

**EDUCATION CODE SECTION 17620
FEES JUSTIFICATION
Required for Level 1 Fees**

Prepared for:

VENTURA UNIFIED SCHOOL DISTRICT

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Chapter 1

Introduction & Summary

Background

Section 17620 of the California Education Code authorizes school districts to collect fees for mitigation of the impact of new development on enrollment. The current maximum fee levels under this Section are \$3.48 per square foot of residential development, and \$0.56 per square foot of commercial/industrial development. These maximum fee levels went into effect by action of the State Allocation Board (SAB) in February 2016,

To maintain its eligibility to assess impact fees, the District desires to have updated documentation showing the nexus between future development, the educational facilities needed to accommodate students generated by future development, and, in turn, the cost of these facilities. This report analyzes the effect of residential and commercial/industrial development on the school facility needs of the Ventura Unified School District (VUSD). It supports the District's levy of development impact fees under the authority and statutory guidelines of the code, particularly Government Code Section 66000 *et seq.* These matters have been addressed in earlier justification documents; when accepted and approved by the District Board, this new justification document will replace the existing documentation. It will also serve to provide up-to-date information to the VUSD community regarding the capacity of its school facilities and the need to add additional capacity to house students coming from new development.

Report Organization

The remainder of this report is structured as follows:

Chapter 2 describes the nexus between new residential and commercial/industrial development and its impact on District enrollment. It provides a theoretical framework for the analysis and findings in subsequent chapters.

Chapter 3 considers the projected housing development in the City of Ventura likely to occur in the next 10 years. It then uses numbers from DecisionInsite's November 2016 report to estimate the number of students that will enroll from these units.

Chapter 4 describes the District's classroom loading standards and reviews the District's classroom inventory to estimate future classroom availability. It pays particular attention to the need to replace and refurbish older classrooms if they are to meet educational standards in the future. Using this information, it determines whether enrollment capacity will be sufficient to accommodate additional enrollment from new development.

Chapter 5 describes the future enrollment capacity needs resulting from new development, identifies the educational facilities needed, and estimates their costs.

Chapter 6 provides justification of fees on residential development. It first calculates the cost of needed facilities per square foot of new residential development. The chapter then demonstrates that the District is justified in levying the current maximum Section 17620 fees on residential development.

Chapter 7 provides justification of mitigation on future commercial/industrial development. It calculates facilities impact cost as a cost per square foot for each category of commercial and industrial development. The chapter then demonstrates that the District is justified in levying the maximum fees on almost all categories of commercial/industrial development.

Chapter 8 considers the legal requirements for the imposition of fees and sets forth findings that indicate that these requirements have been met.

Summary of Findings

- A total of 3,677 new housing units are projected over the next decade. About 18% of these units will be detached single family homes. The others will be in multi-family buildings, rental units and condominiums primarily occupied by their owners. These homes could take over a decade to be built and occupied, but their impact on District facilities will be the same whether completed earlier or later.
- The District's schools will lack the capacity to house enrollment from new development at its educational standards. The most important consideration in this conclusion is that the relocatables and permanent structures built before 1980 comprise a large percentage of the District's classroom space and many will need refurbishment if they are to house students from new development over future decades. Other factors are the need for additional support space, academic support classrooms and expansion of space such as cafeterias, administrative offices, etc. and the need for more capacity in some schools to allow for flexibility in how the facilities are utilized.
- Approximately 1,371 students from transitional kindergarten (TK) through Grade 12 are projected to live in the new homes.
- The new school facilities necessary to house the 1,371 TK through Grade 12 students from new development are estimated to cost \$40.13 million.

- The cost impact per square foot of residential development is \$8.57 per square foot. Development fees levied at the maximum allowed by California law, \$3.48 per square foot, will fund a little over half of the cost of facilities needed to house enrollment from new development. [On January 24, 2018, the SAB authorized an increase in the maximum Level 1 fees to \$3.79 per square foot for residential development. This adjusted maximum does not exceed the \$8.57 impact calculated here and is therefore, also justified.]
- The maximum commercial/industrial space is \$0.56 per square foot. This fee is justified on almost all of the categories of non-residential development. Lower fees are justified for parking structures and self-storage facilities, as they generally have lower employment densities. [On January 24, 2018, the SAB authorized an increase in the maximum Level 1 fees to \$0.61 per square foot for commercial/industrial development. This adjusted maximum is still justified on all categories except parking structures and self-storage facilities.]
- While specific calculations are discussed in detail, the numbers found in the corresponding tables may vary slightly due to rounding.

Chapter 2

Nexus between Development and Enrollment

New development can be required to provide mitigation only to the extent of its impacts. For schools, the impacts are students for whom additional capacity must be provided. The mitigation is funds to offset the costs involved in providing facilities to accommodate the increased enrollment. A school district seeking mitigation from developers has the burden of documenting the nexus between development and the facilities that will be needed. This chapter describes this nexus in general terms. Its purpose is to clarify the causal chain between development and its facility impacts, and, in so doing, provide a framework for the quantification of the impacts in the remainder of the report.

This brief chapter begins with a description of the nature of growth in a regional economy and the associated growth in population. It then traces the effect of the construction of workplaces and homes, components of regional growth to increases in enrollment in local schools. It concludes by discussing how the estimated cost of facilities to accommodate the increased enrollment can be allocated among the development that generates this additional enrollment.

Economic Growth

Commercial/industrial construction and residential development (and hence additional households and children) are related parts of economic growth. An expanding regional economy results from increased demand for the goods and services produced in the region. As economic expansion progresses, more workers are needed, and increasingly they must be attracted from outside the region. Sometimes the process is reversed; the availability of a productive labor force can be a key factor leading to the expansion of business activity in the region, with a resultant increase in employment.

Both the increase in business activity and the addition of new households require new development. The business activity requires new commercial and industrial space; the addition of families requires additional housing units. This is not to imply that the additional employees necessarily work in the new commercial/industrial space or that the new households occupy the new housing units; this is obviously not the case. However, when new space is constructed and existing businesses or households move into it, the space they previously occupied is made available. Whatever the number of shifts in the chain, space is eventually available for occupancy by new employees or residents from outside the region. In contrast, in regions where growth is not occurring, new construction is slow to occur because there is little market for the space made available, which keeps rents below the level necessary to cover the cost of new construction.

Impacts on Schools

The interrelated nature of commercial/industrial development and residential development justified the California legislature's adoption of fee legislation that recognized both as contributing to enrollment growth in schools. The higher per square foot fee on residential development represents the immediacy of the new home's role in generating additional students; when a new home is occupied, most of the children immediately begin attending local schools. Yet it is clear that new homes are developed primarily in response to the need for additional housing to accommodate the growing labor force and their families, making employment growth a major contributor to the need for additional school facilities. The enrollment impacts are therefore the joint effect of local housing development and both local and regional commercial/industrial development.

The most immediate school impact of new homes is, as stated above, additional students enrolling in the local schools. The associated impact is the need for school facilities to accommodate these students. In fact, the school district must usually anticipate this need far in advance in order to plan for the construction of the additional facilities needed. The enrollment projections must include consideration of factors affecting enrollment other than new development. For example, rising birth rates may be resulting in increased enrollment from older homes. However, the enrollment impacts of new development must be separately identified, as mitigation can be sought from new development only for the portion of the facilities that would not have been needed in the absence of that development.

Thus, the final step in the demonstration of nexus is the determination of the facilities anticipated to be needed to accommodate the additional enrollment that would not have occurred without the new development. The facilities are often new schools, though they are sometimes wings to be added to existing schools, relocatable classrooms or, occasionally, the reconstruction or replacement of school buildings which would otherwise have reached the end of their useful life. Once the facilities appropriate to provide the needed capacity have been identified, their cost must be estimated. It is the mitigation of this cost, and only this cost, that the district may seek from new development.

Determination of Mitigation

It should be noted that the task of quantifying the impacts of new development on school facility costs involves identifying the relative shares of the cost impacts attributable to each individual development project. To begin with, how much of the cost should be allocated to commercial/industrial development and how much to residential? Within these categories, how much, for example, should be allocated to office versus retail space and how much to single-family homes as compared to multi-family? The most common approach is to assume that housing development should bear the cost of mitigation up to the level set by the State legislation. If fees at that level are inadequate, fees on commercial/industrial development are then appropriate. The amount of the commercial/industrial fee is based on the portion of the cost

calculated to be unfunded after the fees on residential development are paid (up to the limits set by the State). This perspective reflects the immediacy with which residential development impacts school enrollment. In the majority of cases the total of residential and commercial/industrial fees are inadequate to provide the facilities to accommodate the enrollment from new development.

The impacts of residential development tend to be somewhat proportional to size of unit (i.e. larger homes tend to generate more students). This relationship supports the implicit determination in state legislation for square feet as a measure of relative causality of school impacts.

The school enrollment resulting from commercial/industrial development is proportional to the number of employees. Thus, appropriate mitigation amounts per square foot are determined in proportion to the employment density of each type of building. The approach taken in this report is conservative, in that it assumes that only the proportion of employees residing in the local school district impact that district and ignores the impact on all the other districts in which the employees reside. If all districts use this approach in their analysis, the majority of the impact from employment is never considered, simply because on a regional basis the majority of the labor force commutes to work in districts other than where the employees reside.

Chapter 3

Housing and Enrollment Projections

This chapter presents information about the outlook for housing development within the Ventura Unified School District boundaries and the increased enrollment that will result from that development. The potential for new development is discussed first in this chapter. Student generation characteristics are then applied to the projected residential development to arrive at the associated enrollment growth.

New Housing Development

The Ventura Unified School District (VUSD) encompasses the entire City of Ventura (City of San Buenaventura) and vast areas of unincorporated Ventura County, including the La Conchita Community and most of the Oak View Community. However, the developed part of the District is overwhelmingly within the Ventura city limits, and most of the foreseeable development potential also falls within the City's sphere of influence. The ocean lies to the west, the city limits

of Oxnard border the District on the south, and green belts constrain development on the east.

Population and employment in this area have grown steadily over the last 50 years, utilizing most of the area zoned for development. As a result, future growth in currently undeveloped areas is projected to be a relatively modest portion of total development. In particular, the passage of Measure B (the SOAR initiative) in November 1998 mandated that existing land use designations could not be changed without being submitted to the ballot and receiving a majority approval. Since its passage, no housing has been built using the Measure B ballot option. Accordingly, without a significant change in community attitudes and associated changes in adopted policies, future development within the District will primarily occur within the City's sphere of influence and within or adjacent to existing development.

DecisionInsite Report

In November 2016, the Board of Education and Executive Staff of Ventura Unified School District were presented the findings of a report conducted by DecisionInsite. This included Fall 2017 enrollment projections and cohort pattern analyses, as well as district-wide 10-year enrollment projections, including those from new housing development. They were also provided access to additional detailed data tables not included in the report. We have taken findings from that report and the related data tables to project enrollment from new housing development in this report. While both moderate and conservative estimates have been provided by DecisionInsite, all numbers used in this report are based on **moderate** estimates, which DecisionInsite has indicated are more suitable for facilities planning.

It should be noted that DecisionInsite is focused on projecting grade level enrollment for typical schools that are reported to the state. These enrollment projections typically do not include specialized schools or programs such as Home and Hospital Programs, Community Day Schools or Independent Study Programs.

Projected New Residential Development

According to DecisionInsite, 3,677 new non-senior residential units are projected to be occupied from 2017 through 2026. This includes 2,168 multi-family (apartment) units, 854 single-family attached (condominium) units, and 655 single-family detached units. Most of these units are expected to be occupied within the next five years.

Table 3-1
Projected Units from New Residential Development (2017-2026)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
Multi-family	341	269	976	216	50	50				266	2,168

<i>(apartment)</i>											
<i>Single-family attached (condominium)</i>	58	336	264	85						111	854
<i>Single-family detached</i>	158	357	122							18	655
Total	557	962	1,362	301	50	50	0	0	0	395	3,677

*Not including some units designated for senior occupancy.

Source: DecisionInsite, Annual Enrollment Project Report, Nov 2016

It should be recognized that the distribution of the units differs markedly from the distribution of units in past decades when the large majority, perhaps up to 80-90%, of units have been single units. In recent years, limited land availability and both city general plan and zoning policies have been shifting development towards higher density development.

DecisionInsite's estimates may be conservative, as they are based on identified projects with 3,677 units. Of these, 3,232 units (88% of all units) are assumed to be completed in the next five years. It is possible that projects will be proposed in the future that will result in additional units, primarily being constructed in years 6-10 of the forecast. However, some of these projects could be delayed and only occur in the second five years. The overall finding of slightly fewer than 4,000 units is supported by the City's General Plan which assumes approximately 400 units per year, or 4,000 units over ten years.

Enrollment from New Development

As would be expected based on the annual development projections in Table 3-1, the annual increase in student generation from new development is projected to be higher in the years 2017 to 2020 than from the years 2021 to 2026. Therefore, Table 3-2 shows that the cumulative number of students from development will increase more slowly over time.

DecisionInsite has projected 1,358 students in Grades K-12 2026 will have been generated by new development. However, the District also needs to account for students who will need to be housed in their transitional kindergarten classes. As TK enrollment is generally 12% of kindergarten enrollment, we have estimated that 13 TK students will also be generated from this projected residential development. Therefore, it is projected that a total of **1,371** students in grades TK-12 generated by new development in 2026.

Table 3-2
Students Generated by Residential Development (2016-2026)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
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<i>Annual (all grades)</i>	173	381	368	113	46	49	44	41	32	111
<i>Cumulative</i>		554	922	1,035	1,081	1,130	1,174	1,215	1,247	1,358
								TK SGR	13	
								TOTAL	1,371	

Source: DecisionInsite, Annual Enrollment Project Report and additional data tables, Nov 2016

Enrollment from Existing Housing

Based on historical enrollment trends, DecisionInsite projects that enrollment from existing homes will decrease over this period. In 2016, there were 16,371 students enrolled. They project that 16,721 students will be enrolled in 2026. This is an increase of 347 students. As this count includes the 1,371 students generated from new residential housing, this would indicate the loss of 1,024 students from existing housing during this same ten-year period.

Table 3-3 shows expected enrollment in elementary, middle school, and high school grades in 2016 and 2026, as well as the overall change in enrollment during that period. In 2026, the District should expect to need space to accommodate 43 more students in District elementary schools, six fewer students in District middle schools, and 310 more students in District high schools.

Table 3-3
District Enrollment Summary by Year (2016-2026)

	2016 Enrollment	2026 Enrollment	10-Yr Change (#)	10-Yr Change (%)
<i>Grades K-5</i>	7,251	7,294	43	0.59%
<i>Grades 6-8</i>	3,855	3,849	(6)	(0.16)%
<i>Grades 9-12*</i>	4,852	5,162	310	6.01%
<i>District Wide</i>	16,374	16,721	347	2.13%

**Excludes 416 students from Ventura and El Camino High Schools not included in analysis*

Source: DecisionInsite, Annual Enrollment Project Report and additional data tables, Nov 2016

Chapter 4

Capacity Analysis

This chapter determines the future enrollment capacity of the existing facilities of the Ventura Unified School District. This capacity is associated first with future enrollment from existing housing, as taxes and fees on existing development funded this existing capacity. If there will be any excess capacity available, it can accommodate enrollment from new development. If there will not be, then additional capacity must be provided if the schools are not to become overcrowded.

District staff annually complete an inventory of school classrooms and their usage. One of the purposes for maintaining this inventory is to provide information about the potential for each school to accommodate additional students. Entitled the *Classroom Usage Report*, sometimes referred to here as the *usage report*, it identifies each room's use in every school during the current school year. This inventory provides the data needed for a detailed analysis of enrollment capacity. The information from the 2016-17 *Classroom Usage Report* has been used here as a basis for establishing the future enrollment capacity of the District's schools.

This chapter begins with an analysis of District standards in matters critical to enrollment capacity. Information is then provided regarding the amount and availability of the different types of classroom space. The chapter concludes with a determination of enrollment capacity consistent with District standards for classroom loading.

Classroom Loading

The enrollment capacity of a school is a function of the District's educational standards. One key standard is the average number of students per classroom. The District employs several different classroom-loading standards, reflecting both state-level requirements and District policies. In kindergarten through Grade 3, the District has conformed to the statewide class-size reduction program (CSR). For many years, this program provided financial support for districts striving to maintain a maximum of 20 students per classroom. However, the State found it difficult to maintain funding for that standard and has reformulated the program to support a present standard of 24 students per TK-3 classroom. The District plans to meet that standard and it is used in this report. In the future, the State could possibly again find adequate financial resources to return to the 20 students per room standard.

Under current financial constraints, the District loads Grades 4-5 classrooms at 30 students per room. However, it used a standard of 28 students per room for many years and would like to return to that level. Therefore, a District standard for the higher elementary grades of 28 students per class is used here. This is consistent with other California districts. This standard is considerably above the state standard for K-3 grades and the District would consider a number closer to that standard as educationally justified.

A District loading standard of 30 students per room for most classes in its middle and high schools is used here. This assumes that some classes are loaded at a higher or lower standard; for example, a music room might be loaded at a higher number for band or chorus, but at a lower number for smaller groups. Similar to the situation for the Grades 4-5, this is not the most educationally desirable standard, but it is one the District has used in facility use planning for over a decade. Educationally, it would be a significant improvement over the current financially constrained situation, in which inadequate funding has had the largest impact on high school classes.

Special Day Classes (SDC), which have a significantly lower average size than the standards mentioned above, are provided for students qualified for this program. The SDC classroom loading limitations for state funding determinations are 13 per room for non-severely handicapped students and nine per room for severely handicapped students, per SAB 50-02. The school facility program of the SAB, administered by the Office of Public Instruction, published [Existing School Building Capacity](#) including form SAB 50-02 to implement section 17071.10 of the Education Code. This code covers new construction funding under the School Facility Program and applies to determination of capacity for the generally more restrictive Level 2 fees. The District uses an average of 12 students per class as its planning standard for SDC classroom loading.

The classroom loading standards listed in Table 4-1 will be multiplied times the District's classroom count to determine the District's current enrollment capacity.

Table 4-1
Classroom Loading Standards

Type	Students
<i>TK – 3rd Grade</i>	24
<i>4th – 5th Grade</i>	28
<i>Middle School</i>	30
<i>High School</i>	30
<i>Special Day Classes (SDC)</i>	12

Source: Classroom Usage Reports, Ventura Unified School District

District Capacity

District Elementary Schools

The District primarily accommodates its elementary school students (K-5) in 17 schools (see Table 4-2)

Table 4-2
Elementary Schools

<i>Elementary Schools</i>		
<i>Blanche Reynolds**</i>	<i>Lincoln</i>	<i>Portola</i>
<i>Citrus Glen</i>	<i>Loma Vista</i>	<i>Saticoy* (ATLAS)</i>
<i>Elmhurst</i>	<i>Montalvo</i>	<i>Sheridan Way</i>
<i>E. P. Foster</i>	<i>Mound</i>	<i>Sunset**</i>
<i>Juanmaria</i>	<i>Pierpont</i>	<i>Will Rogers</i>
<i>Junipero Serra</i>	<i>Poinsettia</i>	

*Academy of Teachers and Leaders at Saticoy

**Enrollment for Blanche Reynolds & Sunset includes students in grades 6-8 which are loaded as upper-grade classrooms.

Source: Classroom Usage Reports, Ventura Unified School District

The *Classroom Usage Report* provides detailed accounts of each room in these schools, including current and potential loading. An initial review of these reports yields 390 possible classrooms across all District elementary schools. This does not include libraries, large multipurpose rooms, administrative offices, rooms dedicated to use other than District K-12 education, such as pre-school (e.g., Jumpstart), adult education and County SDC programs, and rooms below 750 square feet, the minimum size for a classroom in State of California programs.

Some of these classrooms need to be used as academic support rooms, rather than only home rooms. These academic support classrooms include rooms used for enrichment (e.g., music, art, learning center, computer lab.) and rooms used for academic assistance programs (the Resource Specialists Program (RSP), Title 1, intervention (preventing class disruptions by having space for students having behavior problems), etc.). The District *Classroom Usage Report* currently identifies 54 academic support rooms, an average of three per elementary school.

With academic support classrooms removed, the total is 336 elementary classrooms to which students can be assigned as home rooms. This consists of 211 classrooms for Grade TK-3 students, 98 classrooms for Grade 4 & 5 students, and 27 classrooms for elementary SDC students. These classrooms, fully loaded at the standards shown in Table 4-1, can in theory, at the present time, house 8,132 elementary students, as shown in Table 4-3.

Table 4-3
Usage Report Determination of the Enrollment Capacity
Elementary Schools

<i>Types of Classes</i>	<i># of Rooms</i>	<i>% of total classrooms</i>	<i>Students per Class</i>	<i>Enrollment Capacity</i>
TK-- 3rd Grade	211	62.8%	24	5,064
4th – 5th Grade	98	29.2%	28	2,744
Special Day Classes	27	8.0%	12	324
Total	336			8,132

Source: Classroom Usage Reports, Ventura Unified School District

Considerations for District Elementary Enrollment Capacity Adjustments

While the *Classroom Usage Report* and the calculations in Table 4-3 give us an accurate count of current theoretical capacity based on existing rooms, additional factors must be considered when determining the enrollment capacity of the schools in future years, including old/deteriorated classrooms that must be refurbished or replaced and needed flexibility.

Rooms to be Replaced or Refurbished: The count shown in Table 4-3 is the current theoretical maximum enrollment capacity of the District's elementary classrooms. However, we are concerned in this report with the enrollment capacity in the future, when capacity will be needed for homes constructed in the next decade. Many of the 336 classrooms currently available are old and there is a need for the refurbishment or replacement of old/deteriorated classrooms if they are to be available for continued use. The State of California is well aware that there are public agencies, not only school districts, with refurbishment needs if their facilities are to be in condition to serve public needs in the coming decades. The legislature therefore added Section 66001(g) to the California Government Code. This section states that "the costs attributable to the increased demand for public facilities reasonably related to the development project in order to (1) refurbish existing facilities to maintain the existing level of service" may be included in development fees.

The District has provided reports indicating the age of all buildings and portables in all District schools. Many of the District schools have permanent buildings and portables that are more than 40 years old, and some schools have buildings over 60 years old. The pace of refurbishment and replacement of both portable and permanent buildings is discussed in more detail in Chapter 5.

As Table 4-4 below shows, there is currently 491,517 sq. ft. of District elementary school space used for classroom and support rooms. Of that space, 313,641 sq. ft. (63.8%) is in structures (portables and permanent buildings) that were built before 1980. Therefore, approximately 214 of the 336 elementary school classrooms were built before 1980.

It is conservative to estimate that 10% of those classrooms will no longer be acceptable for instructional use within the next 10 years. This implies an average life of 100 years for each building, including both permanent and relocatable buildings. This is an unrealistically long life for a building without substantial refurbishment. Therefore, we will need to exclude 21 rooms from our 10-year classroom capacity estimates. As we can see in Table 4-4, this brings us to a final count of 315 elementary classrooms available over the next 10 years.

Table 4-4
Adjusted Classroom Count
Elementary Schools

<i>Classrooms</i>	
<i>Classroom Space (Sq. ft.)</i>	491,517
<i>Pre-1980 classroom space (sq. ft.)</i>	313,641
<i>% Pre-1980 space</i>	63.8%
<i>Existing rooms</i>	336
<i># of pre-1980 rooms</i>	214
<i>% exclusion</i>	10%
<i># of rooms to Exclude</i>	(21)
<i>Adjusted room total</i>	315

Source: "VUSD Building Information 2016-17", Schoolhouse Services

Adjusted District Elementary Enrollment Capacity

Need for Flexibility: It is difficult, if not impossible, for a district to utilize each classroom at full capacity under the loading and usage assumptions described above. During the school year when additional kindergarten through third grade students show up at a school, the District cannot simply add them to already full classes. Similarly, when students in these grades leave, a previously full class is then below the standard. The same problem exists for higher grades. Frequent changes in class or school assignments to adjust classroom loads are not well received by the families involved and boundary changes are usually a cumbersome and painful experience. Classes with a combination of students of two grades are another solution, though these are clearly not educationally preferable. Some flexibility in class scheduling is necessary to minimize such problems. In light of these practical classroom loading and usage assumptions, the theoretical classroom capacity in elementary schools has been reduced by five percent (5%) to produce a more realistic figure of 95% capacity.

The theoretical elementary school enrollment capacity resulting from adjusting counts in the *Classroom Usage Report* is shown in Table 4-5. As noted in Table 4-3, the District uses 62.8% of

classrooms for TK-3 classes, 29.2% for Grade 4-5 classes, and 8.0% for SDC classes. Using the same ratio with our new estimates, we see that we have an estimate of 198 TK-3 classrooms, 92 Grade 4-5 classrooms, and 25 SDC classrooms. Based on the removal of 10% of the classrooms which need to be replaced or refurbished, we would have capacity for 7,613 students. However, we must adjust the District's theoretical classroom from 100% to 95% to allow for flexibility. Therefore, the realistic capacity of the District's existing elementary classroom facilities is 7,232 students.

Table 4-5
Adjusted Enrollment Capacity
Elementary Schools

<i>Types of Classes</i>	<i>Usage # Of Rooms</i>	<i>Adj. # of Rooms</i>	<i>Students per Class</i>	<i>Enrollment Capacity</i>
K -- 3rd Grade	211	198	24	4,741
4th – 5th Grade	98	92	28	2,569
Special Day Classes	27	25	12	303
Totals	336	315		7,613
5% Adjustment				381
Practical Capacity (95%)				7,232

Sources: Classroom Usage Reports, Ventura Unified School District, and Schoolhouse Services

As of November 2016, the enrollment in District elementary schools was shown to be 7,251 students. This indicates enrollment from existing housing already slightly exceeds its projected capacity needs. There are about 20 students over available capacity.

District Middle Schools

The District accommodates its middle school students primarily in four middle schools. A modest number of students in middle school grades attend Blanche Reynolds Elementary School, Homestead Alternative School and District Non-public Non-sectarian Schools.

Table 4-6
Middle Schools

<i>Middle Schools</i>
<i>Anacapa</i>
<i>Balboa</i>
<i>Cabrillo</i>
<i>DeAnza</i>

Source: Classroom Usage Reports, Ventura Unified School District

Using the same criteria applied to elementary school classrooms, the *Classroom Usage Report* identifies a total of 132 middle school classrooms. Of these classrooms, 12 are identified as academic support rooms, an average of three classrooms per middle school. We therefore have 120 regular and lab/shop classrooms, loaded with 30 students per class, and 21 Special Day Class classrooms, loaded with 12 students per class. The 141 classrooms, fully loaded at the standards shown in Table 4-1, can in theory house 3,852 students, as shown in Table 4-7.

Table 4-7
Usage Report Determination of the Enrollment Capacity
Middle Schools

<i>Types of Classes</i>	<i># of Rooms</i>	<i>% of total rooms</i>	<i>Students per Class</i>	<i>Enrollment Capacity</i>
<i>Standard and Lab/Shop</i>	120	85.1%	30	3,600
<i>Special Day Classes (SDC)</i>	21	14.9%	12	252
Total	141			3,852

Source: "Classroom Usage Reports", Ventura Unified School District

The District's 2016-17 school year enrollment in the four middle schools is 3,855 students. By this count, there appears at first glance to be almost exactly enough capacity to accommodate enrollment from current houses in the District.

However, as is the case with the elementary schools, the *Classroom Usage Report* accurately counts the additional rooms that could theoretically be loaded with home room classes at each school, but does not address other factors that should be considered when determining the enrollment capacity of the schools in future years, including old/deteriorated classrooms, needed flexibility, and teacher preparation periods, a topic which is most efficiently addressed in conjunction with physical education.

Considerations for District Middle School Enrollment Capacity Adjustments

Rooms to be Replaced or Refurbished: We must account for older middle school rooms that will need to be replaced or refurbished. The District's middle schools currently allocate 247,457 sq. ft. of available space to classroom and support rooms. Of that space, 222,497 sq. ft. (89.9%) is in structures (portables and permanent buildings) that were built before 1980. Therefore, approximately 127 of the 141 middle school classrooms were built before 1980.

With almost 90% of classrooms having been built before 1980, it is reasonable to assume a higher percentage of those classrooms will become unacceptable for instructional use within the next 10 years. The high percentage (90%) of buildings built before 1980 is an indication of a strong need for refurbishment or replacement. With this consideration, it is reasonable to estimate that 15% of

middle school pre-1980 classroom space (19 classrooms) will not be available over the next 10 years. Removing the 19 rooms that will need to be refurbished or replaced brings the previous total of 141 classrooms down to 122 classrooms available over the next 10 years.

Table 4-8
Adjusted Classroom Count
Middle Schools

<i>Classrooms</i>	
<i>Classroom Space (Sq. ft.)</i>	247,457
<i>Pre-1980 classroom space (sq. ft.)</i>	222,497
<i>% Pre-1980 space</i>	89.9%
<i>Existing rooms</i>	141
<i># of pre-1980 rooms</i>	127
<i>% exclusion</i>	15%
<i>Pre-1980 room exclusions</i>	(19)
<i>Adjusted room subtotal</i>	122

Source: "VUSD Building Information 2016-17", Schoolhouse Services

Adjusted District Middle School Enrollment Capacity

Teacher Preparation Periods and Physical Education: Teacher preparation periods did not need to be addressed for elementary classrooms, as the time available to the teacher for preparation is when the class is engaged in physical education. The situation is different in middle and high school classrooms, as students rotate among the classrooms and could theoretically be assigned to rooms for all periods of the day. However, the District's standard, as with most districts, is that for each classroom, there is one period during which students are not assigned to the room. During this period, the teacher not only prepares for classes and grades student work, but also meets with students or parents to discuss issues or helps students as part of the teacher's involvement in student activities.

Not having a class in the room for one of the six periods of the day reduces its enrollment capacity. On the other hand, students are required to partake in physical education one period of the day, spending the period outdoors, in the gym, or in a classroom designated for the physical education department. During this period, the student does not occupy classroom space. Thus, the teacher's preparation period and the students' physical education period essentially offset each other.

Loading Flexibility for Specialized Classes: As with elementary school classrooms, it is difficult, if not impossible, for a district to utilize each middle school classroom at full capacity. In secondary schools, a significant proportion of the classrooms are special purpose in nature, such as labs,

workshops, band, chorus rooms. Class sizes are often smaller in these rooms and their special purpose nature results in there being unutilized or underutilized for some periods. In light of these loading constraints, the theoretical classroom capacity is reduced by 10% to produce a more realistic figure.

The theoretical middle school enrollment capacity resulting from adjusting counts in the *Classroom Usage Report* is shown in Table 4-9. As noted in Table 4-7, the District uses 85.1% of rooms for standard and lab/shop classes and 14.9% for SDC classes. Using the same ratio with our new classroom counts, we see that we have an estimate of 104 rooms for standard and lab/shop classes and 18 rooms for SDC classes. Based on the removal of 15% of the classrooms which need to be replaced or refurbished, we would have capacity for 3,332 students. However, we must adjust the District's theoretical classroom from 100% to 90% to allow for flexibility. Therefore, the realistic capacity of the District's existing middle school classroom facilities is 2,999 students.

Table 4-9
Adjusted Enrollment Capacity
Middle Schools

<i>Types of Classes</i>	<i>Usage # of Rooms</i>	<i>Adj. # of Rooms</i>	<i>Students per Class</i>	<i>Enrollment Capacity</i>
<i>Standard and Lab/Shop</i>	120	104	30	3,114
<i>Special Day Classes (SDC)</i>	21	18	12	218
<i>Totals</i>	141	122		3,332
<i>10% Adjustment</i>				333
<i>Practical Capacity (90%)</i>				2,999

Sources: "Classroom Usage Reports", Ventura Unified School District, and Schoolhouse Services

With 2016-17 school year enrollment of 3,855 students in Grades 6-8 in the District, these capacity numbers show that the enrollment capacity of the District's middle schools will be significantly below the capacity it will need to accommodate from existing housing. The gap is about 850 students.

District High Schools

The District houses students in five high schools. Pacific and El Camino High schools both require special consideration as each of these schools requires non-standard classroom loading practices. As a continuation school, Pacific has lower classroom loading due to the smaller number of students able to attend classes on this campus. Conversely, El Camino has a higher student population than could reasonably be housed on campus, as many students attend classes at Ventura College or have independent study classes that do not require their presence in standard

classrooms. The special programs at these schools are expected to continue and will therefore continue to make them outliers in relation to classroom loading patterns for other District high school. As they tend to offset each other and the overall number of students in both schools is relatively modest compared to the other high schools, both the classrooms and the students enrolled at these campuses have been excluded from this analysis.

Table 4-10
High Schools

High Schools
<i>Buena</i>
<i>Foothill Tech</i>
<i>Ventura</i>
<i>El Camino*</i>
<i>Pacific*</i>

*Excluded from analysis due to non-standard loading requirements

Source: Classroom Usage Reports, Ventura Unified School District

Additionally, a small number of high school students attend classes at Ventura Project Opportunity School, and others attend District Non-Public Non-Sectarian Schools. The *Classroom Usage Report* does not provide information about classrooms for these schools and, therefore, are also not included in this analysis.

The procedure for determining enrollment capacity is now familiar from the analyses of elementary and middle schools. The *Classroom Usage Report* lists a total of 210 high school classrooms in these three schools. Some classrooms at every high school are needed as academic support rooms for activities such as counseling, RSP, and enrichment. The District *Classroom Usage Report* currently identifies nine academic support rooms, an average of three rooms per high school. Additionally, the *Classroom Usage Report* identified six classrooms that have been condemned. These were not included in this report.

After the removal of the academic support classrooms, we have 201 available classrooms, including 184 regular and lab/shop classrooms loaded with 30 students per class, and 17 Special Day Class classrooms loaded with 12 students per class. The 201 rooms, fully loaded at the standards shown in Table 4-11, can in theory house 5,724 students, as shown in Table 4-7.

Table 4-11
Usage Report Determination of the Enrollment Capacity
High Schools

<i>Types of Classes</i>	# of Rooms	% of rooms	Students per Class	Enrollment Capacity
Standard and Lab/Shop	184	91.5%	30	5,520
Special Day Classes	17	8.5%	12	204
Total	201			5,724

Source: "Classroom Usage Reports", Ventura Unified School District

As mentioned previously, this report only accounts for 2016-17 school year enrollment in Grades 9-12 for students in the three District high schools listed above in Table 4-6. So, the 416 students at Pacific and El Camino were already removed in the high school enrollment totals in Table 303. The current District high school enrollment of 4,852 students shows that there is currently enough capacity to accommodate enrollment from existing housing in the District.

However, as noted in the prior elementary and middle school capacity discussions, the *Classroom Usage Report* accurately counts the additional rooms that could theoretically be loaded with homeroom classes at each school, but does not address the additional considerations of old/deteriorated classrooms and needed flexibility, as well as teacher preparation periods and physical education.

Considerations for District High School Enrollment Capacity Adjustments

Rooms to be Replaced or Refurbished: We must account for older high school rooms that will need to be replaced or refurbished. The District's high schools currently allocate 336,519 sq. ft. of available space to classroom and support rooms. Of that space, 199,140 sq. ft. (59.2%) is in structures (portables and permanent buildings) that were built before 1980. Therefore, approximately 119 of the 201 high school classrooms were built before 1980.

This percentage is similar to what we saw within District elementary schools. However, as noted above, the condition of these buildings has already led to the District condemning some classroom space. With these considerations, it is reasonable to estimate that 12% of high school pre-1980 classroom space will not be available over the next 10 years. Removing the 14 classrooms that will need to be refurbished or replaced brings the previous total of 201 classrooms down to 187 classrooms available over the next 10 years.

Table 4-12
Adjusted Classroom Count
High Schools

<i>Classrooms</i>	
<i>Classroom Space (Sq. ft.)</i>	336,519
<i>Pre-1980 classroom space (sq. ft.)</i>	199,140
<i>% Pre-1980 space</i>	59.2%
<i>Existing rooms</i>	201
<i># of pre-1980 rooms</i>	119
<i>% exclusion</i>	12%
<i>Pre-1980 room exclusions</i>	(14)
<i>Adjusted total (pre-1980)</i>	187

Sources: "Classroom Usage Reports", Ventura Unified School District, and Schoolhouse Services

Adjusted District High School Enrollment Capacity

Teacher Preparation Periods and Physical Education: As noted above with middle schools, in high schools, students rotate among the classrooms and rooms could theoretically be assigned to classes for all periods of the day. As with most districts, it is generally expected that there is one period during which students are not assigned to the classroom. During this period, the teacher not only prepares for classes and grades student work, but also meets with students or parents to discuss issues or helps students as part of the teacher's involvement in student activities.

Teacher preparation periods use each homeroom one of the six periods of the day, reducing its enrollment capacity by about 17%. In contrast to middle school students, high school students are required to take physical education only for their first two years, though some junior and senior students take physical education courses as an elective. Having students out-of-doors or in the gym therefore increases high school enrollment capacity by about 10%.

Loading Flexibility for Specialized Classes: It is difficult, if not impossible, for a district to utilize each high school classroom at full capacity. As with middle schools, a significant proportion of the classrooms in high schools are special purpose in nature and this results in them being unutilized or underutilized for some periods. In light of these loading constraints, we will reduce the theoretical classroom capacity by 10% to produce a more realistic figure.

When taking all of the factors of room scheduling and utilization, teacher preparation periods and physical education considerations into account, it is reasonable to require an adjustment of 15% in practical capacity for District high school classrooms.

The theoretical high school enrollment capacity resulting from adjusting counts in the *Classroom Usage Report* is shown in Table 4-13. As noted in Table 4-11, the District uses 91.5% of rooms for Standard and Lab/Shop classes and 8.5% for SDC classes. Using the same ratio with our new estimates, we see that we have an estimate of 171 rooms for standard and lab/Shop classes and 16 rooms for SDC classes. Based on the removal of 12% of the classrooms which need to be replaced or refurbished, we would have capacity for 5,318 students. However, we must adjust the District's theoretical classroom from 100% to 85% to allow for flexibility. Therefore, the realistic capacity of the District's existing middle school classroom facilities is 4,520 students.

**Table 4-13
Adjusted Enrollment Capacity
High Schools**

<i>Types of Classes</i>	<i>Usage # of Rooms</i>	<i>Adj. # of Rooms</i>	<i>Students per Class</i>	<i>Enrollment Capacity</i>
<i>Standard and Lab/Shop</i>	184	171	30	5,128
<i>Special Day Classes (SDC)</i>	17	16	12	190
Totals	201	187		5,318
<i>15% Adjustment</i>				(798)
<i>Practical Capacity (85%)</i>				4,520

Sources: "Classroom Usage Reports", Ventura Unified School District, and Schoolhouse Services

With 2016-17 school year enrollment of 4,852 students in District high schools, these capacity numbers show that the enrollment capacity of the District's high schools is significantly below the capacity it will need to accommodate from existing housing. The gap is about 330 students.

District Capacity Compared to Enrollment

The future enrollment capacity for each grade level, as determined in the above analysis, is compared to the DecisionInsite school year 2016-17 enrollment data in Table 4-14. The large enrollment and limited capacity numbers raise the question of how the schools can function efficiently given the significant shortage of capacity. Gap is partially filled by larger than academically sized classes, some secondary teachers not having a preparation period, and a lack of flexibility; these conditions are not present on all campuses, but those campuses that are full tend to have all of them.

The District is primarily filling this gap by using a large number of both permanent and relocatable classrooms built before 1980. This is a strong indication that many classrooms should be refurbished or replaced at a steady pace in order to avoid the overall deterioration of the facilities. However, while still adequate for use, they obscure the shortage of enrollment capacity that will occur when they are removed. They should not be considered as a source of capacity for students resulting from future development.

Table 4-14
Enrollment Capacity Compared to 2016-17 Enrollment

<i>Grade Level</i>	<i>Enrollment Capacity</i>	<i>2016-17 Enrollment</i>	<i>Capacity Surplus (Shortage)</i>
<i>Elementary Schools</i>	7,232	7,251	(19)
<i>Middle Schools</i>	2,999	3,855	(856)
<i>High Schools*</i>	4,520	4,852	(332)
Total	14,752	15,958	(1,206)

*Does not include capacity or enrollment for El Camino and Pacific High Schools.

Sources: "DecisionInsite 2016 report; Schoolhouse Services

As previously noted in Table 3-3, DecisionInsite and our analysis has projected that in the 2025-26 school year, Ventura Unified Schools will need to house 7,294 students in Grades K-5, 3,849 students in Grades 6-8, and 5,162 students in Grades 9-12. This includes 663 students in Grades K-5, 317 students in Grades 6-8, and 391 students in Grades 9-12 generated from new development.

These projections also take into account an expected decrease in enrollment of students from existing housing, including 620 students in Grades K-5, 323 students in Grades 6-8, and 81 students in Grades 9-12. While this total decrease of 1,024 students from existing housing will allow some capacity to become available, it will still be less than the gap in capacity of over 1,200 students that will exist from already existing housing. Therefore, this would still leave the District at capacity (perhaps 180 students above calculated capacity) simply from enrollment from existing housing, without any enrollment from new units. This shortage in capacity just from existing housing can be seen in Table 4-15.

Table 4-15
Enrollment Capacity Compared to 2025-26 Enrollment
With No New Development

<i>Grade Level</i>	<i>Enrollment Capacity</i>	<i>Estimated 2025-26 Enrollment</i>	<i>Capacity Surplus (Shortage)</i>
<i>Elementary Schools</i>	7,232	6,631	602
<i>Middle Schools</i>	2,999	3,532	(533)
<i>High Schools*</i>	4,520	4,771	(251)
Total	14,752	14,934	(182)

*Does not include capacity or enrollment for El Camino and Pacific High Schools.

Sources: "DecisionInsite 2016 report; Schoolhouse Services

The above analysis makes it clear that the District will not have surplus capacity to accommodate additional enrollment from new development. The District will need more than all of its projected future capacity to accommodate students from existing housing; it will thus not be able to accommodate the forecasted increase in enrollment from new homes without lowering its educational standards.

Chapter 5

Cost of Facilities

Use of Developer Fee Revenues

California Government Code Section 66008 and 66006(f) requires that “at the time the local agency imposes fees for public improvements on a specific development project, it shall identify the public improvements that the fee will be used to finance.” The District’s developer fee fund will be used to fund classrooms and educational support facilities impacted by new development. The District intends to create school capacity at all of the elementary, middle, and high school levels. Consistent with California law, fee revenues will not be expended for regular maintenance or routine repair, for addressing asbestos problems, for deferred maintenance, or to correct existing deficiencies, except to replace or refurbish them, as necessary, to meet educational standards in the future.

The above analysis has made it clear that the largest task is adding the capacity that will be necessary to house students from new development when many pre-1980 permanent and relocatable classrooms are no longer usable. Government Code Section 66001 (g) was amended specifically to recognize the inclusion of costs “in order to (1) refurbish existing facilities to maintain the existing level of service” in the determination of fees to mitigate development impacts. A possible need is the addition of a small amount of capacity where possible at campuses that are already full in order that additional students from new development will not cause or increase overcrowding.

A few years ago, the District was anticipating the need for an additional elementary school in the eastern portion of the District. The District has not formulated any plans for building a new school as it does not see the need for one in that area at this time, but continues to study the capacity, utilization and need for future facilities.

It should also be noted that the District does own some parcels that could potentially serve as campuses for -additional schools. Fraser Ranch was the planned site for a school on the west side that was never built. The old Avenue School is currently vacant. It is unsuitable for use in its present condition. The old Washington School is leased to other parties. No analysis has been prepared of the feasibility and the cost of remodeling or reconstructing it for use but apparently the cost would not be much less than the cost of constructing a new school and thus probably more than the construction costs assumed here. It also would incur substantial costs were it to be returned to use as a school. Neither Avenue nor Washington would provide capacity in the areas of the District where it will most be needed to serve enrollment from new development.

For these reasons, this justification study does not assume a new school. It also does not assume that any existing campuses will be enlarged by the purchase of adjacent land. Not including any land purchases, either for a new school or to enlarge existing campuses, may result in a

conservative estimate of the cost of accommodating enrollment from new development.

The assumption therefore is that students from new development will be housed on existing campuses. In some cases, that capacity will be provided by construction of new modular (permanent) and relocatable classrooms. Modular buildings involve a concrete foundation and a stucco finish and are intended to look and function over time similar to traditional permanent construction buildings. Relocatables are set on wood foundations, usually on asphalt. Modular buildings cost approximately twice as much as relocatable buildings.

Classrooms in buildings more than 40 years old, especially ones of the construction quality of the portables of that time, should not be considered available classrooms to house enrollment from new development a decade or two from now. The District is, of course, aware of the situation and has already begun replacing aging portables and refurbishing older buildings. The District will be undertaking a facilities plan in the next two years. The plan will include evaluation of all of the buildings. It will also include planning for needed replacement and refurbishment.

The District currently projects replacement of almost all of the pre-1980 portables in District schools. In the last five years, the District has added or replaced 1.7 percent (8,320 sq. ft.) of all elementary school classroom space and 3.9 percent (9,600 sq. ft.) of all middle school classroom space. Over the last 10 years, the District has added or replaced 4.2 percent (20,480 sq. ft.) of all elementary classroom space, 4.7 percent (11,520 sq. ft.) of all middle school classroom space, and 4.5 percent (15,260 sq. ft.) of all high school classroom space. Currently, 94.4 percent (295,921 sq. ft.) of elementary pre-1980 space, 91.8 percent (204,257 sq. ft.) of middle school pre-1980 space, and 99 percent (197,160 sq. ft.) of high school pre-1980 classroom space is in permanent buildings.

School Facility Costs

The costs are calculated here based on (1) the number of students generated by new development, (2) the number of square feet of space required per student, and (3) the cost per square foot of the improvements. The number of students was determined in Chapter 3.

The average square feet of school space per student comes from the standards of the California Department of Education (CDE) School Facilities Program. It uses floor space per student guidelines as a component in determining the dollar amounts in its new construction grant program and these numbers can be used to project the amount of floor space necessary to accommodate students from new development. The floor spaces are 73 square feet for elementary, 80 square feet for middle, and 95 square feet for high school students. Based on the grant amounts, the floor space allotment for special education students is about 160 square feet per student. These amounts should probably be considered as a minimum. A 2007 report prepared by the CDE for the State Allocation Board compared them to average sizes of schools in the western region and nationally and found them to be far below those averages. Of course, the state guidelines do not include space for corridors and other indoor space necessary in less hospitable climates, but the report concluded

that the state guidelines simply did not allow for sufficient space for all of the facilities that should be included in “complete schools.”

In Table 3-2, DecisionInsite’s report and our analysis projected an increase of 1,371 students in Grades TK-12 in the District solely from new housing over the next ten years. This consists of 663 elementary school students, 317 middle school students, and 391 high school students. For each level, they have distributed students generated by new dwelling units across grade levels.

The number of non-SDC and SDC students are calculated based on the same percentages used in the *Usage Report Determination of Enrollment Capacity* tables (Table 4-3, Table 4-7, and Table 4-11). This would adjust the numbers to project 610 non-SDC students and 53 SDC students generated in the elementary schools, 270 non-SDC and 47 SDC students in the middle schools, and 358 non-SDC and 33 SDC students generated in the high school.

Table 5-1 shows the state floor space per student figures multiplied by the number of students at each grade level. A total of 121,472 square feet of school space is required, as a minimum, for new development to fund its fair share of costs towards the District meeting state standards to accommodate new students.

Table 5-1
School Space for Students from New Development

	<i>Elementary School</i>		<i>Middle School</i>		<i>High School</i>		<i>Total</i>
	<i>non-SDC</i>	<i>SDC</i>	<i>non-SDC</i>	<i>SDC</i>	<i>non-SDC</i>	<i>SDC</i>	
<i>Square Feet per Student</i>	73	160	80	160	95	160	
<i>Number of Students</i>	610	53	270	47	358	33	1,371
<i>Total Square Feet</i>	44,515	8,525	21,583	7,554	34,003	5,291	121,472

Source: Schoolhouse Services

The information about construction costs comes from four recent improvement projects at three District elementary schools and one District high school. These are shown in Table 5-2. Site improvements indicated were for work directly related to classroom replacement, including sidewalks and utilities.

Project C2-17 Mound Modular Replacement and Site Improvements (\$727,938) provides the best estimate for modular (permanent) classroom estimates. Project C12-17 Ventura Charter Portables and Site Improvements (\$540,527) provides the best estimate for portable classroom cost estimates. The other two projects were reviewed, but they were more complex and the costs less suitable for generalization. Not including them is conservative, as their costs per room were higher than for the two projects used.

Table 5-2
Recent VUSD Construction projects

Project	Cost	Description
<i>C2-17 Mound Modular Replacement and Site Improvements</i>	\$727,938	Modular Classroom Building 1,920 S.F. w/2 standard classrooms
<i>C12-17 Ventura Charter Portables and Site Improvements</i>	\$540,527	(2) 24 x 40 Portables on wood foundation over asphalt)
<i>C1-17 Pierpoint Modular replacement</i>	\$939,810	Modular Classroom Building (liquefaction zone) w/1 standard classroom and 960 S.F. of Resource Space
<i>C11-17 Will Rogers Modular and Shade Shelter</i>	\$540,359	960 S.F. modular Classroom + 30x42' shade shelter

Source: Ventura Unified School District

For each of the included projects, two classrooms of approximately 960 sq. ft. were constructed. This provides an estimated average cost of \$363,969 per classroom (\$379.13 per sq. ft.) for modular buildings and \$270,264 per classroom (\$281.52 per sq. ft.) per portable building. Assuming an equal number of portable and modular (permanent) classrooms would be built, that provides an average cost of \$330.33 per sq. ft. These figures are shown in Table 5-3.

Table 5-3
Cost per Square Foot By Building Type

	Cost per classroom	Cost per sq. ft.
<i>Modular (Permanent)</i>	\$363,969	\$379.13
<i>Portable (Relocatable)</i>	\$270,264	\$281.52
<i>Average</i>		\$330.33

Source: Schoolhouse Services

The number of students, the building square feet per student, and the average cost per square foot are used in Table 5-4 to calculate the cost of the classrooms needed to house students from new development. Their total cost is \$40.126 million, with an average cost of \$29,266 per student.

Table 5-4
Cost Impact of Students from New Development

	Elementary School	Middle School	High School	SDC	Total
<i>Square Feet per Student</i>	73	80	95	160	
<i>Number of Students</i>	610	270	358	134	1,371
<i>Total Square Feet</i>	44,515	21,583	34,003	21,371	121,472
<i>Cost per Square Foot</i>	\$330.3	\$330.3	\$330.3	\$330.3	
<i>Total Cost</i>	\$14,704,669	\$7,129,493	\$11,232,318	\$7,059,305	\$40,126,000
<i>Cost Per Student</i>					\$29,266

Source: Schoolhouse Services

Chapter 6

Determination of Fee on Residential Development

Residential Cost Impacts

The legislation authorizing school districts to impose fees implicitly assumes that they will be in the form of a fee per square foot of new construction. It is thus necessary to determine the average size of new housing units in order to determine the number of square feet among which the costs will be spread. The average size of new single-family housing units has been determined here from fee payments records supplied by the Ventura Unified School District.

As observed above in the discussion of future housing growth, only a small portion of future housing development in the District is expected to be in the form of single family detached housing, separate homes on separate lots. A 2011 analysis done by Schoolhouse Services found the average square footage of a sample of 125 such homes was 2,016 square feet. Limited information from Ventura and awareness of the average unit sizes in other districts indicates an average size of about 1,200 for units in buildings with multiple homes, with apartments averaging perhaps 1,000 square feet and condominiums perhaps 1,400 square feet. In the case of both single family detached and homes in multiple unit buildings, the unit sizes listed are, as defined in Section 65995(b)(1) of the California Government Code, the “square footage within the perimeter of a residential structure,” with exclusions for garages, patios, etc.

Multiplying the projected number of units to be constructed by 2026 of each housing type by the average size for that type resulted in a total square footage of 4.68 million square feet for the 3,677 new units. The calculations are summarized in Table 6-1.

Table 6-1
Square Feet of Residential Development

	<i>Single Units</i>	<i>Condominiums</i>	<i>Apartments</i>	<i>Totals</i>
<i>Projected New Units</i>	655	854	2,168	3,677
<i>Average Square Footage</i>	2,016	1,400	1,000	
<i>Total Square Footage</i>	1,320,480	1,195,600	2,168,000	4,684,000

Source: Schoolhouse Services

It is important to note that the projected square footage of residential development within the District does *not* include the square footage associated with additions to existing dwelling units. The potential cost impacts of such construction are discussed in a subsequent section of this report.

The total cost impact of new development was determined in the previous chapter to be \$40.1 million. As shown in Table 6-2, the resulting cost impact per square foot is \$8.57 per square foot.

The statutory fee the schools can levy on residential development per Education Code Section 17620 is adjusted biennially by the State Allocation Board (SAB). As adjusted February 24, 2016, the maximum fee is \$3.48 per square foot. With a cost impact of \$8.57 per square foot, Ventura Unified School District is justified in levying the maximum state legislated amount. [On January 24, 2018, the SAB authorized an increase in the maximum Level 1 fees to \$3.79 per square foot for residential development. This adjusted maximum does not exceed the \$8.57 impact calculated here and is therefore, also justified.]

The following comparison illustrates the disparity between the cost impact and mitigation by the Section 17620 fee. Given values from the above table, the total impact of 3,677 homes is approximately \$40 million. Levying the maximum statutory Level 1 fee of \$3.48 per square foot on this development would yield a total of \$16.3 million (4.68 million total square feet * \$3.48 maximum fee). This amounts to only about 41% of the cost impact. It can be seen that the cost impact on school facilities of the projected new residential development in the District far exceeds the maximum amount the District can collect.

Table 6-2
Per Square Foot Cost Impact of Residential Development

Total Cost	\$40,126,000
Total Square Footage	4,684,000
Cost per Square Foot	\$8.57

Source: Schoolhouse Services

Alternative Types of Development

Government Code Sections 66000 *et seq.* refer to “types of development.” The type of development analyzed to this point is residential construction (without demolition of pre-existing structures) of new housing units. Other types of development have, or potentially have, different cost impacts. We here address several types of residential development other than new residential units on vacant land. The impacts of commercial and industrial development are addressed in the next chapter.

Redevelopment Construction

A lawsuit, *Warmington Old Town Associates v. Tustin Unified School District*, was decided by the Court of Appeals on the determination that new construction that replaced pre-existing structures, termed “redevelopment construction” by the Court, constituted a different type of development. This was because it potentially had different student generation characteristics than new construction on vacant land. In other words, the removal of existing structures potentially

removed some students, which could offset at least some of the impact of the students residing in the new homes. The court held that the school district's justification lacked determination of the impacts of redevelopment construction and it could not impose fees without demonstrating their justification. We therefore here address the matter of redevelopment construction.

There are two ways in which the decision of the Appeals Court can be implemented. One is for the District to calculate the fiscal impact of the new construction using the information in this report and then to subtract from that the fiscal impact of the buildings to be removed, determined using the same information. The difference is the appropriate mitigation though, of course, it cannot exceed the state per square foot limits on Section 17620 fees.

The other approach is to subtract the fee that would be paid on the buildings to be demolished were they to be constructed in the present from the fee for the new buildings (were no removal involved). The San Diego Unified School District uses this approach. It is required, however, that the structures to be removed have been in recent use and are thus potentially contributing to District enrollment.

In practice, credit for the impact of structures removed occurs as follows. In cases where the demolished and new space are of the same type, the impact is equal to that of the net increase in square footage. The analysis in this report (of new construction on vacant land) would then also apply to that portion of redevelopment construction on which fees are levied. There will be cases in which the per square foot fiscal impact of the property demolished will differ from the impact of the new development, meaning that a simple subtraction of the old square footage is incorrect. The obvious example is when a commercial building is replaced by a residential building. In this case, the appropriate fee amount is determined as follows. The amount of square footage of the demolished commercial building is multiplied by the current commercial rate for that type of building and this amount is credited towards the fee otherwise due on the new residential space, all as determined per the analysis in this report. In all cases, the analysis in this report appropriately addresses redevelopment construction.

Residential Expansions

Additions to existing homes are another type of development that differs from the construction of new homes. Additions to existing housing represent a permanent increase in the capacity to accommodate population in a community. Any increased population may include school-aged children, which will place a corresponding demand on schools. Thus, to maintain the educational level of service, the increase in local residential capacity from additions must be met by a corresponding availability of school facility capacity. State law allows school districts to collect fees on room additions to existing housing units over 500 square feet. From a legislative standpoint, additions are considered a type of new development; insofar as they generate facility impacts they are subject to fees. Within the frame of the enrollment projections in this analysis, however, the students from additions are not included in the number of students from new development. In fact, residential additions represent a form of intensification of the existing

housing stock and the resulting enrollment growth is a component of enrollment from existing housing.

We only have data on the impacts of additions from one situation, though it is now fairly old. An analysis of residential additions was conducted by *Schoolhouse Services* for the Santa Cruz City High School District. The data there showed that additions averaged 977 square feet in size, and student generation for these homes increased from 0.48 to 0.69 K-12 students. A simple calculation serves to illustrate the school facility cost impacts of additions. In the previous chapters, the cost of school facilities was determined to be \$40,126,000 for 1,371 students from new development, an average cost of \$29,266 per student. If each addition resulted in 0.21 students, the impact per addition would average \$6,146. An average addition of 977 square feet thus produces an impact of \$6.29 per square foot, far greater than the amount of fee the District can levy.

Senior Housing

Certain types of housing dedicated for occupancy by senior citizens may not be subject to the full residential fee because it would not house student age residents. Pursuant to state law, it would generally be subject to the maximum fee for commercial development projects, based on its indirect contribution to student generation. Individual projects applying for such special treatment should be evaluated by the District on a case-by-case basis to ensure that the units will be permanently dedicated for use by seniors.

Chapter 7

Impact of Commercial/Industrial Development

Commercial or industrial development, along with residential development, has an impact on school enrollment. New jobs require a larger labor force, which in turn causes new housing to be built to increase the housing supply. Many of the families in these new houses have their children enrolled in the local school district. This enrollment growth, a joint result of commercial/industrial and residential development, in turn impacts the facilities capacity of the district.

The Ventura Unified School District levies fees consistent with California Education Code Section 17620 to mitigate these impacts. The previous chapter established that current Section 17620 fees on residential development do not generate enough revenue to cover the costs of additional capacity to accommodate the students from new housing. Therefore, the District looks to commercial/industrial development to contribute its fair share of the cost of needed school facilities, based on its role in causing housing to be constructed. The current maximum fee for commercial or industrial development was set at \$0.56 per square foot by the State Allocation Board in February 2016. The District seeks to levy this amount, where justified, to help alleviate the unfunded facilities cost per student. [On January 24, 2018, the SAB authorized an increase in the maximum Level 1 fees to \$0.61 per square foot for commercial/industrial development.]

Commercial/Industrial Cost Calculations

There are several key elements in calculating a justifiable commercial or industrial development impact fee. The following formula is used to determine the School Facility Cost per Square Foot of Development:

- A. Employees per Square Foot of Development**
- B. Percentage of Employees Residing within the District**
- C. Average Number of Homes per Resident Employee**
- D. Average Number of Students per Home**
- E. Unfunded Cost of School Facilities per Student**

$$\mathbf{A \times B \times C \times D \times E = School\ Facility\ Cost\ per\ Square\ Foot\ of\ Development}$$

The number of employees per square foot is determined by the type of commercial/industrial development. Consequently, the result of the equation will differ for each principal commercial/industrial category. The remaining factors are consistent across development types. If the calculated impact is greater than the maximum of \$0.56 per square foot for a given category of development, then the maximum fee is justified for that type of development. If it is less, then the District is entitled to the calculated impact. Each factor in this formula is discussed below.

Employees per Square Foot of Development

The estimated number of employees per square foot must reflect the wide variety of commercial/industrial development. As permitted by state law, results from an employment density survey published by the San Diego Association of Governments (SANDAG) are used to determine numbers of employees per square foot anticipated in future commercial or industrial development. (For a few categories for which SANDAG lacks data or feels its data is unreliable, information from the Institute of Transportation Engineers (ITE) is used.) SANDAG evaluated employment densities based on a series of categories ranging from retail to research and development. The densities are shown in Table 7-1.

Table 7-1
Employees Per Square Foot of Building Area

<i>Building Category</i>	<i>Employees/ sq. ft.</i>	<i>Sq. ft./ Employee</i>	<i>Employees/ 1,000 sq. ft.</i>
<i>Parking Structures*</i>	0.00002	50,000	0.02
<i>Self-storage</i>	0.00006	15,541	0.06
<i>Lodging</i>	0.0011	883	1.1
<i>Schools</i>	0.0011	878	1.1
<i>Warehouses**</i>	0.0013	769	1.3
<i>Auto Repair</i>	0.0013	741	1.3
<i>Movie Theater</i>	0.0015	667	1.5
<i>Discount Clubs</i>	0.0017	597	1.7
<i>Regional Shopping Centers***</i>	0.0019	539	1.9
<i>Hospitals</i>	0.0021	471	2.1
<i>Community Shopping Centers***</i>	0.0023	442	2.3
<i>Neighborhood Retail***</i>	0.0026	388	2.6
<i>Banks</i>	0.0028	354	2.8
<i>Business Office (all types)</i>	0.0034	293	3.4
<i>Medical Offices</i>	0.0043	234	4.3

* With attendants

** Source: Institute of Traffic Engineering (ITE) Trip Generation 5th ed.

*** Regional is greater than about 35,000 sq. ft., community 10,000 to about 35,000 sq. ft., and neighborhood less than 10,000 sq. ft.

Source of other data: SANDAG Traffic Generators report, April 2002 (most recent edition).

For example, suppose an office developer wishes to build a medical office building with an area of 100,000 square feet. To determine the justifiable fee for this relatively employment intensive category, SANDAG provides a statistic of an average of 0.0043 employees per square foot, or 4.3 employees per 1,000 square feet. With an area of 100,000 square feet, this development would

yield approximately 430 employees.

Percent of Employees Residing Within the District

Ventura Unified School District serves an area that includes commercial/industrial as well as residential property. A large share of those employed within the District's boundary will also reside in the area. U.S. Census data allows for an estimation that at least 35 percent of people who work in the District area also reside within the District's boundaries. This is a conservative approach in that we include no impact from employment outside the District, which contributes to housing within the District, nor from employment in the District that contributes to enrollment in other districts.

Continuing with our example, the second step in determining total cost of the medical office building development is to determine the number of new employees likely to also live within the District by using the ratio for current residents. In the previous section, we established that there would be approximately 430 employees for the 100,000-square foot office building. The number of employees living in the District, and therefore likely to have an impact on District facility capacity, would be 35% of 430, or 150.5 employees.

Average Number of Homes Per Resident Employee

This section addresses how many homes are likely to result from new employees living in the District. A rule of thumb supported by U. S. Census data is that there are typically about 1.5 employed persons per home. This can also be stated as 0.67 homes per employee. This ratio reflects the fact that many homes have more than one worker.

*In our office building example, the 150.5 employees living in the District will require 150.5 * 0.67, or 100.8 additional homes.*

Average Number of Students Per Home

A total of 3,677 new homes are projected over the next 10 years. These homes will generate 1,371 District students. The average SGR is therefore 0.373 students per home.

*Continuing with the example of the medical office building, we can now determine how many students will impact facility capacity as a result of new employees residing in the District. The approximately 100.8 homes, (occupied by the employees) will in turn yield 100.8 * 0.373, or about 37.6 students.*

Unfunded Cost of School Facilities Per Student

The cost of facilities for new students assigned to commercial/industrial development must not include the portion funded by residential fee revenue. As calculated in Table 7-2, the unfunded facility cost per student, after revenue from residential fees, is \$17,379. It is this unfunded remainder per student that drives the need to levy appropriate fees on new commercial/industrial development.

Table 7-2
Unfunded Facility Cost Per Student

<i>Level 1 Fee per Square Foot</i>	\$3.48
<i>Residential Square Feet</i>	4,684,000
<i>Residential Fee Revenue</i>	\$16,300,000
<i>Facility Cost</i>	\$40,126,000
<i>Unfunded Cost</i>	\$23,826,000
<i>Number of Students</i>	1,371
<i>Unfunded Facility Cost per Student</i>	\$17,379

Source: Schoolhouse Services

We can now finish calculating the large medical office building example. Multiplying the unfunded per-student facility cost of \$17,379 times 37.6 students results in a total cost impact of \$653,000. At 100,000 square feet, this commercial development costs the District approximately \$6.53 per square foot. This amount represents the maximum per square foot fee the District would be justified in levying on commercial/industrial development were it not for the maximum imposed by Education Code Section 17620.

Cost Impacts by Building Category

Similar calculations for other categories of commercial/industrial development are shown in Table 7-3. For each category of building, the cost impact is calculated as a function of employment density, percent of local residence of employees, employees per home, students per home and the cost remaining after mitigation by residential development.

As established above, the District is able to levy only \$0.56 per square foot on commercial/industrial development. It can be seen that the District can levy this amount on all of the categories shown except employee tended parking structures and self-storage; buildings of these types can only be charged \$0.03 per square foot and \$0.09 per square foot respectively.

Table 7-3
Cost Per Square Foot with Residential Offset

<i>Category of Business</i>	<i>Employees per sq. ft.</i>	<i>Employees in District</i>	<i>Homes per Employee</i>	<i>Students per Home</i>	<i>Cost per Student</i>	<i>Cost per sq. ft.</i>
<i>Parking Structures*</i>	0.00002	0.35	0.67	0.373	\$17,379	\$0.03
<i>Self-storage</i>	0.00006	0.35	0.67	0.373	\$17,379	\$0.09
<i>Lodging</i>	0.0011	0.35	0.67	0.373	\$17,379	\$1.67
<i>Schools</i>	0.0011	0.35	0.67	0.373	\$17,379	\$1.67
<i>Warehouses</i>	0.0013	0.35	0.67	0.373	\$17,379	\$1.98
<i>Auto Repair</i>	0.0013	0.35	0.67	0.373	\$17,379	\$1.98
<i>Movie Theater</i>	0.0015	0.35	0.67	0.373	\$17,379	\$2.28
<i>Discount Clubs</i>	0.0017	0.35	0.67	0.373	\$17,379	\$2.58
<i>Regional Shopping Centers**</i>	0.0019	0.35	0.67	0.373	\$17,379	\$2.89
<i>Hospital</i>	0.0021	0.35	0.67	0.373	\$17,379	\$3.19
<i>Community Shopping Ctrs**</i>	0.0023	0.35	0.67	0.373	\$17,379	\$3.49
<i>Neighborhood Retail**</i>	0.0026	0.35	0.67	0.373	\$17,379	\$3.95
<i>Banks</i>	0.0028	0.35	0.67	0.373	\$17,379	\$4.25
<i>Business Offices</i>	0.0034	0.35	0.67	0.373	\$17,379	\$5.17
<i>Medical Offices</i>	0.0043	0.35	0.67	0.373	\$17,379	\$6.53

Source: Schoolhouse Services

This report demonstrates that the maximum fee of \$0.56 is justifiable for almost all categories of development. However, if when using this table to determine future fees no category directly fits the type of development in question, one can use the following analysis to determine the justifiable fee. First, determine the employment density (employees per square foot) for the project. Next, determine if the employment density is high enough to justify levying the maximum fee (the greater the number of square feet per employee, the lower the density and the lower the impact). In this case, it is helpful to know the minimum number of square feet per worker needed to justify such a fee. A “break-even point” can be calculated using the formula for Cost per Square Foot of Development, setting the result equal to \$0.56 and solving for A – i.e. the number of square feet per worker.

Again, the factors are:

- A. Employees per Square Foot of Development.
- B. Percentage of Employees Residing within the District (0.35).
- C. Number of Homes per Resident Employee (0.67).
- D. Number of Students per Home (0.373).
- E. Unfunded cost of School Facilities per Student (\$17,379).

Break Even Point:

$$\text{Workers/Sq. Ft.} = 0.56 / (\text{B} * \text{C} * \text{D} * \text{E}) = 0.56 / (0.35 * 0.67 * 0.373 * \$17,379)$$

$$\text{Workers/Sq. Ft.} = 0.00037$$

$$\text{Sq. Ft./Worker} = 2,713 \text{ square feet per worker}$$

Therefore, any commercial or industrial development that does not fit into one of the SANDAG categories but is projected over its lifetime to have fewer than 2,713 square feet per worker should still be levied the maximum \$0.56/sq. ft. However, if the type of development in question typically has an employment density of more than 2,713 square feet per worker, the maximum fee should not be levied. Instead, a justifiable amount can be calculated using the formula outlined on the first page of this chapter, substituting the relevant number of employees per square feet.

Example:

Suppose a developer wishes to build a 10,000-square foot storage facility that, by its nature, is expected typically to have about two employees. The employment density for this development is 2/10,000 or 0.0002 employees per square foot. This number inverted converts to 5,000 square feet per employee. However, the break-even point for justifying a maximum fee is a per employee density of 2,713 square feet. It is therefore necessary to calculate a lower fee for this development. Using the formula for School Facility Cost per Square Foot of Development, we yield the following result shown.

$$0.0002 * 0.35 * 0.67 * 0.373 * \$17,379 = \$0.30 \text{ per square foot}$$

Chapter 8

Findings

The chapters of this Fee Justification Study present a methodology for evaluating school facility capital costs associated with new residential and commercial/industrial development. In particular, Chapter 6 showed that residential development has an impact on the District and that fees projected to be collected from residential development are less than the cost of meeting these school facility needs. Chapter 7 established that commercial and industrial development in the District will contribute to the need for new or reconstructed school facilities. This chapter frames the results of the analysis in terms of the statutory requirements to demonstrate the legal justification of the Level 1 residential and C/I fees.

Legal Tests

The relationship between school facility fees and new development may be evaluated by applying three tests, each of which must be met for the fee amount to meet the requirements of Government Code Section, 66000, et seq. These three tests are discussed below.

391433208. Does a reasonable relationship exist between the need for school facilities and new commercial/industrial and residential development projects? (This question is sometimes known as the relationship test.)

This report establishes that new development projects cause a need for additional school facilities enrollment capacity in the Ventura Unified School District.

391433209. Does the District need new and/or reconstructed school facilities? (This question is sometimes known as the “needs nexus” test.)

This report establishes that the District will have no excess capacity; it will need additional school facilities to accommodate students generated from new development projects.

3. Is the fee amount reasonably related to the amount of capacity need occasioned by the new commercial/industrial or residential development project? (Sometimes known as the “proportionality” test.)

This report establishes that cost of school facilities needed by the District to accommodate students related to new development projects is greater than the fees which may be levied against the respective types of new development projects.

Evaluation of Legal Requirements

The following sections will evaluate the three tests listed above.

Reasonable Relationship Between Development Projects and the Need for School Facilities

Enrollment will grow due to continuing development of new homes and continuing demand for new and existing housing linked to development of employment opportunities in the District. To meet this need, the District must make construction investments to meet the demands from enrollment from both existing and new housing.

This report established that each new housing unit or residential addition project is, on average, likely to generate a certain number of additional students, that new school facilities are needed, and that the average cost of serving each new housing unit is greater than anticipated revenues.

This report establishes: (a) that new commercial or industrial development within the District causes an increase in the number of workers in the District; (b) that a percentage of these workers reside in the District; (c) that each housing unit in the District has a statistical relationship to the District's enrollment by the probability of having children living in that home who will attend a school operated by the District; and (d) additional students will require the District to incur costs for additional school facilities.

This report further established that new construction needs must be addressed so that these future students will have adequate school facilities in which to receive an education. Facility costs unrelated to new development will be financed by other sources of income.

Need for School Facilities

Enrollment projections show that enrollment will continue to grow and exceed available school space. The projected new homes will bring additional students to the District, residential addition projects will bring additional students to the District, and commercial/industrial developments will play a contributing role in the generation of these students. Together, these additional students will cause the District to undertake various new construction projects. Based on these projections, the District will expand its building program to provide for future school facility needs. The plan for expenditure of fee proceeds as specified under Government Code Section 66007 is satisfied by the

District's plans and progress reports pertaining to the long-term district-wide facilities program. Necessary accounts have been established and funds are appropriated for these purposes by the District's Governing Board.

School facility fees will be used to create additional space for students, including planning, design and construction of permanent additions to any of the sites owned by the District, match payments for any state-funded projects, leases or rentals of relocatable/interim school facilities, interim site improvements, as well as other costs related to accomplishing these projects. Other projects could include the acquisition of furnishings and equipment needed by the increased number of students, reconstruction or expansion of school and support staff work areas to enable the District to serve the increased number of students, and retaining services to implement these projects. In addition to the above costs, School Facility Fees may be used to pay the administrative, legal, architectural, engineering or other professional costs associated with implementing the above projects and the School Facilities Fee program.

Relationship Between Fee Amount and Costs from New Development

This report also shows that a fee equal to the maximum statutory fee, or \$3.48 per square foot, is appropriate for residential development because it is less than the cost impact (calculated at \$8.57 per square foot). It also shows that a fee equal to the \$0.56 per square foot commercial/industrial fee maximum is appropriate for almost all categories of buildings. Commercial and industrial development projects in three categories have an impact less than the maximum fee. For development in these categories, the District will levy only the appropriate fee amount equal to the fiscal impact of that particular commercial/industrial development category.

[On January 24, 2018, after the preparation of this report, the SAB adjusted the maximum fee amounts for inflation, raising the amounts to \$3.79 per square foot for residential development and to \$0.61 for commercial/industrial development. Since inflation affects the costs cited in this report, the SAB adjustments do not affect the conclusions of this report.]