SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT 699 Old Orchard Drive, Danville 925-552-5500 www.srvusd.net

RESOLUTION NO.: 6/22-23

IN SUPPORT OF ADOPTION OF RESOLUTION NO. 6/22-23, ESTABLISHING AN INCREASE TO THE LEVEL 1 SCHOOL FACILITY/DEVELOPMENT IMPACT FEES

WHEREAS, the Governing Board ("Board") of the San Ramon Valley School District ("District") provides for the educational needs for students in grades TK through 12 within portions of the City of San Ramon and the Town of Danville ("City") and a portion of the unincorporated Contra Costa County ("County"); and

WHEREAS, Statute AB 2926 (Chapter 887/ Statutes 1986) authorizes the governing board of any school district to levy a fee, charge, dedication or other form of requirement against any development project for the construction or reconstruction of school facilities; and,

WHEREAS, Government Code Section 65995 establishes a maximum amount of fee that may be charged against such development projects and authorizes the maximum amount set forth in said section to be adjusted for inflation every two years as set forth in the state-wide cost index for Class B construction as determined by the State Allocation Board at its February 23, 2022 meeting; and,

WHEREAS, at its February 23, 2022 meeting, the State Allocation Board increased the maximum fee authorized by Education Code Section 17620 to \$4.79 per square foot of residential construction described in Government Code Section 65995(b)(1) and \$0.78 per square foot against commercial and industrial construction (except for rental self-storage, which shall be levied in the amount of \$0.12 per square foot)described in Government Code Section 65995(b)(2); and,

WHEREAS, aging schools within the District have an impact on the District's ability to provide an adequate quality education and negatively impact the educational opportunities for the District's students; and

WHEREAS, the District has analyzed prior studies in conjunction with the adoption and increase of school impact fees existing prior to this resolution, and annually reviews an accounting of the amount of fees collected, and such studies and accountings are incorporated herein by reference; and

WHEREAS, the District does not have sufficient funds available for the construction or reconstruction of school facilities needed to accommodate students from residential and commercial/industrial construction; and

WHEREAS, School Facility Consultants prepared and the Board received and considered a report entitled, "School Facility Fee Justification Report, dated May 2022" ("Report"), which carefully evaluated the assumptions underlying the fee calculation and the amount of the fee to be collected, and contains the documentation, and analysis of the School Facilities needs of the District, including: (a) the purpose of the fees; (b) the use to which the fees are to be put; (c) a determination of the impact of the increased number of employees anticipated to result from the commercial/industrial construction (by category) upon the cost of providing school facilities within the District; (d) an evaluation and projection of the number of students that will be generated by residential construction; (e) the anticipated new

school facilities that will be required to serve such students; and (f) the cost of such school facilities; and

WHEREAS, the Report contains information demonstrating a nexus (roughly proportional and reasonable relationship) between the residential and commercial/industrial construction and: (1) the use for fees, (2) the need for school facilities, (3) the cost of school facilities, and (4) the amount of fees from residential and commercial/industrial construction; and

WHEREAS, the purpose of this Resolution is to approve and adopt fees on residential projects in the amount of \$4.79 per square foot as authorized by Education Code Section 17620; and,

WHEREAS, the purpose of this Resolution is to approve and adopt fees on commercial and industrial development in the amount of \$0.78 per square foot as described in Government Code Section 65995 (b)(2), except for rental self-storage, which shall be levied in the amount of \$0.12 per square foot.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Governing Board of the San Ramon Valley Unified School District as follows:

- 1. Procedure. This Board hereby finds that prior to the adoption of this Resolution, the Board conducted a public hearing to allow for any oral or written presentations to be made, as part of the Board's regularly scheduled August 16, 2022 meeting. Notice of the time and place of the meeting, including a general explanation of the matter to be considered, has been published twice in a newspaper in accordance with Government Code Section 54994.1. Additionally, at least 30 days prior to the meeting, the District posted notice of the public hearing where the Report will be adopted and made available to the public a copy of the Report, which included data indicating the amount of the cost, or estimated cost, required to provide the service for which the fee or service charge is to be adjusted pursuant to this Resolution, and the revenue sources anticipated to provide this service, and all notices have been given in accordance with applicable law.
- 2. Findings. The Board has reviewed, the Report as it relates to proposed and potential development, the resulting school facilities' needs, the cost thereof, and the available sources of revenue including the fees provided by this Resolution, and based thereon and upon all other written and oral presentations to the Board, hereby makes the following findings:
 - A. That the Board hereby accepts and adopts the Report, which is incorporated herein by reference.
 - B. Enrollment at the District school(s) is presently at ninety-four percent of capacity. However, the District is currently operating over capacity at the 9-12 grade level and does not have available existing facilities to house students generated by future residential developments;
 - C. Additional development projects within the District, whether new residential construction or residential reconstruction involving increases in assessable area greater than 500 square feet, or new commercial and industrial construction will increase the need for school facilities and/or the need for reconstruction of school facilities.
 - D. Without the addition of new school facilities, and/or reconstruction of present school facilities, any further residential development projects or commercial or industrial development projects within the District will result in a significant decrease in the quality of education presently offered by the District;

- E. The District does not have sufficient funds available for the construction or reconstruction of school facilities needed to accommodate students from the anticipated residential and commercial/industrial construction; and
- F. Substantial residential development, commercial and industrial development is projected within the District's boundaries and the enrollment produced thereby will exceed the capacity of the schools of the District in areas of growth. As a result, conditions of overcrowding may exist within the District, which will impair the normal functioning of the District's educational programs;
- G. The fees proposed in the Report and the fees implemented pursuant to this Resolution are for the purposes of providing adequate school facilities to maintain the quality of education offered by the District, to serve the students generated by the residential construction on which the fees are imposed;
- H. The fees proposed in the Report and implemented pursuant to this Resolution will be used for the construction and/or reconstruction of school facilities as identified in the Report. Such uses shall include but not necessarily be limited to construction or acquisition of additional school facilities, remodeling or modernizing existing school facilities, acquiring and installing additional portable classrooms and related school facilities, as well as any required central administrative and support facilities within the District and any other use specified in the Report, or permitted by law.;
- The uses of the fees proposed in the Report and implemented pursuant to this Resolution are reasonably related to the types of development projects on which the fees are imposed;
- J. The fees proposed in the Report and implemented pursuant to this Resolution bear a reasonable relationship to the need for school facilities created by the types of development projects on which the fees are imposed because the Report demonstrates that the increase in student enrollment resulting from such development will necessitate the construction or reconstruction of school facilities to accommodate such growth;
- K. The fees proposed in the Report and implemented pursuant to this Resolution do not exceed the estimated amount required to provide funding for the construction or reconstruction of school facilities for which the fees are levied; and in making this finding, the Board declares that it has considered the availability of revenue sources anticipated to provide such facilities, including general fund revenues;
- L. The fees imposed on commercial or industrial development bear a reasonable relationship and are limited to the needs of the community for schools and are reasonably related and limited to the need for school facilities caused by the development;
- M. The fees will be collected for school facilities for which an account has been established and funds appropriated and for which the district has adopted a construction schedule and/or to reimburse the District for expenditures previously made.
- 3. Fee. Based upon the foregoing findings, the Board hereby increases the previously levied fee to the amount of \$4.79 per square foot for assessable space for new residential construction and for residential reconstruction to the extent of the resulting increase in assessable areas and to the amount of \$0.78 per square foot for new commercial and industrial construction except for rental self-storage, which shall be levied in the amount of \$0.12 per square foot.
- 4. Fee Adjustments and Limitation. The fees adjusted herewith shall be subject to the following:

- A. To the extent the District wishes to increase the fee, the amount of the District's fees as authorized by Education Code Section 17620 shall be reviewed every two years to determine if a fee increase according to the adjustment for inflation set forth in the statewide cost index for Class B construction as determined by the State Allocation Board is justified.
- B. Any development project for which a final map was approved and construction had commenced on or before September 1, 1986, is subject only to the fee, charge, dedication or other form of requirement in existence on that date and applicable to the project.
- C. The term "development project" as used herein is as defined by Section 65928 of the Government Code.
- 5. Additional Mitigation Methods. The policies set forth in this Resolution are not exclusive and the Board reserves the authority to undertake other or additional methods to finance school facilities including but not limited to the Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311, et seq.) and such other funding mechanisms. This Board reserves the authority to substitute the dedication of land or other property or other form of requirement in lieu of the fees levied by way of this Resolution at its discretion, so long as the reasonable value of land to be dedicated does not exceed the maximum fee amounts contained herein or modified pursuant hereto.
- 6. Implementation. For residential, commercial and industrial projects within the District, the Superintendent, or the Superintendent's designee, is authorized to issue Certificates of Compliance upon the payment of any fee levied under the authority of this Resolution. In the event a Certificate of Compliance is issued for the payment of fees for a development project, mobile home or manufactured home and it is later determined that the statement or other representation made by an authorized party concerning the development project as to square footage is untrue or in the event the zoning is declared invalid, then such Certificate of Compliance shall automatically terminate, and the appropriate City, County or the Office of Statewide Health Planning and Development ("OSHPD") shall be so notified.
- 7. California Environmental Quality Act. The Board hereby finds that the implementation of Developer Fees is exempt from the California Environmental Quality Act (CEQA).
- 8. Commencement Date. The effective date of the increase in fees shall be October 15, 2022, which is 60 days following adoption of this Resolution by the Board.
- 9. Notification of Local Agencies. The Secretary of the Board is hereby directed to forward copies of this Resolution and a map of the district to the Planning Commission and Board of Supervisors of Contra Costa County and to the Planning Commission and City Council of the City of San Ramon and the Town of Danville.
- 10. Severability. If any portion of this Resolution is found by a Court of competent jurisdiction to be invalid, such finding shall not affect the validity of the remaining portions of this Resolution. The Board hereby declares its intent to adopt this Resolution irrespective of the fact that one or more of its provisions may be declared invalid subsequent hereto.
- 11. Other Fees. 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 Resolution shall then immediately return into effect unless otherwise specified by the Board.

12. Appeal. The Board hereby adopts and establishes the procedures that permit the party against whom the Commercial/Industrial Fees are imposed the opportunity for a hearing to appeal that imposition of Commercial/Industrial Fees for commercial/industrial construction as stated in Education Code section 17621 and Government Code section 66020 and 66021.

APPROVED, PASSED and **ADOPTED** by the Governing Board of the San Ramon Valley Unified School District this 16th day of August 2022, by the following vote:

BUDGET IMPLICATION: This increase will result in an increase in school facility/development impact fee revenue from residential, commercial, industrial and senior housing construction.

AYES: Mintz, Hurd, Bratt, Clark, Ordway

NOES: None ABSENT: None ABSTAINED: None

Dr. John Malloy

Secretary to the Board of Education

of the San Ramon Valley Unified School District,

Contra Costa County, State of California