative Strategies. The school facilities costs represent the full cost of site acquisition, site development, construction, furniture and equipment, as well as technology. It must be noted that the facilities costs are in 2020 dollars and do not include interest costs associated with debt incurred to finance the construction of facilities. The estimated site acquisition and facility construction costs by school level are shown in Table 9 while the costs for each component of the school facilities construction are listed in Exhibit C.

TABLE 9
ESTIMATED SCHOOL FACILITIES COSTS (2020\$)

School Levels	Site Acquisition Costs	Facility Construction Costs	Estimated Total Cost per Facility
Junior High School	\$21,800,000	\$76,050,000	\$97,850,000
High School	\$53,600,000	\$164,650,000	\$218,250,000

The costs in Table 9 do not include costs associated with Central Administrative and Support Facilities. As indicated in Table 7, non-mitigated Future Units will cause the enrollment of the School District to increase by approximately 1,332 students. Based on estimates prepared by Cooperative Strategies, the cost of providing interim facilities is estimated at \$2,845 per junior high school student and \$2,875 per high school student. 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, Cooperative Strategies estimates a Central Administrative and Support Facilities cost impact of \$1,330 per student.

F. TOTAL SCHOOL FACILITIES COST IMPACTS

To determine the total school facilities cost impacts caused by non-mitigated Future Units, Cooperative Strategies (i) multiplied the school facilities costs (Table 9) by the additional school facilities needed (Table 8) and (ii) multiplied the central administrative and support facilities costs per student (above paragraph) by the Projected Unhoused Students (Table 7). Table 10 illustrates the total school facilities cost impacts from non-mitigated future residential development.

TABLE 10

**TOTAL SCHOOL FACILITIES COST IMPACTS FROM
NON-MITIGATED FUTURE UNITS (2020\$)**

Area of School District	School Levels	Cost Per Facility/ Student	Facilities Required/ Students Generated	Total School Facilities Cost Impacts
NSD, SUSD, SSUSD	Junior High School	\$97,850,000	0.5325	\$52,105,125
	High School	\$218,250,000	0.2304	\$50,284,800
	Central Admin Impacts	\$1,330	1,238	\$1,646,540
	Interim Facilities Impacts (7-8)	\$2,845	639	\$1,817,955
	Interim Facilities Impacts (9-12)	\$2,875	599	\$1,722,125
	Subtotal	N/A	N/A	\$107,576,545
CUSD	High School	\$218,250,000	0.0027	\$589,275
	Central Admin Impacts	\$1,330	7	\$9,310
	Interim Facilities Impacts (9-12)	\$2,875	7	\$20,125
	Subtotal	N/A	N/A	\$618,710

G. SCHOOL FACILITIES COST IMPACTS PER RESIDENTIAL UNIT

To determine the total school facilities cost impacts per non-mitigated future residential unit, the total school facilities cost impacts listed above need to first be apportioned by land use based on the number of junior high school and high school students to be generated from such land use. Table 11 shows total school facilities cost impacts by land use.

TABLE 11
TOTAL SCHOOL FACILITIES COST IMPACTS BY
LAND USE (2020\$)

Area of School District	School Level	Single Family Detached Units	Multi-Family Attached Units	Total School Facilities Cost Impacts
NSD, SUSD, SSUSD	Junior High School	\$30,172,267	\$24,600,683	\$54,772,950
	High School	\$30,941,673	\$21,861,922	\$52,803,595
	Total	\$61,113,939	\$46,462,606	\$107,576,545
CUSD	Junior High School	N/A	N/A	N/A
	High School	\$353,549	\$265,161	\$618,710
	Total	\$353,549	\$265,161	\$618,710

Total school facilities cost impacts for each land use were then divided by the number of non-mitigated Future Units in such land use to determine school facilities cost impacts per SFD unit and MFA unit. These impacts are shown in Table 12.

TABLE 12
SCHOOL FACILITIES COST IMPACTS PER NON-MITIGATED
FUTURE UNIT (2020\$)

Area of School District	Land Uses	Total School Facilities Cost Impacts	Non-Mitigated Future Units	School Facilities Cost Impacts per Residential Unit
NSD, SUSD, SSUSD	Single Family Detached	\$61,113,939	3,854	\$15,857
	Multi-Family Attached	\$46,462,606	4,640	\$10,013
CUSD	Single Family Detached	\$353,549	42	\$8,418
	Multi-Family Attached	\$265,161	50	\$5,303

H. SCHOOL FACILITIES COST IMPACTS PER SQUARE FOOT

To determine the school facilities cost impacts per square foot of residential construction for each land use, the school facilities cost impacts per unit listed in Table 12 were divided by the average square footage of such type of residential unit. Using square footage information for recently constructed units obtained from the City and County, Cooperative Strategies estimates that (i) the average square footage of an SFD unit within the portion of the School District served by NSD, SUSD, and SSUSD to be in the School District is projected to be 3,131 square feet while the average square footage of an MFA unit within the portion of the School District Served by NSD, SUSD, and SSUSD is projected to be 1,297 square feet and (ii) the average square footage of an SFD unit within the portion of the School District served by CUSD to be 3,143 square feet while the average square footage of an MFA unit within the portion of the School District Served by CUSD is projected to be 1,314 square feet. Table 13 shows the school facilities cost impacts per square foot of residential construction in the School District.

TABLE 13
SCHOOL FACILITIES COST IMPACTS PER RESIDENTIAL
SQUARE FOOT (2020\$)

Area of School District	Land Uses	School Facilities Cost Impacts per Non-Mitigated Residential Unit	Average Square Footage	School Facilities Cost Impacts per Square Foot
NSD, SUSD, SSUSD	Single Family Detached	\$15,857	3,131	\$5.06
	Multi-Family Attached	\$10,013	1,297	\$7.72
CUSD	Single Family Detached	\$8,418	3,143	\$2.68
	Multi-Family Attached	\$5,303	1,314	\$4.04

VI. IMPACT OF COMMERCIAL/INDUSTRIAL DEVELOPMENT ON SCHOOL FACILITIES NEEDS

This section presents the quantitative findings of the commercial/industrial nexus analysis summarized in Section III. In particular, this section presents estimates of the following:

1. All "linkage impacts" discussed in Section III, by CID land use category.
2. Gross school facilities cost impacts per 1,000 square feet of commercial/industrial floor space.
3. Net school facilities cost impacts (i.e., gross school facility cost impacts minus residential revenues) per 1,000 square feet of commercial/industrial floor space.
4. The percentage of the maximum CID School Fee per square foot allowed by law that can be justified to pay for new school facilities.

A. EMPLOYMENT IMPACTS

As indicated in Section III, employment impacts for different CID categories equal the estimated number of on-site employees generated per 1,000 square feet of commercial/industrial floor space, which are referred to in the Study as CID Land Use Categories. Consistent with the provisions of Section 17621(e)(1)(B) of the Education Code, employment impacts for each category are based on data from SANDAG. The employment impacts are shown in Table 14.

TABLE 14
EMPLOYMENT IMPACTS PER 1,000 SQUARE FEET (2020\$)

CID Land Use Category	Square Feet per Employee
Retail and Services	447
Office	286
Research and Development	329
Industrial/Warehouse/Manufacturing	371
Hospital	360
Hotel/Motel	883
Self-Storage	15,552

B. HOUSEHOLD IMPACTS

As noted in Section III, household impacts equal the estimated number of households associated with each category of employment impacts, per 1,000 square feet of commercial/industrial floor space. Household impacts include the following components:

1. **Households per Employee**

The average number of households per employee are calculated based on information obtained from the Census. Based on this information, the total household impacts are 0.6426 households per employee within the School District.

2. **Employed Persons Living within the School District**

In order to determine the number of employed persons who live within the School District, Cooperative Strategies utilized data from the Census. Based on this data, approximately 16.82 percent of the employed persons within the School District are estimated to live within the School District. This trend is expected to increase as new residential and CID projects are approved and additional homes and jobs are created within the School District.

3. **Propensity to Occupy New Homes**

The propensity to occupy new housing within the general area of the School District helps determine the number of employees generated from new homes. Based on data on recent resales and new home sales obtained from CoreLogic, new home sales in the School District were estimated to equal 10.18 percent of the total housing units which experienced occupant turnover between 2018 and 2019.

4. **Total Household Impact**

In order to determine the Total Household Impact of new residential units, the Study multiplied the average employed persons per household, employed person living within the School District, and the propensity to occupy new homes. This helps determine the number of new employees coming to live and work within the School District produced by new residential development, as shown in Table 15.

TABLE 15
TOTAL HOUSEHOLD IMPACTS FROM NEW CID

Household Impact	Factor
Households per Employees	0.6426
Employees Living within the School Districts	26.17%
Households with Employees Working within the School District	0.1682
Propensity to Occupy New Homes	10.18%
Total Household Impacts	0.0171

C. STUDENT GENERATION IMPACTS

As noted in Section III, student generation impacts equal the number of the School District's students associated with each category of CID space. Separate student generation impacts are estimated for each CID category and school level.

1. RESIDENTIAL STUDENT GENERATION IMPACTS

In order to analyze household formation as a result of new CID, the SGFs shown in Table 5 must be blended. To blend the SGFs of the two (2) land uses into a single SGF for each school level, the land uses were weighted in proportion to each type's percentage of the future residential units to be constructed within the School District. Applying these weighting factors yields the following blended SGFs shown in Table 16.

TABLE 16
BLENDED STUDENT GENERATION FACTORS

School Level	Student Generation Factors
Junior High School	0.0752
High School	0.1462

2. TOTAL STUDENT GENERATION IMPACTS

Multiplying total household impacts shown in Table 15 by the blended SGFs shown in Table 16 results in the average student generation impacts. These average student generation impacts are shown by school level in Table 17.

TABLE 17
AVERAGE STUDENT GENERATION IMPACTS

School Level	Student Generation Factors	Total Household Impacts	Average Student Generation Impacts
Junior High School	0.0752	0.0171	0.0013
High School	0.1462	0.0171	0.0025

D. INTER-DISTRICT TRANSFER IMPACTS

The Study also evaluates the impact of students attending the School District on an inter-district transfer basis. The inter-district transfer rate is determined by calculating the ratio of student transfers into the School District's schools by the number of persons employed within its boundaries. Based on information provided by the School District, total student transfers into the School District's schools for school year 2019/2020 total 105 at the junior high school level, and 316 at the high school level. Employment within the School District's area is estimated at 114,259 persons based on employment estimates provided by SCAG. Table 18 shows the inter-district transfer impacts by school level.

TABLE 18
INTER-DISTRICT TRANSFER IMPACTS

School Level	Inter-District Transfer Impacts
Junior High School	0.0007
High School	0.0022

E. TOTAL STUDENT GENERATION IMPACT

To determine the total student generation impacts of CID on the School District, the average student generation impacts from Table 17 are added to the inter-district transfer impacts from Table 18. The resulting total student generation impacts are displayed in Table 19.

TABLE 19
TOTAL STUDENT GENERATION IMPACTS

School Level	Average Student Generation Impacts	Inter-District Transfer Impacts	Total Student Generation Impacts
Junior High School	0.0013	0.0007	0.0020
High School	0.0025	0.0022	0.0047

F. GROSS SCHOOL FACILITIES COST IMPACTS

As noted in Section III, school facilities cost impacts equal the gross school facilities cost impacts (exclusive of residential revenues) associated with the total student generation impact of each CID category.

1. SCHOOL FACILITIES COSTS PER STUDENT

The school facilities costs per student are the average cost impact produced by students generated from non-mitigated Future Units. This impact estimate is derived from the school facilities costs (Table 11) divided by the Projected Unhoused Students from non-mitigated Future Units (Table 7) by school level. Multiplying the total student generation impacts by the school facilities costs per student results in the gross school facilities cost impacts shown in Table 20.

TABLE 20
GROSS SCHOOL FACILITIES COSTS IMPACTS
PER HOUSEHOLD (2020\$)

Area of School District	School Level	Total Student Generation Impacts	Cost per Student	Gross School Facilities Costs Impacts per Household
NSD, SUSD, SSUSD	Junior High School	0.0020	\$85,717	\$171.43
	High School	0.0047	\$88,153	\$414.32
	Total	N/A	N/A	\$585.75
CUSD	Junior High School	N/A	N/A	N/A
	High School	0.0047	\$88,387	\$415.42
	Total	N/A	N/A	\$415.42

G. FEE REVENUES

As noted in Section III, fee revenues include two (2) components: residential revenues and potential CID School Fee revenues.

1. RESIDENTIAL REVENUES AND NET SCHOOL FACILITY COSTS

Residential revenues equal the maximum revenues from residential development associated with each category of net school district households per 1,000 square feet of CID floor space. These revenues are derived as follows:

- The (i) proposed maximum share of the residential school fee of \$2.24 per residential square foot within the portion of the School District served by NSD, SUSD, and SSUSD, multiplied by the weighted average residential square footage of 2,129 square feet within the portion of the School District served by NSD, SUSD, and SSUSD, and (ii) average mitigation amount of \$10,782 per mitigated residential unit for the portion of the School District served by NSD, SUSD, and SSUSD.

- The (i) proposed residential school fee of \$1.43 per residential square foot within the portion of the School District served by CUSD, multiplied by the weighted average residential square footage of 2,149 square feet within the portion of the School District served by CUSD, and (ii) average mitigation amount of \$7,361 per mitigated residential unit for the portion of the School District served by CUSD.

Accordingly, residential revenues equal \$8,905 per unit within the portion of the School District served by NSD, SUSD, and SSUSD, and \$7,225 per unit within the portion of the School District served by CUSD. Multiplying the total household impact shown in Table 15 by residential revenues results in the residential revenues per student shown in Table 21.

TABLE 21
RESIDENTIAL REVENUES PER HOUSEHOLD (2020\$)

Area of School District	Item	Amount
NSD, SUSD, SSUSD	Revenue per Residential Unit	\$8,905
	Total Household Impact	0.0171
	Residential Revenue per Household	\$152.28
CUSD	Revenue per Residential Unit	\$7,225
	Total Household Impact	0.0171
	Residential Revenue per Household	\$123.55

2. NET SCHOOL FACILITIES COST IMPACTS

In order to calculate the net school facilities cost impacts per grade level, the residential revenues shown in Table 21 were subtracted from the gross school facilities cost impacts shown in Table 20. The results are the net school facilities cost impacts that must be funded by CID School Fees, as shown in Table 22.

TABLE 22
NET SCHOOL FACILITIES COST IMPACTS
PER HOUSEHOLD (2020\$)

Area of School District	Item	Amount
NSD, SUSD, SSUSD	Gross School Facilities Cost Impacts per Household	\$585.75
	Residential Revenue per Household	\$152.28
	Net School Facilities Cost Impacts per Household	\$433.47
CUSD	Gross School Facilities Cost Impacts per Household	\$415.42
	Residential Revenue per Household	\$123.55
	Net School Facilities Cost Impacts per Household	\$291.87

H. JUSTIFICATION OF COMMERCIAL/INDUSTRIAL SCHOOL FEES

Dividing net school facilities cost impacts shown in Table 22 by total the square feet per employee for each land use category, as shown in Table 14, results in the CID impacts shown in Table 23.

TABLE 23

SCHOOL FACILITIES COST IMPACTS PER SQUARE FOOT (2020\$)

Area of School District	School Level	Net Impact per Household	Square Feet per Employee	Cost Impact per Square Foot Of CID
NSD, SUSD, SSUSD	Retail and Services	\$433.47	447	\$0.970
	Office	\$433.47	286	\$1.516
	Research and Development	\$433.47	329	\$1.318
	Industrial/Warehouse/Manufacturing	\$433.47	371	\$1.168
	Hospital	\$433.47	360	\$1.204
	Hotel/Motel	\$433.47	883	\$0.491
	Self-Storage	\$433.47	15,552	\$0.028
CUSD	Retail and Services	\$291.87	447	\$0.653
	Office	\$291.87	286	\$1.021
	Research and Development	\$291.87	329	\$0.887
	Industrial/Warehouse/Manufacturing	\$291.87	371	\$0.787
	Hospital	\$291.87	360	\$0.811
	Hotel/Motel	\$291.87	883	\$0.331
	Self-Storage	\$291.87	15,552	\$0.019

VII. CONCLUSION

On January 22, 2020, the SAB increased the maximum Residential and CID School Fees authorized by Section 17620 of the Education Code from \$3.79 to \$4.08 per residential building square foot, and from \$0.61 to \$0.66 per CID square foot for unified school districts.

This section summarizes the findings of the Study for new residential and commercial/industrial construction within the School District. In particular, this section summarizes the following:

1. RESIDENTIAL FEES

Based on the School District's fee sharing agreement, the School District can collect:

- 50.00 percent of the maximum residential School Fee of \$4.08 per square foot, or \$2.04 per square foot, for non-mitigated future residential development built within the portion of the School District served by SSUSD, pursuant to its fee sharing agreement with SSUSD.
- 55.00 percent of the maximum residential School Fee of \$4.08 per square foot, or \$2.24 per square foot, for non-mitigated future residential development built within the portion of the School District served by NSD and SUSD, pursuant to its fee sharing agreements with NSD and SUSD.
- 35.00 percent of the maximum residential School Fee of \$4.08 per square foot, or \$1.43 per square foot, for non-mitigated future residential development built within the portion of the School District served by CUSD, pursuant to its fee sharing agreement with CUSD.

Since the School District's share of the current maximum School Fee is less than the school facilities cost impacts per square foot identified in Table 13, the School District is fully justified in levying its portion of the maximum residential School Fee of \$2.04 per square foot for all new non-mitigated residential development within the portion of the School District served by SSUSD, \$2.24 per square foot for all new non-mitigated future residential development within the portion of the School District served by NSD and SUSD, and \$1.43 per square foot for all new non-mitigated future residential development within the portion of the School District served by CUSD.

Based on this information, the School District is justified in charging the Statutory Fee Amounts per square foot shown in Table 24 on new residential construction:

TABLE 24

**MAXIMUM JUSTIFIED STATUTORY RESIDENTIAL FEE
PER SQUARE FOOT (2020\$)**

Land Use	Maximum School Fee Per Residential Square Foot Within SSUSD	Maximum School Fee Per Residential Square Foot Within NSD & SUSD	Maximum School Fee Per Residential Square Foot Within CUSD
Single Family Detached	\$2.04	\$2.24	\$1.43
Multi-Family Attached	\$2.04	\$2.24	\$1.43

2. COMMERCIAL/INDUSTRIAL FEES

Pursuant to the School District's fee sharing agreement, the maximum CID School Fee the School District can receive is:

- 50.00 percent of the maximum CID School Fee of \$0.66 per square foot, or \$0.33 per square foot, for non-mitigated future residential development built within the portion of the School District served by SSUSD, pursuant to its fee sharing agreement with SSUSD.
- 55.00 percent of the maximum CID School Fee of \$0.66 per square foot, or \$0.363 per square foot, for non-mitigated future residential development built within the portion of the School District served by NSD and SUSD, pursuant to its fee sharing agreements with NSD and SUSD.
- 35.00 percent of the maximum CID School Fee of \$0.66 per square foot, or \$0.231 per square foot, for the non-mitigated future residential development built within the portion of the School District served by CUSD, pursuant to its fee sharing agreement with CUSD.

Justification of the CID School Fee is based on a comparison of cost impacts per CID square foot, as shown in 23, against the maximum CID Fee per square foot as noted above. As shown in Table 25, the School District is justified in levying:

TABLE 25
MAXIMUM JUSTIFIED STATUTORY CID FEE
PER SQUARE FOOT (2020\$)

CID Land Use Category	Maximum School Fee SSUSD	Maximum School Fee NSD & SUSD	Maximum School Fee CUSD
Retail and Service	\$0.330	\$0.363	\$0.231
Office	\$0.330	\$0.363	\$0.231
Research and Development	\$0.330	\$0.363	\$0.231
Industrial/Warehouse/Manufacturing	\$0.330	\$0.363	\$0.231
Hospitals	\$0.330	\$0.363	\$0.231
Hotel/Motel	\$0.330	\$0.363	\$0.231
Self-Storage	\$0.028	\$0.028	\$0.019

*S:\Clients\William S. Hart Union High SD\Demographics\Fee
Studies\SY1920\Reports\Final\WilliamSHart_FS_1920_Fn.docx*

EXHIBIT A

CURRENT SAB FORM 50-02

STATE OF CALIFORNIA
EXISTING SCHOOL BUILDING CAPACITY

STATE ALLOCATION BOARD
OFFICE OF PUBLIC SCHOOL CONSTRUCTION

SAR 90-02 (REV. 01/01) Sheet (Rev. 08/00/00)

SCHOOL DISTRICT
WILLIAM S. HART UNION HIGH

CITY
LOS ANGELES

FILE UNIT DISTRICT CODE NUMBER (See Instructions on Back of Form)

EN 138

FORM NO. 100-1, 1/7/00 (Rev. 10/00) (4 pages)

PART I - Classroom Inventory NEW ADJUSTED

Line 1. Leased State Relocatable Classrooms	48	108			156
Line 2. Portable Classrooms leased less than 5 years	3				3
Line 3. Interim Housing Portables leased less than 5 years					
Line 4. Interim Housing Portables leased at least 5 years					
Line 5. Portable Classrooms leased at least 5 years					
Line 6. Portable Classrooms owned by district	12	28			40
Line 7. Permanent Classrooms	71	343	42		456
Line 8. Total (Lines 1 through 7)	134	579	42		755

PART II - Available Classrooms

a. Part I, line 4					
b. Part I, line 5					
c. Part I, line 6	12	28			40
d. Part I, line 7	71	343	42		456
e. Total (a, b, c, & d)	83	371	42		496

a. Part I, line 8	134	579	42		755
b. Part I, lines 1, 2, 5 and 6 (total only)					182
c. 25 percent of Part I, line 7 (total only)					114
d. Subtract c from b (under 0 if negative)	34	69			103
e. Total (a minus d)	100	510	42		652

PART III - Determination of Existing School Building Capacity

Line 1. Classroom capacity	2,381	7,158	546	
Line 2. SER adjustment	134	430	33	
Line 3. Operational Grants				
Line 4. Greater of line 2 or 3	134	430	33	
Line 5. Total of lines 1 and 4	2,515	7,588	579	

I certify, as the District Representative, that the information reported on this form is true and correct and that I am designated as an authorized district representative by the governing board of the district; and, This form is an exact duplicate (verbalizing) of the form provided by the Office of Public School Construction (OPSC). In the event a conflict should exist, then the language in the OPSC form will prevail.

SIGNATURE OF DISTRICT REPRESENTATIVE

DATE

2/1/01

EXHIBIT B

UPDATED SCHOOL FACILITIES CAPACITY CALCULATION

William S. Hart Union High School District
School Facilities Capacity Calculation

Application	Item	Junior High School	High School
N/A	SAB Form 50-02	2,375	7,585
N/A	Non-Severe/Severe Capacity	193	386
N/A	Teaching Stations Added Without State Funding	0	81
N/A	Teaching Stations Added Without State Funding 2016/2017	0	81
N/A	Teaching Stations Added Without State Funding 2017/2018	108	0
50/65136-00-001	Rio Norte Junior High School	1,701	0
50/65136-00-002	Sierra Vista Junior High School	162	0
50/65136-00-003	West Ranch High School	0	2,484
50/65136-00-004	Rancho Pico Junior High School	1,700	0
50/65136-00-005	Golden Valley High School	0	2,592
50/65136-00-006	Saugus High School	0	351
50/65136-00-007	Arroyo Seco Junior High School	189	0
50/65136-00-008	Canyon High School	0	702
50/65136-00-009	Valencia High School	0	54
50/65136-00-010	Academy of the Canyons	0	270
50/65136-00-011	Canyon High School	0	54
50/65136-00-012	Castaic High School	0	2,600
50/65136-00-013	Saugus High School	0	54
50/65136-00-014	Placerita Junior High School	135	0
50/65136-00-015	Hart High School	0	351
50/65136-00-016	Sierra Vista Junior High School	162	0
Total Capacity	N/A	6,725	17,645

EXHIBIT C

UPDATED SCHOOL FACILITIES COST ESTIMATES

William S. Hart Union High School District

Summary of Estimated Costs

Junior High School

April 2020

A. Site		\$21,800,000
B. Plans	(Includes Architect Design, Construction Administration, CEQA, Mitigation Monitoring, DSA/DSE Plan Check, Preliminary Tests, and other associated fees)	\$6,750,000
C. Construction	(Includes Construction, Technology Infrastructure, and Insurance)	\$60,400,000
D. Tests	(Includes Materials Testing and Other Consultants)	\$2,300,000
E. Inspection	(DSA Inspection)	\$700,000
F. Furniture and Equipment		\$2,075,000
G. Contingency		\$2,075,000
H. Other Items	(Includes Startup Costs, Books. Library Books, Computers, Etc.)	\$1,750,000
I. Total Estimated Cost		\$97,850,000

Summary

School Facilities Capacity - Traditional Calendar	1,200
School Facilities Cost per Student - Traditional Calendar	\$81,542

William S. Hart Union High School District
Summary of Estimated Costs
High School
April 2020

A. Site		\$53,600,000
B. Plans	(Includes Architect Design, Construction Administration, CEQA, Mitigation Monitoring, DSA/DSE Plan Check, Preliminary Tests, and other associated fees)	\$14,600,000
C. Construction	(Includes Construction, Stadium/Track, Technology Infrastructure, and Insurance)	\$130,800,000
D. Tests	(Includes Materials Testing and Other Consultants)	\$5,000,000
E. Inspection	(DSA Inspection)	\$1,500,000
F. Furniture and Equipment		\$4,500,000
G. Contingency		\$4,500,000
H. Other Items	(Includes Startup Costs, Books. Library Books, Computers, Etc.)	\$3,750,000
I. Total Estimated Cost		\$218,250,000

Summary

School Facilities Capacity - Traditional Calendar	2,600
School Facilities Cost per Student - Traditional Calendar	\$83,942

EXHIBIT D

ALLOCATION OF SURPLUS SEATS

William S. Hart Union High School District

Allocation of Surplus Seats

Step 1: Identify Student Generation Factors

School Level	SGFs for Single Family Detached Units	SGFs for Multi-family Attached Units	Total SGFs
Junior High School (Grades 7-8)	0.0914	0.0618	0.1532
High School (Grades 9-12)	0.1887	0.1109	0.2996
Total	0.2801	0.1727	0.4528

Step 2: Identify Future Units

Area of School District	Land Use	Mitigated Future Units	Non-Mitigated Future Units	Total Number of Future Units
NSD, SUSD, SSUSD	Single Family Detached	8,490	3,854	12,344
	Multi-family Attached	10,225	4,640	14,865
	Total	18,715	8,494	27,209
CUSD	Single Family Detached	1,277	42	1,319
	Multi-family Attached	1,538	50	1,588
	Total	2,815	92	2,907

Step 3A: Determine Future Student Enrollment from Mitigated Future Units

Area of School District	School Level	Students From Mitigated SFD Units	Students From Mitigated MFA Units	Students From Mitigated Units
NSD, SUSD, SSUSD	Junior High School	776	632	1,408
	High School	1,602	1,134	2,736
	Total	2,378	1,766	4,144
CUSD	Junior High School	N/A	N/A	N/A
	High School	241	171	412
	Total	241	171	412

Step 3B: Determine Future Student Enrollment from Non-Mitigated Future Units

Area of School District	School Level	Students From Non-Mitigated SFD Units	Students From Non-Mitigated MFA Units	Students From Non-Mitigated Units
NSD, SUSD, SSUSD	Junior High School	352	287	639
	High School	727	515	1,242
	Total	1,079	802	1,881
CUSD	Junior High School	N/A	N/A	N/A
	High School	8	6	14
	Total	8	6	14

Step 4: Determine Share of Future Student Enrollment by Mitigation Status

Area of School District	School Level	Students From Mitigated Units	Students From Non-Mitigated Units	Students From Non-Mitigated Units
NSD, SUSD, SSUSD	Junior High School	1,408	639	2,047
	High School	2,736	1,242	3,978
Total		4,144	1,881	6,025
CUSD	Junior High School	N/A	N/A	N/A
	High School	412	14	426
Total		412	14	426
JHS Percent Share of Total Future Enrollment		68.78%	31.22%	N/A
HS Percent Share of Total Future Enrollment		71.48%	28.52%	N/A

Step 5A: Apportionment of Surplus Seats to Mitigated Future Units

School Level	Available Surplus Seats	Percent Share of Future Enrollment Mitigated Units	Surplus Seats Apportioned For Mitigated Units
Junior High School (Grades 7-8)	0	68.78%	0
High School (Grades 9-12)	2,280	71.48%	1,630

Step 5B: Apportionment of Surplus Seats to Non-Mitigated Future Units

School Level	Available Surplus Seats	Percent Share of Future Enrollment Non-Mitigated Units	Surplus Seats Apportioned For Non-Mitigated Units
Junior High School (Grades 7-8)	0	31.22%	0
High School (Grades 9-12)	2,280	28.52%	650

Step 6: Determine Share of Future Student Enrollment from Non-Mitigated Future Units

Portion of School District	Students From Non-Mitigated SFD Units	Students From Non-Mitigated MFA Units	Students From Non-Mitigated Units
High School within NSD, SUSD, SSUSD	727	515	1,242
High School within CUSD	8	6	14
Total	735	521	1,256
High School within NSD, SUSD, SSUSD	57.88%	41.00%	98.89%
High School within CUSD	0.64%	0.48%	1.11%

Step 7: Apportionment of Seats to Non-Mitigated Future Units by Type

School Level	Surplus Seats Allocated to Students Generated From Non-Mitigated SFD Units	Surplus Seats Allocated to Students Generated From Non-Mitigated MFA Units	Surplus Seats Allocated to Students Generated From Non-Mitigated Units
High School within NSD, SUSD, SSUSD	376	267	643
High School within CUSD	4	3	7
Total	380	270	650

Note: The percentages shown in Step 6 were applied to the the surplus seats allocated to non-mitigated future units, as shown in Step 5B, to determine the number of surplus seats available to students generated from non-mitigated future units by location.