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**SCHOOL FACILITY NEEDS ANALYSIS AND  
JUSTIFICATION STUDY**

for the

**STOCKTON UNIFIED SCHOOL DISTRICT**

June 2023

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*Prepared by*  
**School Facility Consultants**

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## **Executive Summary**

The Stockton Unified School District is authorized to collect \$5.04 per square foot of accessible space of residential development pursuant to Government Code Section 65995.5 and \$10.08 per square foot pursuant to Government Code Section 65995.7 (also known as Level II and III fees, respectively).

The District meets the eligibility requirements in Government Code Section 65995.5(b) regarding the collection of Level II and III fees. The dollar amounts of the fees are based on the following facts and projections:

1. The student generation rate of residential housing units projected to be built in the district, calculated in accordance with Government Code Section 65995.6(a), is 0.457 for single-family units and 0.141 for multi-family units.
2. It is estimated that approximately 887 new single-family units and 508 new multi-family units will be built in the District, outside of a Community Facilities District, over the next five years.
3. Multiplying the appropriate terms in (1) and (2) shows that future single-family and multi-family residential development is projected to add 476 students.
4. The District has 83 seats at the K-8 grade group and zero excess pupil capacity at the 9-12 grade groups available for pupils generated by future residential development.
5. The total number of unhoused pupils generated by future residential development equals 393 students.
6. Total allowable cost for the Level II fee equation equals \$9,844,360.00. This figure is equal to the unhoused students generated by future single-family and multi-family development times the allowable per pupil cost (per-pupil grant amounts in the State School Facility Program) plus allowable per-pupil site development and site acquisition costs calculated pursuant to Government Code Section 65995.5(c) and 65995.6(h).
7. The total amount of single-family and multi-family residential square footage projected to be built in the District over the next five years is 1,952,634 square feet, based on an average square footage of 1,710 square feet for single-family units and 858 for multi-family units projected to be built in the District and subject to Level II fees.
8. The District has no local funds available to dedicate to school facilities necessitated by future residential development.

As shown in the body of this Report, the District meets the requirements of Government Code Section 66001 regarding the collection of developer fees (the nexus requirements).

**End of Summary**

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## Introduction

The purpose of this Report is to calculate the fee amount that the Stockton Unified School District (District) is authorized to collect on residential development projects pursuant to Government Code Sections 65995.5 and 65995.7. *School Facility Consultants* (SFC) has been retained by the District to conduct the analysis and prepare this Report.

State law gives school districts the authority to charge fees on new residential developments if those developments generate additional students and cause a need for additional school facilities. All districts with a demonstrated need may collect fees pursuant to Education Code Section 17620 and Government Code Section 65995 (referred to as Level I fees). Level I fees are currently capped at \$4.79 per square foot of new residential development. Government Code Sections 65995.5 and 65995.7 authorize districts to collect fees (referred to as Level II and Level III fees) in excess of Level I fees, provided that the districts meet certain conditions. Government Code Section 66001 requires that a reasonable relationship exist between the amount and use of developer fees and the developments on which they are to be charged.

This Report is divided into three sections. The first section summarizes the specific requirements in State law regarding Level II and Level III fees and establishes the District's authority to collect them. The second section calculates the dollar amounts of Level II and Level III fees that the District is authorized to collect. The third section explains how the District satisfies the requirements of Government Code Section 66001 with respect to Level II and III fees, summarizes other potential funding sources for school facilities, and presents recommendations regarding the collection of developer fees.

**End of Section**

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## **I. Authority to Collect Level II and Level III Fees**

State law establishes several requirements in order for school districts to collect Level II fees. Specifically, districts must: (1) apply to the State Allocation Board (SAB) and be deemed eligible for State funding for new school construction, (2) adopt a school facility needs analysis and justification study, and (3) satisfy at least two of the four criteria set forth in Government Code Section 65995.5(b)(3)(A-D).

The general conditions required for collecting Level III fees are the same as those for Level II fees. Before districts can collect Level III fees, however, SAB must make a determination that the SAB is no longer approving apportionments for new construction through the State School Facilities Program pursuant to Article 5 (commencing with Section 17072.20) of Chapter 12.5 of Part 10 of the Education Code, which it did on May 25, 2016 and confirmed to the legislature on November 1, 2016.

The District satisfies the three conditions listed above in the following ways:

### **A. Eligibility for State Funding for New Construction**

The District was deemed eligible to receive State funding for construction of new school facilities as outlined in Government Code Section 65995.5(b)(1) by the SAB on May 24, 2000. The District's eligibility was most recently adjusted at the February 26, 2020, SAB meeting.

### **B. Adoption of School Facility Needs Analysis and Justification Study**

This Report meets the requirements of Government Code Section 65995.6 for a School Facility Needs Analysis and Justification Study, that is, a study that shall "determine the need for new school facilities for unhoused pupils that are attributable to projected enrollment growth from the development of new residential units over the next five years." By adopting this study, the District will satisfy this requirement.

### **C. Criteria in Government Code Section 65995.5(b)(3)(A-D)**

The District also meets the criterion outlined in 65995.5(b)(3)(C); that is, the District has issued debt or incurred obligations for capital outlay in an amount equivalent to 30 percent of the District's local bonding capacity, including indebtedness that is repaid from property taxes, parcel taxes, the District's general fund and special taxes. The District has issued debt for capital outlay in excess of 100 percent of total bonding capacity.

The District also meets the criterion outlined in 65995.5(b)(3)(D); that is, that at least 20 percent of the District's classrooms are relocatable. According to the District's current Office of Public School Construction Form SAB 50-02, 28.4 percent (401 out of 1,411) of the total classrooms in the District are relocatable. The District has also added capacity through the State School Facility Program. Including these projects in the District capacity indicates that 21.9 percent (388 out of 1,769) of the total classrooms in the District are relocatable.

**End of Section**

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## II. Amount of Level II and Level III Fees

State law outlines the method by which Level II and Level III fees are calculated. The intent of the law is that the Level II fee represents half the cost of providing new school facilities as defined in the State School Facility Program (SFP). Level III fees are intended to represent 100 percent of a school district's cost to accommodate increased enrollment as a result of new residential development. The methods defined in State law for calculating the Level II fee, however, underestimate the District's true cost of providing school facilities. Additional sources of funds are necessary to fully fund the facilities that are required as a result of new development and the generation of students from such development activity within the District.

The Level II fee is calculated by (1) determining the allowable cost for new school facilities as outlined in the State SFP, and (2) dividing that cost by the amount of new residential square footage projected to be built in the District over the next five years.

### A. Allowable Cost for New School Facilities

The District's facility plans call for the operation of K-8 schools for elementary students and 9-12 schools for high school students.

State law prescribes the following process for calculating the allowable cost for new school facilities:

- (1) determine the number of unhoused students attributable to future residential development;
- (2) multiply the number of unhoused students by the per-pupil grant costs of new elementary, middle or high schools as outlined in Education Code Section 17072.10;
- (3) determine the amount of site acquisition and development costs to be included as allowed by Government Code Section 65995.5(h); and
- (4) subtract the amount of local funds dedicated to school facilities necessitated by future residential development from the sum of (2) and (3).

#### 1) Number of Unhoused Students

The number of unhoused students generated by future development is equal to the total number of students generated by future development minus the District's existing excess pupil capacity.

As required by Government Code Section 65995.6(a), this Report estimates the number of students generated by new development based on the historical student generation rates of residential units constructed during the previous five years.

The student generation rate for new single-family and multi-family housing units is calculated by counting the number of K-12 students attending District schools that live in single-family and multi-family housing units built over the period 2017 through 2021.

Addresses for units that were constructed from January 2022 to the present date are not used in the calculation because (1) student address files may not reflect residents' address changes for approximately one year, (2) students who have moved from a nearby district may continue to attend their previous school until the end of the school year and (3) units listed may not have been completed and occupied by the time the student address list was compiled.

Table 1-1 summarizes the student generation rates for single-family and multi-family units.

**Table 1-1  
Student Generation Rates**

<b>Grade Group</b>	<b>Single-Family</b>	<b>Multi-Family</b>
K-6	0.254	0.089
7-8	0.062	0.018
9-12	0.141	0.034
<b>Total</b>	<b>0.457</b>	<b>0.141</b>

This Report estimates that 887 single-family units and 508 multi-family units that will be subject to Level II/III developer fees will be built in the District over the next five years in either the City of Stockton or the County of San Joaquin planning jurisdictions. This estimate is based on the number of units that paid developer fees over the last five years (2022 data includes units that paid fees through June 30, 2022), and is consistent with the date range methodology used by Economic & Planning Systems to determine the projected average square footage utilized in the District's 2004 *School Facility Needs Analysis* (SFNA). As a result of a 2004 agreement between the District and the Building Industry Association of the Delta, the parties agreed on certain approaches to address several data points used in the SFNA; this includes continuing the methodology used by Economic & Planning Systems to determine the quantity and average square footage of future development within the District. The relevance of this methodology is evaluated when the District updates its SFNA and the data points are adjusted accordingly.

Table 1-2 shows the total number of students projected to enter the District from new housing units subject to Level II and Level III fees built over the next five years.

*(Continued on the next page)*



**Table 1-2  
Students Generated by Future Development**

	<b>K-6 Students</b>	<b>7-8 Students</b>	<b>9-12 Students</b>
Single-Family	0.254 x 887 = <b>225</b>	0.062 x 887 = <b>55</b>	0.141 x 887 = <b>125</b>
Multi-Family	0.089 x 508 = <b>45</b>	0.018 x 508 = <b>9</b>	0.034 x 508 = <b>17</b>
<b>Total</b>	<b>270</b>	<b>64</b>	<b>142</b>

In determining how many of the students in Table 1-2 are unhoused, the District must consider any existing excess capacity. State law requires districts to calculate their total pupil capacity according to the method described in Section 17071.10 of the Education Code. As stated on the District’s current Office of Public School Construction Form SAB 50-02, submitted to the SAB on October 9, 2001 (see Appendix A), the District’s current pupil capacity, as calculated pursuant to Education Code Section 17071.10, is 23,456 in grades K-8 and 7,509 in grades 9-12. These capacities are inclusive of the Special Day Class capacity identified on the District’s Office of Public School Construction Form SAB 50-02. In addition to the capacity reflected on the District’s Form SAB 50-02, the District has added K-8 capacity through the State School Facility Program funding and construction of the (1) Dolores Huerta Elementary School (475 seats), (2) George W. Bush Elementary School (613 seats), (3) Kohl Elementary School (250 seats), (4) Wilhelmina Henry Elementary School (970 seats), (5) Richard A. Pittman Elementary School (755 seats), (6) Peyton Elementary School (811 seats) (7) Spanos Elementary (471 seats), (8) Maxine Hong Kingston Middle School (976 seats), (9) Walton Special Center (75 seats), (10) Nightingale Elementary (233 seats), (11) King Elementary School (150 seats), (12) El Dorado Elementary (34 seats), (13) Kennedy Elementary School (408 seats), (14) Rio Calavaras Elementary School (100 seats), and (15) Flora Arca Mata Elementary School (604 seats). The District has added 9-12 capacity through the State School Facility Program funding and construction of Cesar Chavez High School (2,356 seats) and Walton Special Center (33 seats) and the construction of Science Classrooms at Edison, Franklin, and Stagg High Schools (162 seats).

There were 29,438 K-8 pupils attending public schools within the District’s boundaries in 2022/2023. The District has 943 seats of existing excess capacity (see table 1-3). However, pupils from existing development will require 860 spaces of the existing capacity (total five-year K-8 enrollment growth [1,194 pupils] based on a State School Facility Program (SFP) Cohort Survival enrollment projection model, minus 334 K-8 pupils generated by future residential development [see Table 1-2, 887 new single-family units times K-6 Student Generation Rate {0.254} equals 225, plus 508 new multi-family units times K-6 Student Generation Rate {0.089} equals 45, plus 887 new single-family units times 7-8 Student Generation Rate {0.062} equals 55, plus 508 new multi-family units times 7-8 Student Generation Rate {0.018} equals 9, for a total of 334 pupils] equals 860 pupils from existing development). The District therefore has 83 seats of excess capacity available for

K-8 pupils generated by future development, and 251 K-8 pupils listed in Table 1-2 are defined as unhoused.

Enrollment within the District exceeds the District’s capacity at the 9-12 grade group. There were 11,822 9-12 pupils attending public schools within the District’s boundaries in 2022/2023. As outlined above, Table 1-3 shows that 252 K-8 and all 142 9-12 pupils generated by Future Residential Development identified in Table 1-2 are unhoused.

**Table 1-3  
Unhoused Students Generated from  
Future Residential Development**

<b>Grade Group</b>	<b>Capacity</b>	<b>2022/23 Enrollment</b>	<b>Existing Excess Capacity</b>	<b>Existing Capacity Available for Students from Future Development</b>	<b>Unhoused Students From Future Development</b>
K-8	30,381	29,438	943	83	251
9-12	10,066	11,822	0	0	142
<b>Total</b>	<b>40,447</b>	<b>41,260</b>	<b>943</b>	<b>83</b>	<b>393</b>

2) Allowable Grant Costs

Table 1-4 shows the total allowable grant costs for new facilities necessitated by pupils generated from future residential development. As stated above, the District houses students in facilities with K-8 and 9-12 grade configurations, however, consistent with Government Code Section 65995.5(c)(1) and Education Code Section 17072.10 the following table outlines the per-pupil grant costs by K-6, 7-8 and 9-12 grade groups.

**Table 1-4  
Allowable Grant Costs for Pupils Generated from  
Future Residential Development**

<b>Grade Group</b>	<b>Per-Pupil Grant Cost</b>	<b>Number of Unhoused Students</b>	<b>Total Grant Cost</b>
K-6	\$17,436.50	187	\$3,260,625.50
7-8	\$18,369.50	64	\$1,175,648.00
9-12	\$22,823.50	142	\$3,240,937.00
<b>Total</b>	<b>N/A</b>	<b>393</b>	<b>\$7,677,210.50</b>

The per-pupil grant does not include all cost items that the local community may deem important to meeting the quality of facilities in the District. Because the per-pupil grants do not address certain costs, the actual funding will likely not be adequate to fund school facilities to the quality and level required by the District.

Therefore, the final calculation of Level II fees will likely understate the funding required by the District.

3) Allowable Site Acquisition and Development Costs

Table 1-5 shows the per-pupil site acquisition and development costs for elementary, middle and high school students. The site sizes for the District’s K-8 and 9-12 cost models are based on acreage amounts that are equal to or less than the acreage amounts outlined in the guidelines in the “School Site Analysis and Development Handbook” published by the California State Department of Education (CDE). Site acquisition costs for the District’s planned K-8 and 9-12 cost model projects are based on (1) land prices consistent with future land acquisition costs that District administrators expect to pay for planned K-8 and 9-12 projects and (2) applicable increases pursuant to Section 1859.74 of Title 2 of the California Code of Regulations for appraisals, surveys, site testing, CDE review/approval, preparation of the POESA and PEA and DTSC cost for review, approval and oversight of the POESA and the PEA. Site development costs for the District’s K-8 and 9-12 cost model projects are consistent with the guidelines in Government Code Section 65995.5(h). For more detail regarding site acquisition and site development cost estimates, see Appendices C and D.

**Table 1-5  
Per-Pupil Site Acquisition and Development Costs**

<b>Grade Group</b>	<b>Per-Pupil Site Acquisition Costs</b>	<b>Per-Pupil Site Development Costs</b>	<b>Per-Pupil Acquisition and Development Costs</b>
<b>K-8</b>	\$403	\$9,820	\$10,223
<b>9-12</b>	\$566	\$11,887	\$12,453

Pursuant to Government Code Sections 65995.5(c) and 65995.5(h), the allowable cost for site acquisition and development is calculated by (1) multiplying the per-pupil cost by one-half and (2) multiplying that result by the number of unhoused K-8 and 9-12 students. Table 1-6 shows the total allowable site acquisition and development costs for new facilities necessitated by pupils generated from future residential development.

**Table 1-6  
Allowable Site Acquisition and Development Costs for Pupils Generated from Future Residential Development**

<b>Grade Group</b>	<b>One-Half of Per-Pupil Costs</b>	<b>Number of Unhoused Students</b>	<b>Allowable Cost</b>
K-8	\$5,111.50	251	\$1,282,986.50
9-12	\$6,226.50	142	\$884,163.00
<b>Total</b>	<b>N/A</b>	<b>393</b>	<b>\$2,167,149.50</b>

4) Local Funds Dedicated to School Facilities Necessitated by Future Development

The District does not currently have any local dollars available to fund school facilities necessitated by future development (District Capital Facility Funds including: residential and commercial/industrial developer fee revenue, general obligation bond proceeds and state School Facility Program revenue). All District funds available for additional school facilities are required to provide facilities for existing unhoused students.

In addition, the District has no properties that have been declared surplus and are available for sale or lease to finance school facilities, or that could be placed into operations as a school site.

According to the District, the District has approximately \$41,727,256 available for new construction. These amounts are comprised of current funds available in the District’s Capital Facility Accounts.

All remaining available capital facility funds are dedicated to either the modernization, refurbishment and/or replacement of existing facilities or debt service payments for facilities already accounted for in the District’s capacity. The District also has approximately \$60 million in revenue from General Obligation Bonds (Portions of Measure C [total of \$120 million, passed November 8, 2005], Measure Q [total of \$464.5 million, passed February 5, 2008], and Measure C [total of \$156 million, passed June 5, 2018]), however, all of this amount is dedicated to the modernization, refurbishment and/or replacement of existing facilities.

As outlined in Table 1-7, based on 2022/23 enrollment, the District has zero K-8 and 1,756 9-12 students that are unhoused.

**Table 1-7  
Existing Unhoused Pupils**

<b>Grade Group</b>	<b>Current Capacity</b>	<b>2021/22 Enrollment</b>	<b>Existing Unhoused Pupils</b>
K-8	30,381	29,438	0
9-12	10,066	11,822	1,756
<b>Total</b>	<b>40,447</b>	<b>41,260</b>	<b>1,756</b>

Table 1-8 summarizes the cost of providing school facilities for these students. Table 1-8 uses data from the District to calculate the cost of providing school facilities to existing unhoused pupils. As noted in other sections, the District’s actual cost to house existing unhoused pupils is expected to be substantially higher than the State allowances outlined in this report.

**Table 1-8  
Cost of Providing School Facilities for Existing Unhoused Students**

<b>Grade Group</b>	<b>Existing Unhoused Pupils</b>	<b>Per-Pupil District Costs</b>	<b>Total Cost</b>
K-8	0	\$92,269	\$0
9-12	1,756	\$55,413	\$97,305,228
<b>Total</b>	<b>1,756</b>	<b>N/A</b>	<b>\$97,305,228</b>

Comparing all of the District’s funds (\$41,727,256) to the cost of providing school facilities for existing unhoused students (\$97,305,228) demonstrates that all District funds available for new construction are required to provide facilities for existing unhoused students.

5) Total Allowable School Facility Cost for Level II Fees

Table 1-9 shows the total allowable cost for Level II fees for students from future residential development.

**Table 1-9  
Total Allowable Cost for Level II Fees for Pupils Generated from Future Residential Development**

<b>Category</b>	<b>Amount</b>
SFP Grant	\$7,677,210.50
Site Acquisition and Development	\$2,167,149.50
Less Local Funds	\$0.00
<b>Total</b>	<b>\$9,844,360.00</b>

## **B. Amount of Level II Fee**

The Level II fee is calculated by dividing the total allowable cost by the amount of new single-family and multi-family residential square footage projected to be built in the District over the next five years.

As stated in Section II.A.1. above, over the next five years, 887 single-family and 508 multi-family units that will be subject to Level II and Level III fees are projected to be built in the District. Consistent with the methodology outlined in the *Stockton USD Residential Market Analysis* prepared by Economic & Planning Systems for the District's 2004 SFNA this Report estimates that new single-family and multi-family units in the District will have an average square footage of 1,710 for single-family and 858 for multi-family based on the average square footage of housing units that paid developer fees over the last five years (2022 data includes units that paid fees through June 30, 2022). Multiplying average square footage by number of units (1,710 square feet times 887 single-family units and 858 square feet times 508 multi-family units) produces a total of 1,952,634 square feet of new residential development projected to be built in the District over the next five years. Dividing this total square footage into total allowable cost results in a Level II fee of \$5.04 per square foot of new residential development.

The calculation of Level II fees, in accordance with the formulas provided in the statutes, will likely be understated when measured against the actual calculation of costs due to the limited inclusion of cost categories to determine actual costs per student and the fluctuating student generation rates. The District needs to account for these issues when conducting a revenue/cost analysis utilizing the calculated Level II fee.

## **C. Amount of Level III Fee**

Under certain circumstances, State law allows school districts to charge a fee higher than a Level II fee if: (1) the district meets the requirements for Level II fees and (2) the SAB has made a determination that it is no longer approving apportionments for new construction through the State School Facilities Program pursuant to Article 5 (commencing with Section 17072.20) of Chapter 12.5 of Part 10 of the Education Code due to lack of funds available pursuant to Government Code section 65995.7.

In the District's case, this higher fee, referred to as a Level III fee, shall equal the District's Level II fee (\$5.04, as calculated in Section B above), plus the total allowable costs of the SFP Grant and Site Acquisition and Development (total of \$9,844,360.00 as identified in Table 1-9, above) divided by the total square-footage of residential development (1,952,634 as identified in Section B, above), for a total Level III fee of \$10.08 per square foot (twice the calculated Level II fee of \$5.04).

The maximum Level III fee the District is authorized to charge, therefore, is \$10.08 per square foot of new residential development.

**End of Section**

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### III. Findings and Recommendations

This Section (1) shows that the District meets the requirements of Government Code Section 66001 regarding the collection of developer fees, (2) summarizes other potential funding sources for the District’s capital projects, and (3) presents recommendations regarding the collection of developer fees.

#### A. Findings

(1) Government Code Section 66001(a)(1)—Purpose of the Fee

The purpose of collecting Level II and III fees on residential development is to acquire funds to construct or reconstruct school facilities for the students generated by future residential developments.

(2) Government Code Section 66001(a)(2)—Use of the Fee

The District use of the fee will involve constructing and/or reconstructing new K-8 and high school campuses and/or additional permanent facilities on existing K-8 and high school campuses. In addition, the District may build other school related facilities or purchase or lease portable classrooms to use for interim housing while permanent facilities are being constructed.

Revenue from Level II and III fees collected on residential development may be used to pay for all of the following:

- (1) land (purchased or leased) for school facilities,
- (2) design of school facilities,
- (3) permit and plan checking fees,
- (4) construction or reconstruction or refurbishment of school facilities,
- (5) testing and inspection of school sites and school buildings,
- (6) interim school facilities (purchased or leased) to house students generated by future development while permanent facilities are being constructed, and
- (7) other uses permitted by law.

(3) Government Code Section 66001(a)(3)—Relationship Between the Fee’s Use and the Type of Project on Which the Fee is Imposed

All types of new residential development—including but not limited to single- and multi-family units in new subdivisions and in “in-fill” lots, single- and multi-family units in redevelopment projects, single- and multi-family units that replace demolished units, additions and expansions of residential space to existing single- and multi-family units, manufactured homes, mobile homes, condominiums and accessory dwelling units—are projected to cause new families to move into the District and, consequently, generate additional students in the District. As shown earlier in this Report, sufficient school facilities do not exist for these students.

Recent legislation expounded the parameters of attached and detached living areas which are attached or detached from the primary single-family or multifamily dwelling units (generally referred to as Accessory Dwelling Units (ADUs), and Junior Accessory Dwelling Units (JADUs)). Whether these types of dwelling units are called casitas, granny flats, in-law units, accessory units or converted living space, these constructed areas are intended to provide an area for living and sleeping that previously did not exist – whether the facilities and provisions for living, sleeping, eating, cooking, and sanitation are within that living space or within (or adjacent to) the attached single-family or multifamily dwelling unit. The District recognizes that students are generated from these types of living areas and will levy the appropriate fee rate for these types of new construction projects.

Therefore, all types of new residential development create a need for additional school facilities. The use of this fee to acquire school facilities is reasonably related to the new residential development project(s) on which the fee is imposed.

(4) Government Code Section 66001(a)(4)—Relationship Between the Need for the Public Facility and the Type of Project on Which the Fee is Imposed

The District’s enrollment is larger than its pupil capacity in the next five years. The District, therefore, does not have sufficient existing capacity to house all students generated by future development. Future residential development in the District will generate additional students and, consequently, a need for additional school facilities. Therefore, a relationship exists between the District’s need to build additional school facilities and new residential development projects.

(5) Government Code Section 66001(b)—Relationship Between the Fee and the Cost of the Public Facility Attributable to the Development on Which the Fee is Imposed

This Report concludes that the methods prescribed by the State law for estimating school facility construction costs, and for calculating the Level II and Level III fees, supports the establishment of Level II and Level III fees which, when collected, will contribute to the District’s cost of constructing and reconstructing school facilities to house students generated by future residential construction.

(6) Other Funding Sources

The following is a review of other potential funding sources for constructing school facilities:

a) General Fund

The District’s General Fund budget is typically committed to instructional and day-to-day operating expenses and not used for capital outlay uses, as funds are needed solely to meet the District’s non-facility needs.



b) State Programs

The District has applied for and received State funding for construction of new school facilities under the 1998 Leroy F. Greene School Facility Program. Even projects funded at 100 percent of the State allowance, however, often experience a shortfall between State funding and the District's actual facility needs. State funds for deferred maintenance may not be used to pay for new facilities. State law prohibits use of lottery funds for facilities.

c) General Obligation Bonds

School districts can, with the approval of either two-thirds or 55 percent of its voters, issue general obligation bonds that are paid for out of property taxes. In November 2005, February 2008, November 2012 and June 2018, the District's voters passed General Obligation Bonds (Measures C [November 2005] and Measure Q [February 2008], Measure E [November 2012] and Measure C [June 2018]) authorizing a total of \$740.9 million in bond sales. These bond funds are for both modernization and new construction. Funds identified for use towards new construction are account for in this analysis. The entire \$740.9 million is dedicated to house existing students and cannot be used to offset impacts from new development.

d) Parcel Taxes

Approval by two-thirds of the voters is required to impose taxes that are not based on the assessed value of individual parcels. While these taxes have been occasionally used in school districts, the revenues are typically minor and are used to supplement operating budgets. At present, voters in the District have not voted to approve such taxing authority.

e) Mello-Roos Community Facilities Districts

This alternative uses a tax on property owners within a defined area to pay long-term bonds issued for specific public improvements. Mello-Roos taxes require approval from two-thirds of the voters (or land owners if fewer than 12) in an election. The District currently has one Mello-Roos Community Facilities District (CFD), and all of the revenue from the CFD is dedicated to providing school facilities for the students living within the CFD.

f) Surplus Property

The District has no properties that have been declared surplus and are available for sale or lease to finance school facilities.

g) Alternatives for Reducing Facility Costs

Alternatives to reducing facility costs, which have been used and/or explored by the District, include additional portable classrooms, joint-use of facilities, multi-track-year-round education, and other measures. These options remain available to the District in the future.

## **B. Recommendations**

Based on the findings outlined above, it is recommended that the Board of Trustees, as provided for in Government Code Sections 65995.5 and 65995.7, approve Level II and Level III fees on future residential development in the amounts of \$5.04 and \$10.08 per square foot, respectively.

**End of Report**

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## **Appendix A**

SAB 50-02

*Existing School Building Capacity*

## **Appendix B**

### Calculation of Allowable Per-Pupil Grant Costs

**Appendix B**  
**Calculation of Allowable Per-Pupil Grant Costs**

The per-pupil grant costs, calculated per the provisions of Government Code Section 65995.5(c)(1), include the School Facility Program (SFP) grants outlined in Education Code Section 17072.10, fire alarm and sprinkler grants mandated by Education Code Section 17074.56(a).

Table B-1 increases the SFP base new construction grant amounts by per-pupil grant increases mandated by SB 575 (fire alarm and sprinkler grants). The sum of SFP base new construction grant amounts and per-pupil grant increases mandated by SB 575 will be used in calculating the District's Level II/III fees.

**Table B-1**  
**SFP Per-Pupil Grants Plus Fire Alarm/Sprinkler Funding**

<b>Grade Group</b>	<b>K-6</b>	<b>7-8</b>	<b>9-12</b>	<b>Non-Severe Special Day Class</b>	<b>Severe Special Day Class</b>
SFP Grant	\$15,983	\$16,904	\$21,509	\$30,036	\$44,911
SB 575 Fire Alarm Grant	\$19	\$25	\$43	\$57	\$80
SB 575 Sprinkler Grant	\$268	\$319	\$331	\$567	\$846
<b>50% Total Grant</b>	<b>\$16,270</b>	<b>\$17,248</b>	<b>\$21,883</b>	<b>\$30,660</b>	<b>\$45,837</b>
<b>100% Total Grant</b>	<b>\$32,540</b>	<b>\$34,496</b>	<b>\$43,766</b>	<b>\$61,320</b>	<b>\$91,674</b>
Regular Pupil Adjustment*	\$31,056	\$32,922	\$41,512	n/a	n/a
Non-Severe SDC Adjustment**	\$740	\$740	\$1,183	n/a	n/a
Severe SDC Adjustment***	\$3,077	\$3,077	\$2,952	n/a	n/a
<b>100%</b>	<b>\$34,873</b>	<b>\$36,739</b>	<b>\$45,647</b>	<b>n/a</b>	<b>n/a</b>

\*Based on the percentage of Non-Special Day Class Students currently enrolled in the District (i.e., percentage of K-8 and 9-12 students).

\*\*Based on the percentage of Non-Severe Special Day Class Students currently enrolled in the District (i.e., percentage of K-8 and 9-12 students).

\*\*\* Based on the percentage of Severe Day Class Students currently enrolled in the District (i.e., percentage of K-8 and 9-12 students).

## **Appendix C**

### **Calculation of Allowable Per-Pupil Site Acquisition Costs**

**Appendix C**  
**Calculation of Allowable Per-Pupil Site Acquisition Costs**

The site sizes for the District’s K-8 and high school cost models are equal to or less than the acreage amounts outlined in the guidelines in the “School Site Analysis and Development Handbook” published by the California State Department of Education.

Site acquisition costs for the District’s K-8 and high school cost models are based on (1) per acre land prices from recent purchases and appraisals of future school sites in the District and future land acquisition costs estimated by District administrators, and (2) applicable increases pursuant to Section 1859.74 of Title 2 of the California Code of Regulations for appraisals, surveys, site testing, CDE review/approval, preparation of the POESA and the PEA and the DTSC cost for review, approval, and oversight of the POESA and the PEA.

Table C-1 calculates the total site acquisition costs for each cost model for future facilities:

**Table C-1**  
**Calculation of Total Site Acquisition Cost**

<b>Cost Model</b>	<b>Site Acquisition Per Acre</b>	<b>Acreage</b>	<b>Total Site Acquisition</b>
<b>New K-8</b>	\$27,905	15.37*	\$428,900
<b>New High School</b>	\$27,905	44.60**	\$1,244,563
<b>Total</b>	<b>N/A</b>	<b>59.97</b>	<b>\$1,673,463</b>

\* Equals the total acreage required for the District’s planned K-8 cost model project.

\*\* Equals the total acreage required for the District’s planned 9-12 cost model project.

Table C-2 calculates the per-pupil site acquisition costs by Cost Model by taking the per-pupil site acquisition costs of all of the above cost models and calculating the average cost per grade group.

*(continued on next page)*

**Table C-2**  
**Calculation of Per-Pupil Site Acquisition Costs by Grade Grouping**

<b>K-8 Cost Models</b>			
<b>School</b>	<b>Total Site Acquisition</b>	<b>K-8 Pupils</b>	<b>K-8 Per-Pupil Site Acq. Cost</b>
<b>New K-8</b>	\$428,900	1,063*	\$403
<b>Totals</b>	<b>\$428,900</b>	<b>1,063</b>	<b>\$403</b>
		<b>100% Cost</b>	<b>\$403</b>
<b>9-12 Cost Model</b>			
<b>School</b>	<b>Total Site Acquisition</b>	<b>9-12 Pupils</b>	<b>9-12 Per-Pupil Site Acq. Cost</b>
<b>New High School</b>	\$1,244,563	2,200**	\$566
<b>Totals</b>	<b>\$1,244,563</b>	<b>2,200</b>	<b>N/A</b>
		<b>100% Cost</b>	<b>\$566</b>

\* Equals the total capacity of the District's planned K-8 cost model project.

\*\*Equals the total capacity of the District's planned 9-12 cost model project.



## **Appendix D**

### Calculation of Allowable Per-Pupil Site Development Costs

**Appendix D**  
**Calculation of Allowable Per-Pupil Site Development Costs**

**Site Development Costs for a K-8 School**

Service site development, off-site development, and utilities costs for new District K-8 school cost model projects are based on State Allocation Board (SAB) approved Site Development Costs, as defined in Section 1859.76 of Title 2 of the California Code of Regulations, for the District’s Peyton Elementary School project. The Peyton project was approved on May 28, 2008, and has been indexed in an amount equal to the change in the SFP new construction grant from 2008 to 2023. Service site development, off site development, and utility costs for the District’s new Elementary School project are based on the District estimates for the Flora Arca Mata Elementary School. The Flora Arca Mata Elementary School project costs were estimated in 2020, and have been indexed in an amount equal to the change in the SFP new construction grant from 2020 to 2023.

**Table D-1**  
**Site Development Costs for a New K-8 School**

School District	Project Name	SAB Date	Project Acres
Stockton USD	Peyton Elementary	May 28, 2008	12.66
<b>Approved Site Development Costs</b>			<b>Costs</b>
Site Development Costs			\$2,924,464
SAB Approved Statewide Cost Index Adjustment (80.85%)			\$2,364,429
<b>Total Site Development Cost</b>			<b>\$5,288,893</b>
<b>Per-Acre Site Development Cost</b>			<b>\$417,764*</b>
<b>Total Per-Acre Site Development Cost</b>			<b>\$6,421,033<sup>†</sup></b>
<b>Per-Pupil Site Development Cost</b>			<b>\$6,040<sup>††</sup></b>
School District	Project Name	SAB Date	Project Acres
Stockton USD	Flora Arca Mata Elementary	N/A	6.01
<b>Approved Site Development Costs</b>			<b>Costs</b>
Site Development Costs			\$2,542,482
SAB Approved Statewide Cost Index Adjustment (28.37%)			\$721,302
<b>Total Site Development Cost</b>			<b>\$3,263,784</b>
<b>Per-Acre Site Development Cost</b>			<b>\$543,059**</b>
<b>Total Per-Acre Site Development Cost</b>			<b>\$8,346,817<sup>†</sup></b>
<b>Per-Pupil Site Development Cost</b>			<b>\$7,852<sup>††</sup></b>
<b>Overall Average Per-Pupil Site Development Cost</b>			<b>\$6,946</b>

\* Equals the Site Development divided by the total acreage of the Peyton Elementary School (12.66 acres).

\*\* Equals the Site Development divided by the total acreage of the Flora Arca Mata Elementary School (6.01 acres).

<sup>†</sup> Equals the Per-Acre Site Development Cost times the 15.37 Acres required for the District’s K-8 Cost Model Project.

<sup>††</sup> Equals the Total Per-Acre Site Development Cost divided by the capacity of the District’s K-8 Cost Model Project (1,063 pupils)

**Site Development Costs for a 9-12 School**

Service site development, off-site development, and utility costs for a new District 9-12 high school cost model are based on the site development costs approved at the July 2, 2003, SAB

meeting for the District’s Cesar Chavez High School, and has been indexed in an amount equal to the change in the SFP new construction grant from 2003 to 2023.

**Table D-2  
Site Development Costs for a New 9-12 School**

<b>Cesar Chavez High School Project</b>	<b>Site Development Costs</b>
Site Development Costs (Service Site, Off-Site and Utility Services)	\$8,959,088
SAB Approved Statewide Cost Index Adjustment (139.83%)	\$12,527,493
<b>Total</b>	<b>\$21,486,581</b>
<b>Total Capacity</b>	<b>2,356*</b>
<b>9-12 Per-Pupil Site Development Costs</b>	<b>\$9,120</b>

\* Equals the total capacity of the Cesar Chavez High School.

**General Site Development Costs for K-8 and 9-12 Grade Groupings**

Estimated general site development costs for future District K-8 and 9-12 cost model projects are based on the average allowable general site development costs, as defined in Section 1859.76 of Title 2 of the California Code of Regulations, for the District’s next planned school projects. These costs are as follows:

**Table D-3  
General Site Development Costs for District Cost Model Projects**

<b>K-8 Cost Model Projects</b>	<b>Acres</b>	<b>Per-Acre Cost</b>	<b>Pupils</b>	<b>Per-Pupil Cost</b>	<b>Costs</b>
K-8 Cost Model					
Per-Useable Acre General Site Cost	15.37	\$52,032	n/a	n/a	\$799,732
K-6 Per-Pupil General Site Cost	n/a	n/a	784	\$2,092*	\$1,640,128
7-8 Per-Pupil General Site Cost	n/a	n/a	279	\$2,204**	\$614,916
<b>Totals</b>	<b>15.37</b>	<b>n/a</b>	<b>1,063</b>	<b>n/a</b>	<b>\$3,054,776</b>
<b>Average K-8 Per-Pupil General Site Development Cost***</b>					<b>\$2,874</b>
9-12 Schools					
Per-Useable Acre General Site Cost	44.60	\$52,032	n/a	n/a	\$2,320,627
9-12 Per-Pupil General Site Cost	n/a	n/a	2,200	\$1,712****	\$3,766,400
<b>Totals</b>	<b>44.60</b>	<b>n/a</b>	<b>2,200</b>	<b>n/a</b>	<b>\$6,087,027</b>
<b>Average 9-12 Per-Pupil General Site Development Cost*****</b>					<b>\$2,767</b>

\* Equals 6% of the K-6 per-pupil base grant amount of \$34,873.

\*\* Equals 6% of the 7-8 per-pupil base grant amount of \$36,739.

\*\*\* Equals the totals of the general site costs, divided by the pupil capacity of the district’s proposed K-8 projects.

\*\*\*\* Equals 3.75% of the 9-12 per-pupil base grant amount of \$45,647.

\*\*\*\*\* Equals the totals of the general site costs, divided by the pupil capacity of the district’s proposed 9-12 projects.

**Total Site Development Cost for K-8 and 9-12 Grade Groupings**

Based on the K-8 and 9-12 site development information outlined in Table D-1 and D-2, along with the average K-8 and 9-12 general site development information outlined in Table D-3 above, Table D-4 outlines the total site development costs for the K-8 and 9-12 grade groups:

**Table D-4**  
**Total Site Development Costs for K-8 and 9-12 Grade Groupings**

<b>K-8 Grade Grouping</b>	<b>Costs</b>
Average K-8 Per-Pupil Service Site, Off-Site and Utility Costs	\$6,946
Average K-8 Per-Pupil General Site Development Costs	\$2,874
<b>Total K-8 Per-Pupil Site Development Cost</b>	<b>\$9,820</b>
<b>9-12 Grade Grouping</b>	<b>Costs</b>
Average 9-12 Per-Pupil Service Site, Off-Site and Utility Costs	\$9,120
Average 9-12 Per-Pupil General Site Development Costs	\$2,767
<b>Total 9-12 Per-Pupil Site Development Cost</b>	<b>\$11,887</b>