

School Facilities Fee Justification Report

*Prepared Pursuant to
Government Code Section 66001*

Approved June 29, 2021

Adelanto Elementary School District

2020/2021



A division of California Financial Services

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Exhibit A: School Facilities Capacity Analysis

Exhibit B: Estimated School Facilities Cost

I. Introduction

In 1986, the Governor signed into law Assembly Bill (“AB”) 2926. AB 2926 provided for the addition of several sections to the Government Code establishing the ability of school districts to impose impact fees on new residential development (“Future Residential Development”) and commercial/industrial development (“Future Commercial/Industrial Development”) for the construction or reconstruction of school facilities (“School Fees”).

AB 2926 also established cities or counties may not issue a building permit for a development project unless such School Fees have been paid and set the maximum level of School Fees at \$1.50 per square foot for residential development and \$0.25 per square foot for commercial/industrial development. Initially these maximums were subject to increase each year based on a statewide cost index, as determined by the State Allocation Board (“SAB”); however, the adjustment provisions were subsequently extended to every other year by AB 181. Pursuant to AB 2926 a school district wishing to impose School Fees must determine that the School Fees “are reasonably related and limited to the need for school facilities caused by the development”.

In 1987 AB 1600 was enacted providing additional guidance regarding the establishment of School Fees. Specifically, AB 1600 requires that public agencies satisfy the following requirements when establishing and imposing an impact fee as a condition of approval for a development project:

- Determine the purpose of the fee.
- Identify the facilities to which the fee will be applied.
- Determine that there is a reasonable relationship between the need for public facilities and the type of development on which a fee is imposed.
- Determine that there is a reasonable relationship between the amount of the fee and the public facility of portion of the facility attributable to the development on which the fee is imposed.

- Provide an annual accounting of any portion of the fee remaining unexpended, whether committed or uncommitted, in the school district's accounts five or more years after it was collected.

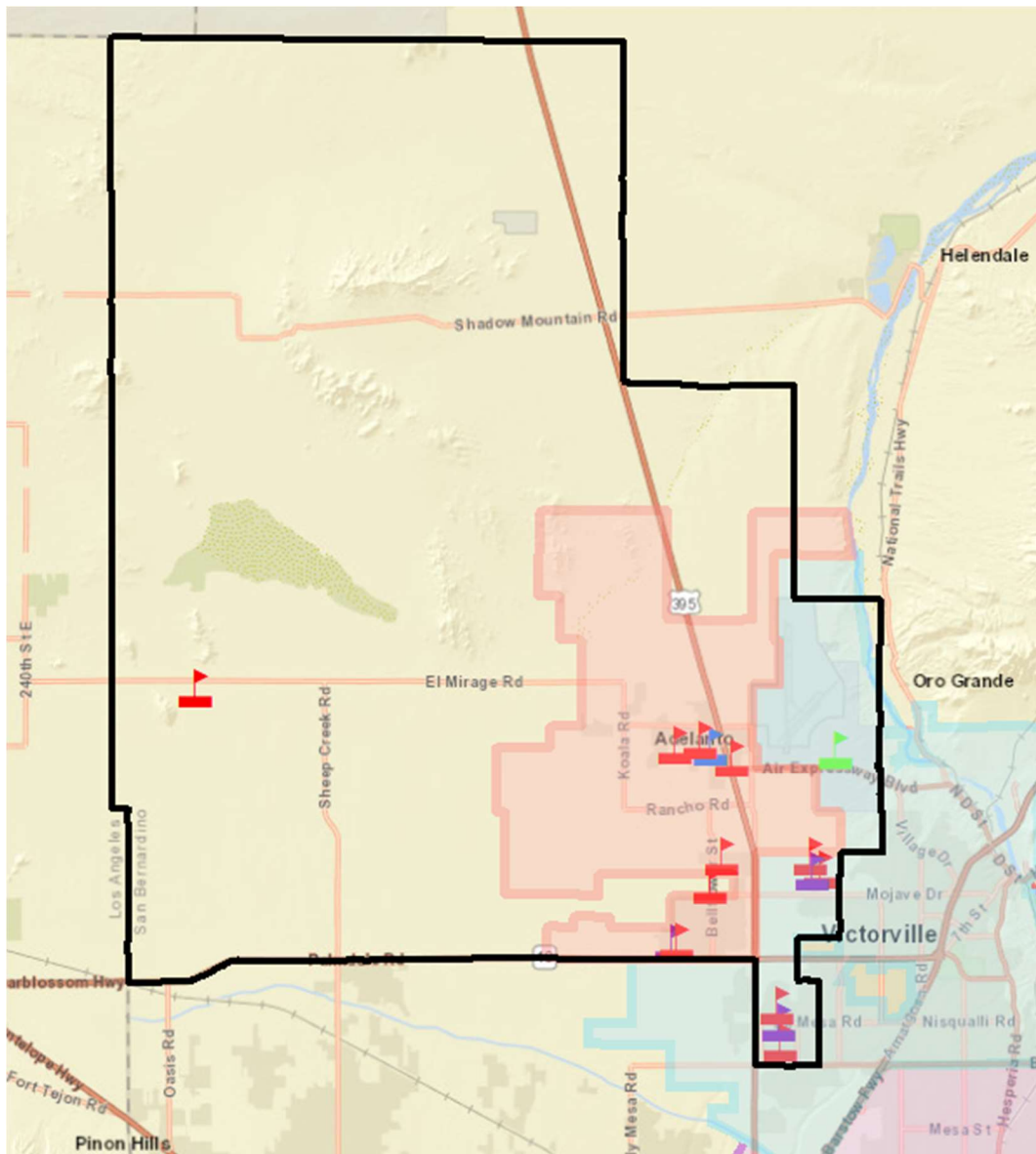
The purpose of this School Facilities Fee Justification Report (the "Report") is to provide the information necessary to satisfy these requirements for the imposition of School Fees, pursuant to AB 2926, by the Adelanto Elementary School District (the "District").

II. The School District

The District encompasses 330 square miles located in San Bernardino County including most of the City of Adelanto and a portion of the City of Victorville. The District provides education in Pre-Kindergarten through 8th grade.

The District has a student population of approximately 8,000.

Boundary Map



III. District Facilities Needs

In order to identify the impact of Future Residential Development on the facilities of the District this Report (i) evaluates the District’s current and projected enrollment, (ii) establishes the capacity of the District’s existing facilities and (ii) identifies a plan to meet the District’s facility needs.

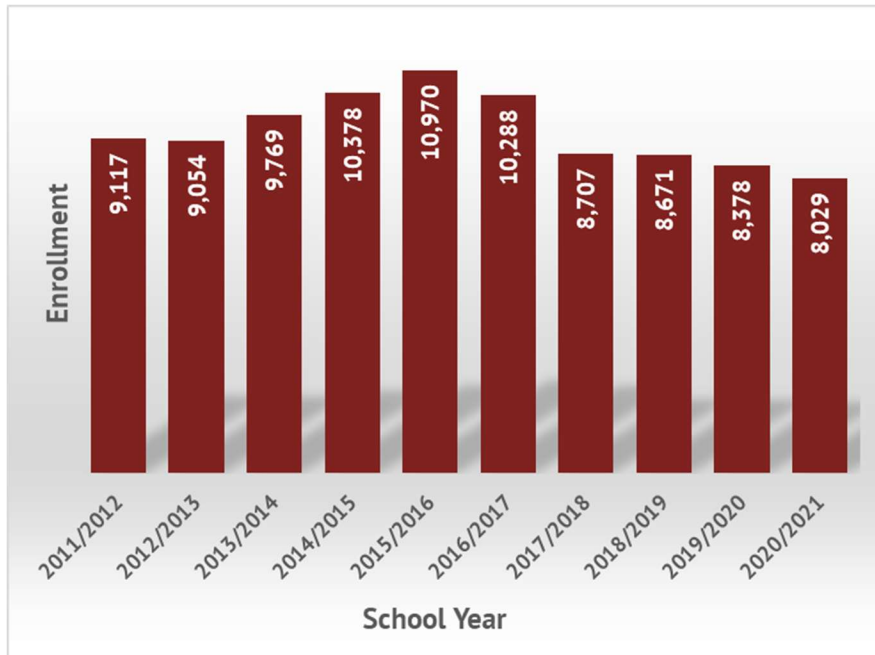
A. Enrollment

- 1. Historical Enrollment** – This Report uses the California Basic Educational Data System (CBEDS) to identify the District’s enrollment over the past ten years.

In recent years, the District has experienced a decline in enrollment driven largely by the closure of a large charter school program and a fall in kindergarten enrollment due to COVID-19. The District expects to experience moderate growth in future years as the effect of these two (2) events subside and residential development continues.

Chart 1 shows the historical enrollment during this period.

Chart 1
Historical Enrollment Trend



2. Enrollment as a Result of Future Residential Development –

a. Future Residential Development - To evaluate the enrollment expected as a result of Future Residential Development, this Report must first determine the number of units that are expected to be constructed within the District’s boundaries.

According to the Southern California Association of Governments (“SCAG”), approximately 16,424 residential units are expected to be constructed within the boundaries of the District through calendar year 2035 (“Future Units”). SCAG does not compile information regarding unit type. The SCAG projection of total households has been allocated among the unit types based on the current unit type mix within the District. Table 1 outlines the Future Residential Development.

Table 1
Future Residential Development

Land Use	Total Future Units
Single Family Detached (SFD)	14,034
Single Family Attached (SFA)	1,311
Multi-Family Attached (MFA)	1,079
Total	16,424

b. Reconstruction - Reconstruction means the voluntary demolition of existing residential dwelling units or commercial/industrial construction and the subsequent construction of new residential dwelling units (“Reconstruction”).

The District acknowledges that Reconstruction projects may occur. In such a situation, the District shall levy School Fees if there is a nexus established between the impact of the new residential dwelling units in terms of a net increase in students generated and the fee to be imposed. In other words, the School

Fees must bear a nexus to the burden caused by the Reconstruction project.

- i. **Existing Residential Dwelling Units** - To the extent Reconstruction increases the residential square footage beyond what was demolished ("New Square Footage"), the increase in square footage is subject to the applicable School Fee as such construction is considered new residential development. As for the amount of square footage constructed that replaces only the previously constructed square footage ("Replacement Square Footage"), the determination of the applicable fee, if any, is subject to a showing that the Replacement Square Footage results in an increase in student enrollment and, therefore, an additional impact being placed on the District to provide school facilities for new student enrollment.

As of the date of this Report, the large-scale Reconstruction of residential development within the District has not occurred to the point where statistically significant data can be utilized to determine if Replacement Square Footage increases student enrollment. Therefore, prior to the imposition of School Fees on Replacement Square Footage, the District may undertake an analysis on any future proposed project(s) and may amend/update this Report. Such analysis will examine the extent to which an increase in enrollment can be expected from Replacement Square Footage due to any differential in student generation rates as identified in the Report for the applicable unit types between existing square footage and Replacement Square Footage. To the extent it can be demonstrated that Replacement Square Footage will increase student enrollment, the District may then impose a fee on the Replacement Square Footage. This fee amount on Replacement Square Footage shall be calculated by determining the cost impacts associated with any growth in student enrollment from the

Replacement Square Footage. Any such fee that is calculated for the Replacement Square Footage shall not exceed the School Fee that is in effect at such time.

- ii. **Existing Commercial/Industrial Construction** - As with Reconstruction of existing residential dwelling units, there is not significant information regarding (i) the amount of Commercial/Industrial Reconstruction planned within the District or (ii) historical levels, which might indicate the amount to be expected in the future. Due to the lack of information, the District has decided to evaluate the impacts of Commercial/Industrial Reconstruction projects on a case-by-case basis and will make a determination of whether a fee credit is justified based on the nature of the project.

The fee credit determination will be based upon a comparison of the impacts of the planned residential project and the existing land use category (i.e. retail and services, office, research and development, industrial/warehouse/manufacturing, hospital, hotel/motel or self-storage). The actual impacts of the planned residential project (taken from Table 12) will be reduced by the impact of the existing commercial/industrial category (derived from calculations contained in this Report). Any reduction to the School Fee would only occur if the reduced amount falls below the School Fee. In such a case, the District would levy the reduced amount per square foot of new residential construction for the subject Reconstruction project.

- c. **Student Generation Factors** - To estimate the impact on the District's enrollment of Future Units, Student Generation Factors ("SGFs") must be established. *KeyAnalytics* calculated SGFs for each of the following land use categories:
 - **Single Family Detached ("SFD")** – Units are stand-alone structures on their own lot with a unique Assessor's parcel number.

- **Single Family Attached (“SFA”)** – Units share common walls, usually on both sides of the property, where each is assigned a unique Assessor’s parcel number (e.g. townhomes, condominiums, duplexes).
- **Multi-Family Attached (“MFA”)** – Units share common walls in a building or structure designed to house several families in separate housing units.

The process of determining SGFs involved cross-referencing the District’s enrollment data against the County Assessor residential data. Sorting and extracting the County Assessor records by land use, *KeyAnalytics* developed a database of residential units. This database was then compared with the District's student enrollment database to identify address matches. Tables 2A, 2B and 2C outline the results of this analysis.

Table 2A
Student Generation Factors
Single Family Detached Units (SFD)

School Level	Students Matched	Single Family Detached Units	Student Generation Factors
Elementary School (Grades K-6)	4,668	13,868	0.3366
Middle School (Grades 7-8)	1,443	13,868	0.1041
Total	6,111	NA	0.4407

Table 2B
Student Generation Factors
Single Family Attached Units (SFA)

School Level	Students Matched	Single Family Attached Units	Student Generation Factors
Elementary School (Grades K-6)	221	660	0.3348
Middle School (Grades 7-8)	54	660	0.0818
Total	275	NA	0.4166

Table 2C
Student Generation Factors
Multi-Family Attached Units (MFA)

School Level	Students Matched	Multi-Family Units	Student Generation Factors
Elementary School (Grades K-6)	358	1,047	0.3419
Middle School (Grades 7-8)	86	1,047	0.0821
Total	444	NA	0.4240

Due to incomplete and incorrect address information in both the student enrollment and residential databases, *KeyAnalytics* was unable to match all the District's students. The results are SGFs that understate the number of students that will be generated by Future Units.

After accounting for incoming inter-district transfer students that reside outside of the District's boundaries, *KeyAnalytics* adjusted the SGFs based on a rate which considers the number of students successfully matched at each school level and land use. The adjusted SGFs for each land use by school level are shown in Table 3.

Table 3
Adjusted Student Generation Factors

School Level	Single Family Detached Units	Single Family Attached Units	Multi-Family Units
Elementary School (Grades K-6)	0.3489	0.3470	0.3543
Middle School (Grades 7-8)	0.1093	0.0864	0.0860
Total	0.4582	0.4334	0.4403

The SGFs shown above and the analysis of facilities impact that follows reflect the grade configuration used by the State’s School Facilities Program (“SFP”). The Report utilizes the SFP configuration to provide clarity in the calculation of the School Fees.

- d. Projected Enrollment** - When these SGFs are applied to the projected Future Units the resulting enrollment impact is 7,473 students. Table 4 outlines this calculation.

Table 4
Projected Enrollment
As a Result of Future Units

School Level	SFD Future Units	SFA Future Units	MFA Future Units	Total Projected Enrollment
Elementary School (Grades K-6)	4,896	455	382	5,733
Middle School (Grades 7-8)	1,534	113	93	1,740
Total	6,430	568	475	7,473

B. Capacity of District Facilities

The District currently operates 15 campuses serving students Pre-Kindergarten through 8th grade. To establish the capacity of the District's facilities, this Report utilizes the District's baseline capacity established with the SAB and made adjustments for subsequent construction projects funded by the State. Additional information regarding the determination of the District's capacity has been included in Exhibit A. Table 5 summarizes the District's current capacity.

Table 5
Current Facility Capacity

School Level	Facilities Capacity
Elementary School (Grades K-6)	9,480
Middle School (Grades 7-8)	3,283
Total	12,763

C. District Facility Needs

To evaluate the school facilities needed as a result of Future Units, this Report must first determine if there is any existing capacity that can be used to house future enrollment. This Report has determined there are 4,734 existing seats that may be utilized to house students expected to be generated by Future Units. Table 6 outlines the determination of existing excess capacity and the allocation of such capacity over the Future Units.

Table 6
Summary of Available District Capacity

School Level	Facilities Capacity	School Year 2020/2021 Enrollment	Existing Excess Capacity
Elementary School (Grades K-6)	9,480	6,009	3,471
Middle School (Grades 7-8) ¹	3,283	2,020	1,263
Total	12,763	8,029	4,734

¹ Includes enrollment for Taylion High Desert Academy

To determine the number of unhoused students expected to be generated by Future Units, *KeyAnalytics* subtracted the Existing Excess Capacity listed in Table 6 from the Projected Enrollment listed in Table 4. Table 7 outlines this calculation.

Table 7
Projected Unhoused Students
As a Result of Future Units

School Level	Existing Excess Capacity	Projected Enrollment	Projected Unhoused Students
Elementary School (Grades K-6)	3,471	5,733	2,262
Middle School (Grades 7-8)	1,263	1,740	477
Total	4,734	7,473	2,739

D. Plan to Provide for District Facility Needs

The District plans to construct new school facilities to meet the needs of the Unhoused Students.

The timing of these improvements are unknown and rely heavily on the District’s ability to access both local and State funding for such projects and the pace of Future Residential Development. Table 8 outlines the

number of facilities needed by the District to house the projected unhoused students resulting from Future Units.

Table 8
School Facility Needs
As a Result of Future Units

School Level	Projected Unhoused Students	Facility Capacity	Number of Facilities Needed
Elementary School (Grades K-6)	2,262	718	3.1504
Middle School (Grades 7-8)	477	1,066	0.4475

IV. Financial Impact of Residential Development

As outlined in Section III, Future Units are expected to generate additional enrollment for the District resulting in the need to construct new school facilities. This Section quantifies the financial impact of the additional enrollment resulting from Future Units.

A. Cost of School Facilities

School facilities cost estimates were prepared by *KeyAnalytics* utilizing information provide to the District by Frick, Frick and Jette. The school facilities costs represent the full cost of site acquisition, site development, construction, furniture and equipment, as well as technology. The estimated site acquisition and facility construction costs are shown in Table 9. A more detailed breakdown of the costs is listed in Exhibit B.

Table 9
Estimated School Facilities Cost

School Level	Construction Cost Per Facility	Site Cost Per Facility	Total Cost Per Facility
Elementary School (Grades K-6)	\$29,405,349	\$1,420,000	\$30,825,349
Middle School (Grades 7-8)	\$54,249,293	\$1,850,000	\$56,099,293

B. Cost of Providing School Facilities

This Report determines the cost of providing school facilities to house unhoused students resulting from Future Units by multiplying the number of facilities needed, listed in Table 8, by the Estimated School Facilities Cost, listed in Table 9. Table 10 outlines the total cost of providing school facilities to house unhoused students resulting from Future Units.

Table 10
Total Cost of Providing School Facilities
As a Result of Future Units

School Level	Number of Facilities	Cost Per Facility	Total Cost
Elementary School (Grades K-6)	3.1504	\$30,825,349	\$97,112,179
Middle School (Grades 7-8)	0.4475	\$56,099,293	\$25,104,434
Total Cost Impact			\$122,216,613

C. Cost of Providing School Facilities per Sq. Ft. of Future Residential Development

To determine the cost of providing school facilities per square foot of Future Residential Development, this Report first allocates the Total Cost of Providing School Facilities to the Future Units based on land use. Table 11 shows the calculation of the Cost of Providing School Facilities per Future Unit.

Table 11
Cost of Providing School Facilities
Per Future Units

Land Use	Total School Facilities Cost Impacts	Future Units	School Facilities Cost per Future Unit
Single Family Detached (SFD)	\$105,063,597	14,034	\$7,486.36
Single Family Attached (SFA)	\$9,339,275	1,311	\$7,123.78
Multi-Family Attached (MFA)	\$7,813,740	1,079	\$7,241.65

The Cost of Providing School Facilities per Future Unit is then divided by the average square footage of Future Unit for each land use category.

To determine the average square footage of a Future Unit this Report utilizes building permits issued within the boundaries of the District over the last five years and information provided by the cities. Table 12 shows the cost of providing school facilities per square foot of Future Unit.

Table 12
Cost of Providing School Facilities
Per Square Foot of Future Unit

Land Use	School Facilities Cost per Future Unit	Average Square Footage	School Facilities Cost Impact Per Square Foot
Single Family Detached (SFD)	\$7,486.36	2,208	\$3.39
Single Family Attached (SFA)	\$7,123.78	1,100	\$6.48
Multi-Family Attached (MFA)	\$7,241.65	800	\$9.05

V. Comparison of Impact and Residential School Fee Revenue

As noted in the introduction to this Report, the maximum level of School Fee that may be imposed by a school district on Future Residential Development is set by the SAB. In order to impose School Fees at this level, the District must demonstrate that the cost of providing school facilities equals or exceeds the amount of the School Fee to be imposed. This section compares the maximum School Fee that may be imposed by the District with the cost of providing school facilities per square foot of Future Residential Development as established in Section IV.

A. Maximum Residential School Fee

On January 22, 2020, the SAB approved an increase to the maximum School Fee that may be imposed by a unified school district on Future Residential Development to \$4.08 per square foot. Based on the District's fee sharing agreement with the Victor Valley Union High School District, the District can collect 67.8 percent, or \$2.77 per square foot, for all new Future Units built within its boundaries.

B. Comparison of Financial Impact and Maximum School Fee Revenues Per Square Foot

This Report identifies in Section IV that the cost of providing school facilities per square foot of Future Residential Development ranges from \$3.27 - \$8.72. ***Since the current maximum School Fee is less than the cost of providing school facilities per square foot of Future Residential Development, the District is justified in imposing their portion of the maximum School Fee of \$2.77 per square foot for all Future Residential Development within its boundaries.***

VI. Financial Impact of Commercial/Industrial Development

This Section analyzes the financial impact on the District resulting from students that are generated by Future Commercial/Industrial Development.

Future Commercial/Industrial Development will attract additional workers to the District. Because some of those workers will have school-age children, such Future Commercial/Industrial Development will generate additional enrollment for the District. The District is also likely to experience additional enrollment as a result of new workers who do not live within the District's boundaries, but whose children attend the District's schools as a transfer student.

A. Employees Per 1,000 Square Feet of Commercial/Industrial Development

To identify the impact of Future Commercial/Industrial Development this Report must first estimate the number of employees that will be generated by such development.

- 1. Employee Generation Rate** - As permitted by State law, this Report estimates the number of employees to be generated by Future Commercial/Industrial Development by utilizing the generation factors set forth San Diego Association of Governments ("SANDAG"). Table 13 shows these generation rates.

Table 13
Employee Generation Rates
Per 1,000 Square Feet of Commercial/Industrial Development

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

Source: SANDAG

- 2. Percentage of Employees Residing Within the District** - To accurately identify the number of employees that will reside within the District, this Report adjusts the Employee Generation Rates list in Table 13 to account for employees that may not live within the District.

To estimate the percentage of employees that will reside within the District this Report utilizes data collected by the US Census Bureau measuring individual's commute time. Based on this information, approximately 32.40 percent of employees with the District are likely to reside within the District. Table 14 show the Resident Employee Generation Rates.

Table 14
Resident Employee Generation Rates
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Employee Generation Rates	Employees Residing Within the District	Resident Employee Generation Rates
Retail and Services	2.2371	0.3240	0.7248
Office	3.4965	0.3240	1.1329
Research and Development	3.0395	0.3240	0.9848
Industrial/Warehouse/Manufacturing	2.6954	0.3240	0.8733
Hospital	2.7778	0.3240	0.9000
Hotel/Motel	1.1325	0.3240	0.3669
Self-Storage	0.0643	0.3240	0.0208

B. Household Impact

As noted in Section III, the SGFs calculated for the District are based on the number of students generated per housing unit. Therefore, this Report must convert the number of resident employees into the resulting number of new households to estimate the number of students to be generated.

- 1. Average Number of Employees per Household** - To estimate the number of households to be generated by these resident employees, this Report utilizes information collected by the US Census Bureau. According to the US Census Bureau the average number of employed persons per household within the District is 1.2539.
- 2. Household Impact Per 1,000 Square Feet of Commercial/Industrial Development** - The Household Impact per 1,000 Square Feet of Commercial/Industrial Development is calculated by dividing the Average Number of Employees per Household by the Resident Employee Generation Rates listed in Table 14. Table 15 summarizes this calculation.

Table 15
Household Impact
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Resident Employee Generation Rate	Average Employees Per Household	Household Impact Per 1,000 Square Feet
Retail and Services	0.7248	1.2539	0.5781
Office	1.1329	1.2539	0.9035
Research and Development	0.9848	1.2539	0.7854
Industrial/Warehouse/Manufacturing	0.8733	1.2539	0.6965
Hospital	0.9000	1.2539	0.7178
Hotel/Motel	0.3669	1.2539	0.2926
Self-Storage	0.0208	1.2539	0.0166

3. Net Household Impact Per 1,000 Square Feet of Commercial/Industrial Development - To identify the Net Household Impact per 1,000 Square Feet of Commercial/Industrial Development this Report must account for employees that will reside within existing residential units.

Based on home sales information, new home sales are estimated to equal 14.16 percent of the total housing units which will experience occupant turnover during the period considered in this Report. Multiplying the Household Impact per 1,000 Square Feet of Commercial/Industrial Development shown in Table 15 by 14.16 percent results in the Net Household Impact per 1,000 Square Feet of Commercial/Industrial Development shown in Table 16.

Table 16
Net Household Impact
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Household Impact Per 1,000 Square Feet	Adjustment for Resale Units	Net Household Impact Per 1,000 Square Feet
Retail and Services	0.5781	0.1416	0.0819
Office	0.9035	0.1416	0.1279
Research and Development	0.7854	0.1416	0.1112
Industrial/Warehouse/Manufacturing	0.6965	0.1416	0.0986
Hospital	0.7178	0.1416	0.1016
Hotel/Motel	0.2926	0.1416	0.0414
Self-Storage	0.0166	0.1416	0.0024

Only the Net Household Impacts are assumed to generate potential new students, thereby increasing school facilities costs to the District.

C. Student Generation Impact

This Report recognizes that employees may impact the District in two ways. First, some of the employees will reside within the District and have school aged children who attend the District’s schools. Secondly, of those employees that do not reside within the District some will have school aged children who choose to attend the District’s school as transfer students.

- 1. Resident Student Generation Impact** - To estimate the number of resident students to be generated per 1,000 Square Feet of Commercial/Industrial Development this Report multiplies the SGFs, outlined in Section III, by the Net Household Impacts listed in Table 16. The resulting Resident Student Generation Impact per 1,000 Square Feet of Commercial/Industrial Development is listed Table 17.

Table 17
Resident Student Generation Impact
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Elementary School (Grades K-6)	Middle School (Grades 7-8)	Total
Retail and Services	0.0286	0.0087	0.0372
Office	0.0447	0.0136	0.0582
Research and Development	0.0388	0.0118	0.0506
Industrial/Warehouse/Manufacturing	0.0344	0.0104	0.0449
Hospital	0.0355	0.0108	0.0463
Hotel/Motel	0.0145	0.0044	0.0189
Self-Storage	0.0008	0.0002	0.0011

2. Inter-District Transfer Student Generation Impact - To estimate the number of inter-district transfer students that may be generated, this Report utilizes enrollment data of the District. The total number of inter-district transfer students attending District schools was divided by the total number of employed persons within the District, as estimated by the Census Bureau. This calculation is summarized in Table 18.

Table 18
Inter-District Transfer Rate Per Employee

Item	Elementary School (Grades K-6)	Middle School (Grades 7-8)
Number of Employed Persons	17,529	17,529
Number of Inter-District Transfers	314	100
Inter-District Transfers Per Employee	0.0179	0.0057

3. Total Student Generation Impact Per 1,000 Square Feet of Commercial/Industrial Development - The Inter-District Transfer Rates, listed in Table 18, were multiplied by the Employee Generation Rates in Table 13 to calculate Inter-District Transfer Rates per 1,000

Square Feet of Future Commercial/Industrial Development. These Inter-District Transfer Rates were added to the Resident Student Generation Impact per 1,000 Square Feet of Commercial/Industrial Development, listed in Table 17, to calculate the Total Student Generation Impact per 1,000 Square Feet of Commercial/Industrial Development list in the Table 19.

Table 19
Total Student Generation Impact
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Elementary School (Grades K-6)	Middle School (Grades 7-8)	Total
Retail and Services	0.0686	0.0214	0.0900
Office	0.1073	0.0335	0.1407
Research and Development	0.0932	0.0291	0.1223
Industrial/Warehouse/Manufacturing	0.0827	0.0258	0.1085
Hospital	0.0852	0.0266	0.1118
Hotel/Motel	0.0347	0.0108	0.0456
Self-Storage	0.0020	0.0006	0.0026

D. Cost of Providing School Facilities Per 1,000 Square Feet of Commercial/Industrial Development

To calculate the Cost of Providing School Facilities per 1,000 Square Feet of Commercial/Industrial Development, this Report calculates the cost impact per student using the information listed in Table 7 and multiplies the per student cost by the Total Student Generation Impacts listed in Table 19. Table 20 outlines the resulting Cost of Providing School Facilities per 1,000 Square Feet of Commercial/Industrial Development.

Table 20
Cost of Providing School Facilities
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Elementary School (Grades K-6)	Middle School (Grades 7-8)	Total
Retail and Services	\$2,946.07	\$1,127.44	\$4,073.51
Office	\$4,604.49	\$1,762.11	\$6,366.60
Research and Development	\$4,002.65	\$1,531.79	\$5,534.44
Industrial/Warehouse/Manufacturing	\$3,549.54	\$1,358.39	\$4,907.93
Hospital	\$3,658.07	\$1,399.92	\$5,057.99
Hotel/Motel	\$1,491.29	\$570.71	\$2,062.00
Self-Storage	\$84.64	\$32.39	\$117.04

E. Residential School Fee Revenue Offset

A portion of the Cost of Providing School Facilities per 1,000 Square Feet of Commercial/Industrial Development will be mitigated through the collection of School Fees from Future Residential Development. To estimate the amount of these School Fees that will be collected, this Report multiplies the estimated average square footage of a Future Unit, by the District's Residential School Fee of \$2.77. This amount is then multiplied by the Net Household Impacts listed in Table 19. Table 21 outlines this calculation.

Table 21
Residential School Fee Revenue
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Net Household Impact	Average Residential School Fees	Residential School Fee Revenue
Retail and Services	0.0819	\$5,614.95	\$459.63
Office	0.1279	\$5,614.95	\$718.35
Research and Development	0.1112	\$5,614.95	\$624.45
Industrial/Warehouse/Manufacturing	0.0986	\$5,614.95	\$553.77
Hospital	0.1016	\$5,614.95	\$570.71
Hotel/Motel	0.0414	\$5,614.95	\$232.64
Self-Storage	0.0024	\$5,614.95	\$13.20

The Residential School Fee Revenue per 1,000 Square Feet of Commercial/Industrial Development listed in Table 21 is then subtracted from Cost of Providing School Facilities per 1,000 Square Feet of Commercial/Industrial Development identified in Table 20 to calculate the Remaining Cost of Providing Facilities per 1,000 Square Feet of Commercial/Industrial Development. Table 22 outlines this calculation.

Table 22
Remaining Cost of Providing Facilities
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Cost of Providing School Facilities	Residential School Fee Revenue	Remaining Cost of Providing School Facilities
Retail and Services	\$4,073.51	\$459.63	\$3,613.88
Office	\$6,366.60	\$718.35	\$5,648.25
Research and Development	\$5,534.44	\$624.45	\$4,909.99
Industrial/Warehouse/Manufacturing	\$4,907.93	\$553.77	\$4,354.16
Hospital	\$5,057.99	\$570.71	\$4,487.29
Hotel/Motel	\$2,062.00	\$232.64	\$1,829.36
Self-Storage	\$117.04	\$13.20	\$103.84

VII. Comparison of Impact and Fee Revenue from Commercial/Industrial Development

As with Future Residential Development the maximum level of School Fee that may be imposed by a school district on Future Commercial/Industrial Development is set by the SAB. In order to impose School Fees at the maximum level the District must demonstrate that the cost of providing school facilities does not exceed the amount of the School Fees to be imposed. This section compares the maximum School Fee that may be imposed by the District, with the cost of providing school facilities as a result of Commercial/Industrial Development, as established in Section V.

A. Maximum Commercial/Industrial School Fee

In January of 2020, the SAB approved an increase to the maximum School Fee that may be imposed by a unified school district on Commercial/Industrial Development to \$0.66 per square foot. Based on the District's fee sharing agreement with the Antelope Valley Union High School District, the District can collect 67.80 percent, or \$0.45 per square foot.

B. Comparison of Financial Impact and Maximum School Fee Revenues Per Square Foot of Commercial/Industrial Development

This Report identified in Section VI that the Remaining Cost of Providing School Facilities per 1,000 Square Feet of Commercial/Industrial Development ranges from \$100.05 to \$5,442.11. Table 23 compares these costs to the maximum School Fee for Commercial/Industrial Development.

Table 23
Comparison of Remaining Cost of Providing School Facilities

Commercial/Industrial Category	Remaining Cost of School Facilities		District's Share of Maximum School Fee	Justified School Fee
	Per 1,000 Square Feet	Per Square Foot		
Retail and Services	\$3,481.99	\$3.48	\$0.45	\$0.45
Office	\$5,442.11	\$5.44	\$0.45	\$0.45
Research and Development	\$4,730.80	\$4.73	\$0.45	\$0.45
Industrial/Warehouse/Manufacturing	\$4,195.25	\$4.20	\$0.45	\$0.45
Hospital	\$4,323.52	\$4.32	\$0.45	\$0.45
Hotel/Motel	\$1,762.60	\$1.76	\$0.45	\$0.45
Self-Storage	\$100.05	\$0.10	\$0.45	\$0.10

Since the District's share of the current maximum School Fee is less than the Remaining Cost of Providing School Facilities per Square Foot of Commercial/Industrial Development in each category the District is justified in imposing a School Fee of \$0.45 per square foot for all Future Commercial/Industrial Development within its boundaries, except for the Self-Storage category where the District is justified in imposing a School Fee of \$0.10.

VIII. Conclusion and Statement of Findings

Based on the findings of this Report, the District is justified in collecting their portion of the legal maximum fee (\$4.08) which is \$2.77 per square foot of residential development as authorized by Government Code Section 65995, as future residential development creates a school facility cost impact greater than the legal maximum fee. The District is also justified in collecting their portion of the legal maximum fee (\$0.66) which is \$0.45 per square foot of commercial/ industrial development on all categories of commercial/ industrial development.

The findings of this Report are based on the following:

- According to SCAG there are 16,424 residential units planned to be built within the District.
- These residential units are expected to generate 7,473 students. The District expects these students will require the District to construct new school facilities.
- Each square foot of future residential development creates an estimated school facility cost impact between \$3.39 - \$9.05.
- If the District collects their portion of the maximum school fee which is **\$2.77**, fee revenue will offset between 30.61 – 81.71 percent of the school facility cost impact of such residential development.
- Future commercial/industrial development will create the need for additional school facilities by increasing the number of households within the District and the number of inter-district transfer students.
- After accounting for the collection of the maximum school fee from residential development the remaining school facilities cost impact of commercial/ industrial development ranges between \$0.10 and \$5.44 per square foot depending on the category of development.
- If the District collects their portion of the maximum school fee which is **\$0.45** per commercial/industrial square foot, fee revenue will offset between 7.96 – 24.59 percent of the school facility cost impact of such development, except for the Self-Storage category where the School District will collect 100% of the impact at the justified fee of \$0.10 per commercial/industrial square foot.

Exhibit A

School Facilities Capacity Analysis

**Adelanto Elementary School District
Estimated "True" Cost
Elementary School Facility**

A. Site			\$1,420,000
	Site Purchase Price		\$1,380,000
	Acres	13.80	
	Cost Per Acre	\$100,000	
	EIR		\$20,000
	Appraisals		\$10,000
	Surveys		\$5,000
	Escrow/Title		\$5,000
B. Plans			\$1,591,371
	Architect's Fee	\$1,416,716	
	Preliminary Testing	\$20,000	
	DSA/SDE Plan Check	\$134,655	
	Energy Fee Analysis	\$15,000	
	Other	\$5,000	
C. Construction			\$24,584,320
	Square Feet Per Student	80	
	Cost Per Square Foot	\$428	
D. Testing			\$50,000
E. Inspection			\$144,000
	Cost Per Month (1 inspector)	\$12,000	
	Months	12	
F. Furniture and Equipment			\$861,600
	Cost Per Square Foot	\$15	
G. Contingency			\$573,026
	Percent of Project	2.00%	
H. Items Not Funded By State			\$1,601,032
	Technology (5% of Construction)	\$1,229,216	
	Library Books (8 books/student @ \$15)	\$86,160	
	Landscaping (\$0.44 per Sq. Ft.)	\$264,496	
	Landscaping Architect Fees (8% of Landscaping)	\$21,160	
I. Total Estimated Cost			\$30,825,349
	School Facility Capacity		718
	School Facility Cost Per Student		\$42,932

**Adelanto Elementary School District
Estimated "True" Cost
Middle School Facility**

A. Site			\$1,850,000
	Site Purchase Price		\$1,810,000
	Acres	18.10	
	Cost Per Acre	\$100,000	
	EIR		\$20,000
	Appraisals		\$10,000
	Surveys		\$5,000
	Escrow/Title		\$5,000
B. Plans			\$2,747,785
	Architect's Fee	\$2,466,094	
	Preliminary Testing	\$20,000	
	DSA/SDE Plan Check	\$241,691	
	Energy Fee Analysis	\$15,000	
	Other	\$5,000	
C. Construction			\$45,571,876
	Square Feet Per Student	100	
	Cost Per Square Foot ¹	\$428	
D. Testing			\$180,000
E. Inspection			\$324,000
	Cost Per Month (1.5 inspectors)	\$18,000	
	Months	18	
F. Furniture and Equipment			\$1,599,000
	Cost Per Square Foot	\$15	
G. Contingency			\$1,045,453
	Percent of Project	2.00%	
H. Items Not Funded By State			\$2,781,179
	Technology (5% of Construction)	\$2,278,594	
	Library Books (8 books/student @ \$15)	\$127,920	
	Landscaping (\$0.44 per Sq. Ft.)	\$346,912	
	Landscaping Architect Fees (8% of Landscaping)	\$27,753	
I. Total Estimated Cost			\$56,099,293
	School Facility Capacity		1,066
	School Facility Cost Per Student		\$52,626

Exhibit B

Estimated School Facilities Cost

**ADELANTO ELEMENTARY SCHOOL DISTRICT
SCHOOL FACILITIES CAPACITY ANALYSIS**

State Application	Description	Elementary School (K-6)	Middle School (7-8)
N/A	SAB Form 50-02	3,852	962
50/67587-00-001	Theodore Vick Elementary	810	146
50/67587-00-002	New Middle School	144	693
50/67587-00-003	New Elementary No. 2 - El Mirage	250	
50/67587-00-004	Victoria Magathan Elementary	675	
50/67587-00-005	West Creek Elementary	950	
50/67587-00-006	Mesa Linda Elementary	114	
50/67587-00-007	Morgan Kincaid Preparatory	38	
50/67587-00-008	Eagle Ranch Elementary	41	
50/67587-00-009	Morgan Kincaid Preparatory	250	
50/67587-00-010	Columbia Middle	75	324
50/67587-00-011	Columbia Middle	250	
50/67587-00-012	New Elementary School Site #26	Not Funded	
50/67587-00-013	New Elementary School Site #23	850	
50/67587-00-014	Gus Franklin	800	
50/67587-00-015	New Middle School Site #25	381	1,158
50/67587-00-016	Site #27	Not Funded	
Total Capacity		9,480	3,283