Information Sheet – 3/13/18 - Board of Trustees Meeting

TO: Board of Trustees Item 7.4

FROM: Celli Coeville

DATE: March 5, 2018

RE: Resolution 2018-03-01, Adoption of School Facilities Needs Analysis, February 7, 2018

In accordance with SB50, the attached School Facilities Needs Analysis has been prepared to allow the District to collect alternative school facilities fees from residential construction.

Current Residential Fees $3.68

After Adoption – Level II Fees $3.36/ square foot
Level III Fees $6.72/ square foot

Level II fees become effective immediately for the period of one year. Level III fees may be imposed during periods when the State Allocation Board (SAB) is no longer approving apportionments for new construction due to a lack of funds available.

Recommendation: Approve Resolution 2018-03-01

RESOLUTION NO. 2018-03-01

RESOLUTION OF THE BOARD NAME/TYPE OF THE JEFFERSON SCHOOL DISTRICT APPROVING A SCHOOL FACILITIES NEEDS ANALYSIS, ADOPTING ALTERNATIVE SCHOOL FACILITIES FEES IN COMPLIANCE WITH GOVERNMENT CODE SECTION 65995.5, 65995.6 AND 65995.7 AND SECTION 17620 OF THE EDUCATION CODE AND MAKING RELATED FINDINGS AND DETERMINATIONS.

WHEREAS, the Board of Trustees ("Board") of the Jefferson School District ("District") provides for the educational needs for Grade K-8 students within the City of Tracy and portions of unincorporated areas of the County of San Joaquin; and

WHEREAS, the Board of the District has previously adopted and the District has imposed statutory school facility fees ("Statutory School Facility Fees" or "Level I Fees") pursuant to Education Code Section 17620 and Government Code Section 65995(b)(1) and (b)(2), and alternative school fee amounts pursuant to Government Code Sections 65995.5 ("Level II Fees") and 65995.7 ("Level III Fees") or (collectively, "Alternative School Facilities Fees" or "ASFF"), but desires to update its ASFF based on a current School Facilities Needs Analysis ("2018 SFNA") prepared by Cooperative Strategies, LLC in accordance with applicable law; and

WHEREAS, the Board of the District has previously by Resolution elected to participate in the school facilities funding program established pursuant to the Leroy F. Greene School Facilities Act of 1998 ("SFP") for both modernization and new construction projects, and appointed a representative ("District Representative") for the purpose of requesting an Eligibility Determination ("ED") for funding under the SFP; and

WHEREAS, the District Representative has caused the completion and certification of original and updated Enrollment Certification/Projection ("ECP") by submission of Form SAB 50-01, the Existing School Building Capacity ("ESBC") by submission of Form SAB 50-02, and the ED by submission of Form SAB 50-03 to the State Allocation Board ("SAB") for approval pursuant to the SFP; and

WHEREAS, the District received notification from the SAB that the District meets the eligibility requirements for new construction funding pursuant to the provisions of the SFP; and

WHEREAS, the District Representative has caused the completion and certification of Form SAB 50-04, the Application for Funding ("AFF"), and prior to the adoption of this Resolution submitted the AFF to the SAB for approval pursuant to the SFP; and

WHEREAS, Level II Fees and Level III Fees, upon adoption of the ASFF and during the effective period thereof, are applicable to new residential construction in accordance with applicable law, subject to the suspension of Level III Fees pursuant to Government Code Section 65995.7(a)(2); and

WHEREAS, pursuant to Government Code Section 65995.6(f), ASFF adopted by the Board are effective for a maximum on one (1) year; and

WHEREAS, the District has met the requirements established by Government Code Section 65995.5(b)(3) in that (i) the District has issued debt or incurred obligations for capital outlay in an amount equivalent to specified threshold percentage of its local bonding capacity and (ii) at least 20 percent (20%) of the teaching stations within the District are relocatable classrooms.; and

WHEREAS, new residential construction continues to generate additional students for the District's schools and the District is required to provide grades K-8 school facilities ("School Facilities") to accommodate those students; and

WHEREAS, the District does not have sufficient funds available for the construction of the School Facilities, including acquisition of sites, construction of permanent School Facilities, and acquisition of interim School Facilities, to accommodate students from new residential construction; and

WHEREAS, the Board has caused to be prepared the 2018 SFNA dated February 7, 2018, pursuant to applicable law, including, but not by way of limitation, Government Code Section 65996.6, prior to the adoption of ASFF; and

WHEREAS, the Board has received and considered the 2018 SFNA which includes all matters required by applicable law, including an analysis of: (a) the purpose of the ASFF; (b) the use to which the ASFF are to be put; (c) the nexus (roughly proportional and reasonable relationship) between the residential construction and (1) the facilities for which the ASFF are to be used, (2) the need for School Facilities, (3) the cost of School Facilities and the amount of ASFF from new residential construction; (d) an evaluation and projection of the number of students that will be generated by new residential construction by grade levels of the District as described by Government Code Section 65995.6; (e) a description of the new School Facilities that will be required to service such students; and (f) the present estimated cost of such School Facilities; and

WHEREAS, the 2018 SFNA in its final form has been available to the public, for at least thirty (30) days before the Board considered at a public hearing the adoption of the ASFF, including a response by the Board to written and oral comments, if any, received by the District; and

WHEREAS, all notices of the 2018 SFNA and adoption of ASFF, including notice of the preparation of the 2018 SFNA with the offer to meet with any affected local planning agency relating to the potential expansion of existing school sites or the necessity to acquire additional school sites, have been given in accordance with applicable law; and

WHEREAS, copies of the 2018 SFNA have been provided thirty (30) days prior to the public hearing if such written request(s) for copies were filed with the District forty-five (45) days prior to a public hearing, which was held in a manner required by applicable law at a meeting of the Board of the District relating to the proposed adoption of the 2018 SFNA and ASFF; and

WHEREAS, the 2018 SFNA has been provided to all local agencies responsible for land use planning for review and comment in compliance with Government Code Section 65995.6(c); and

WHEREAS, the District has received, considered and discussed any written and/or oral comments received by the District, and has responded to all comments,

which the Board desires to adopt all such written and oral responses as the Board's response(s), if any; and

WHEREAS, as to the approval of the 2018 SFNA and ASFF, Government Code Section 65995.6(g) provides that the California Environmental Quality Act, Division 13 (commencing with Section 21000) of the Public Resources Code does not apply to the preparation, adoption, or update of the 2018 SFNA or adoption of this Resolution; and

WHEREAS, the District desires to approve the 2018 SFNA and adopt ASFF pursuant to Government Code Sections 65995.5, 65995.6, and 65995.7 for the purpose of establishing ASFF that may be imposed on residential construction calculated pursuant to Government Code Section 65995(b), subject to the suspension of Level 3 Fees as set forth in Government Code Section 65995.7(a)(2).

NOW THEREFORE, THE BOARD OF EDUCATION OF THE JEFFERSON SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. That the Board does hereby find and determine that the foregoing recitals and determinations are true and correct and that the 2018 SFNA meets all applicable legal requirements.

Section 2. That the Board does hereby find and determine that the 2018 SFNA meets all applicable legal requirements, and it hereby adopts each of the findings set forth in the 2018 SFNA.

Section 3. That a District Representative made a timely application to the SAB for new construction funding for which it is eligible.

Section 4. That the District received notification from the SAB that the District meets the eligibility requirements for new construction funding pursuant to the provisions of the SFP.

Section 5: That for purposes of Government Code Section 65995.5(b)(3): (i) the District has issued debt or incurred obligations for capital outlay in an amount equivalent to specified threshold percentage of its local bonding capacity and (ii) at least 20 percent (20%) of the teaching stations within the District are relocatable classrooms.

Section 6. That the District has cause to prepare the 2018 SFNA, which is on file at the District office address and incorporated herein by this reference, which complies with all applicable statutory requirements, including the provisions of Government Code Section 65995.6.

Section 7. That the Board hereby approves and adopts the 2018 SFNA for the purpose of establishing ASFF as to future residential construction within the District, subject to the temporary suspension of Level 3 Fees as set forth in Government Code Section 65995.7(a)(2).

Section 8. That the Board finds that the purpose of the ASFF imposed upon residential construction is to fund the additional School Facilities to serve the students generated by the residential construction upon which the ASFF are imposed as provided in the 2018 SFNA and applicable law.

Section 9. That the Board finds that the ASFF are hereby established as applicable to the extent set forth herein, and will be used to fund those School Facilities described in the 2018 SFNA and that these School Facilities are to serve the students generated by the residential construction within the District as provided in the 2018 SFNA.

Section 10. That the Board finds that there is roughly proportional, reasonable relationship between the use of the ASFF and the new residential construction within the District because the ASFF imposed on new residential construction by this Resolution will be used to fund School Facilities which will be used to serve the students generated by such new residential construction in accordance with applicable law as set forth in the 2018 SFNA and on less than an estimated actual cost of the School Facilities estimated to result from additional residential construction as set forth in the 2018 SFNA.

Section 11. That the Board finds that there is a roughly proportional, reasonable relationship between the new residential construction upon which the ASFF are imposed, and the need for additional School Facilities in the District because new students will be generated from new residential construction within the District, and the District does not have sufficient capacity in the existing School Facilities to accommodate these students.

Section 12. That the Board finds that the amount of the ASFF imposed on new residential construction as set forth in this Resolution is roughly proportional and reasonably related to, and does not exceed the cost of providing the School Facilities required to serve the students generated by such new residential construction within the District.

Section 13. That the Board finds that a separate fund ("Fund") of the District and two or more sub-funds ("Sub-Funds") have been created or are authorized to be established for all monies received by the District for the deposit of Level 1 Fees, ASF/Level 2 Fees and ASF/level 3 Fees (if applicable) imposed on residential construction within the District, as well as Commercial/Industrial Fees and mitigation payments ("Mitigation Payments") collected by the District and that said Fund and Sub-Funds at all times have been separately maintained, except for temporary investments, with other funds of the District as authorized by applicable law.

Section 14. That the Board finds that the monies of the separate Fund or the separate Sub-Funds, described in Section 12, consisting of the proceeds of Level 1 Fees, ASF/Level 2 Fees and ASF/Level 3 Fees (if applicable), Commercial/Industrial Fees and Mitigation Payments have been imposed for the purposes of constructing those School Facilities necessitated by new residential construction as further set forth in the 2018 SFNA, and thus, these monies may be expended for all those purposes permitted by applicable law.

Section 15. That the 2018 SFNA determines the need for new School Facilities for unhoused pupils that are attributable to projected enrollment growth from the construction of new residential units over the next five (5) years, based on relevant planning agency information and the historical generation rates of new residential units constructed during the previous five (5) years that are of a similar type of unit to those anticipated to be constructed within the District, the City, and/or the County.

Section 16. That the Board has identified and considered, and/or subtracted, as set forth in the 2018 SFNA, the following information in determining amounts of the ASFF/Level 2 Fees and ASFF/Level 3 Fees:

A. any surplus property owned by the District that can be used as a school site or that is available for sale to finance school facilities pursuant to Government Code Section 65995.6(b)(1);
B. the extent to which projected enrollment growth may be accommodated by excess capacity in existing facilities pursuant to Government Code section 65995.6(b)(2);
C. local sources other than fees, charges, dedications, or other requirements imposed on residential construction available to finance the construction of school facilities needed to accommodate any growth in enrollment attributable to the construction of new residential units pursuant to Government Code Section 65995.6(b)(3); and
D. the full amount of local funds the Board has dedicated to facilities necessitated by new construction, including fees, charges, dedications or other requirements imposed on commercial or industrial construction pursuant to Government Code Section 65995.5.(c)(2).

Section 17. That the Board has calculated, as set forth in the 2018 SFNA, the maximum square footage fees, charges, or dedications to be established as ASFF that may be collected in accordance with the provisions of Government Code Sections 65995.5(c) and 65995.7(a).

Section 18. That notice and relevant and available information relating to the potential expansion of existing school sites or the necessity to acquire additional school sites, including notice of a proposed meeting regarding such information was provided to City and County planning commissions or agencies with land use jurisdiction within the District prior to the completion of the 2018 SFNA.

Section 19. That the 2018 SFNA in its final form has been made available to the public for a period of not less than thirty (30) days, and that the District has made itself available to the public to meet with any affected city or county to discuss the preparation of the 2018 SFNA, pursuant to the requirements of Government Code Section 65352.2.

Section 20. That the public has had the opportunity to review and comment on the 2018 SFNA, and the Board has responded to written comments it has received, if any, regarding the 2018 SFNA.

Section 21. That in responding to written comments pursuant to Government Code Section 65995.6(c), if any, the Board may adopt any and/or all such responses made by District staff and/or consultants, and does hereby adopt all responses, if any, as responses of the Board thereto.

Section 22. That notice of the time and place of the public hearing ("Hearing") to adopt the 2018 SFNA, including the location and procedure for viewing or requesting a copy of the proposed 2018 SFNA, and any proposed revision thereof, has been

published in at least one newspaper of general circulation within the jurisdiction of the District at least thirty (30) days prior to the Hearing.

Section 23. That the District has caused to be mailed a copy of the 2018 SFNA not less than thirty (30) days prior to the Hearing to any person who made a written request forty-five (45) days prior to the Hearing.

Section 24. That the 2018 SFNA has been provided to all local agencies responsible for land use planning for review and comment in compliance with Government Code Section 65995.6(c).

Section 25. That the Board conducted the required Public Hearing on March 13, 2018, prior to adoption of the 2018 SFNA and the ASFF, at which time all persons desiring to be heard on all matters pertaining to the 2018 SFNA were heard and all information presented was duly considered.

Section 26. That the Board hereby adopts ASFF and establishes the ASFF on new residential construction projects within the District in the following amounts:

A. Pursuant to Government Code Section 65995.6, ASF/Level 2 Fees within the Jefferson School District boundaries are **$3.36** per square foot of assessable space for new residential construction, including new residential projects, manufactured homes and mobile homes as authorized under Education Code Section 17625. However, this amount shall not be imposed on any construction project used exclusively for housing senior citizens, as described in Civil Code Section 51.3, or as described in subsection (k) of Section 1569.2 of the Health and Safety Code or paragraph 9 of subdivision (d) of Section 15432 of the Government Code or any mobile home or manufactured home that is located within a mobile home park, subdivision, cooperative or condominium for mobile homes limited to older persons as defined by the Federal Fair Housing Amendments of 1988.

B. Pursuant to Government Code Section 65995.7, ASF/Level 3 Fees within the Jefferson School District boundaries are **$6.72** per square foot of Assessable Space for new residential construction, including new residential projects, manufactured homes and mobile homes as authorized under Education Code Section 17625. However, this amount shall not be imposed on any construction project used exclusively for housing senior citizens, as described in Civil Code Section 51.3, or as described in subsection (k) of Section 1569.2 of the Health and Safety Code or paragraph 9 of subdivision (d) of Section 15432 of the Government Code or any mobile home or manufactured home that is located within a mobile home park, subdivision, cooperative or condominium for mobile homes limited to older persons as defined by the Federal Fair Housing Amendments of 1988. Additionally, Level 3 Fees shall not be levied by the District until authorized by Government Code Section 65995.7(a)(2).

Section 27. That ASFF, upon adoption and during the effective period thereof, are applicable to residential construction in the alternative to Level 1 Fees in accordance

with applicable law, except that Level 3 Fees are suspended temporarily as set forth in Government Code Section 65995.7(a)(2).

Section 28. That the proceeds of the ASFF increased and established pursuant to this Resolution shall continue to be deposited into those Sub-Funds of the Funds identified in Section 12 of this Resolution, the proceeds of which shall be used exclusively for the purpose for which the ASFF are to be collected.

Section 29. That the Superintendent, or his/her designee, is directed to cause a copy of this Resolution to be delivered to the building officials of the affected City and the County within the District's boundaries, along with a copy of all the supporting documentation referenced herein, and a map of the District clearly indicating the boundaries thereof, advising such entities that new residential construction is subject to the ASFF increased pursuant to this Resolution, and requesting that no building permit or approval for occupancy be issued by any of these entities for any new residential construction project, mobile home or manufactured home subject to the ASFF absent a certificate of compliance ("Certificate of Compliance") from this District demonstrating compliance of such project with the requirements of the ASFF, nor that any building permit be issued for any non-residential construction absent a certification from this District of compliance with the requirements of the applicable ASFF.

Section 30. That the Superintendent, or his/her designee, is authorized to cause a Certificate of Compliance to be issued for each construction project, mobile home and manufactured home for which there is compliance with the requirement for payment of the ASFF in the amounts specified by this Resolution. In the event a Certificate of Compliance is issued for the payment of ASFF for a construction project, mobile home or manufactured home, and it is later determined that the statement or other representation made by an authorized party concerning the construction project as to square footage is untrue or in the event the zoning is declared invalid, then such Certificate of Compliance shall automatically terminate, and the appropriate City or County shall be so notified.

Section 31. That regarding the timely provision of a Certificate of Compliance by the District for residential construction, although not required by applicable law, the Board hereby determines that the 2018 SFNA is a proposed construction plan for purposes of requiring payment of ASFF prior to the issuance of any building permit for residential construction in accordance with Government Code Section 66007, and that all ASFF are appropriated for the purpose of accomplishing such construction plan.

Section 32. That no statement or provision set forth in this Resolution, or referred to therein shall be constructed to repeal any preexisting fee or mitigation amount previously imposed by the District on any residential or non-residential construction.

Section 33. That if any portion set forth in this Resolution, is held to be invalid, the remaining provisions of this Resolution is intended to be and shall remain valid.

Section 34. That if the ASF/Level 2 Fees and/or the ASF/Level 3 Fees are held to be invalid (other than the suspension under Government Code Section 65995.7(a)(2)), Statutory School Facility Fees, in amounts determined by applicable law at such time, are intended to be, and shall remain, in full force and effect.

Section 35. That the ASFF adopted by this Resolution shall take effect immediately upon such adoption and shall be effective for a maximum of one year, subject to the temporary suspension of Level 3 Fees as set forth in Government code Section 65995.7(a)(2).

APPROVED, ADOPTED, AND SIGNED ON MARCH 13, 2018

BOARD OF TRUSTREES OF THE JEFFERSON SCHOOL DISTRICT

By:

_____
President of the Board of Trustees of the Jefferson School District

ATTEST:

By:

_____
Clerk of the Board of Trustees of the Jefferson School District

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN JOAQUIN)

I, Debbie Wingo, do hereby certify that the foregoing Resolution No. 2018-03-01 was adopted by the Board of Trustees of the Jefferson School District at a meeting of said Board held on the 13th day of MARCH, 2018, and that it was so adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

_____
Clerk of the Board of Trustees of the
Jefferson School District

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN JOAQUIN)

I, Debbie Wingo, do hereby certify that the foregoing is a true and correct copy of Resolution No. 2018-03-01, which was duly adopted by the Board of Trustees of the Jefferson School District at a meeting thereof on the 13th day of MARCH, 2018.

_____
Clerk of the Board of Trustees
Jefferson School District

COOPERATIVE STRATEGIES

COMPLETE FINANCIAL & DEMOGRAPHIC PLANNING FOR EDUCATION

JEFFERSON SCHOOL DISTRICT

SCHOOL FACILITIES NEEDS ANALYSIS

FEBRUARY 7, 2018

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EXHIBITS

EXHIBIT A: Current SAB Form 50-01
EXHIBIT B: Current SAB Form 50-02
EXHIBIT C: Current SAB Form 50-03
EXHIBIT D: Eligibility Determination from the SAB
EXHIBIT E: Summary of School Facility Planning Policies and Estimates of Actual School Facility Costs
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EXHIBIT L: Calculation of Additional Grants for General Site Development

EXECUTIVE SUMMARY

This School Facilities Needs Analysis ("Analysis") has been prepared in accordance with applicable laws to provide the factual basis for the Jefferson School District ("School District") to consider and, if desired, adopt alternative school facility fees ("Alternative Fees") that may be collected from residential development in the School District consistent with Section 17620 of the Education Code and Sections 65995.5, 65995.6, and 65995.7 of the Government Code (future code section references are to the Government Code unless otherwise specified). The Analysis provides factual information as to the following three (3) elements:

(i) Determination by the State Allocation Board ("SAB") of eligibility to receive funds from the State of California ("State") for new school facility construction;

(ii) Designation by the School District of satisfying at least two (2) of the four (4) statutory school requirements ("Statutory Requirements") set forth in Section 65995.5(b)(3); and

(iii) Calculation of the amount of the permissible Alternative Fees authorized by Section 65995.5 ("Alternative No. 2 Fee") and by Section 65995.7 ("Alternative No. 3 Fee").

A. Eligibility for New Construction Funding from the State

The School District has taken action electing to participate in the School Facilities Program ("SFP") established by Section 17070.10 of the Education Code and authorized a designated representative to (i) approve, certify, and submit the SAB Forms 50-01, 50-02, and 50-03 to the SAB and (ii) request an eligibility determination ("Eligibility Determination") for new construction funding as required by the SFP.

As shown in Exhibits A, B, C, and D, the School District is eligible to receive new construction funding under the SFP.

B. Compliance with Statutory Requirements

A review of the records of the School District was accomplished to ascertain if the School District satisfies at least two (2) of the Statutory Requirements. Table ES-1 summarizes the Statutory Requirements and identifies those satisfied by the School District as of the date hereof.

Table ES-1
Summary of Statutory Requirements

Statutory Requirements	Status
Substantial enrollment as defined in Section 65995.5(b)(3)(A) of its students on a multi-track year-round calendar	**Not Met**
Placed at least one (1) general obligation ("GO") bond measure on the ballot in the last four (4) years, and the measure received at least 50 percent plus one (1) of the votes cast	**Not Met**
Issued debt or incurred obligations for capital outlay in an amount equivalent to the percentage of its bonding capacity specified in Section 65995.5(b)(3)(C)	**Met**
At least 20 percent of the teaching stations are relocatable classrooms	**Met**

C. Calculation of Alternative No. 2 Fee and Alternative No. 3 Fee

The facts set forth herein justify on a roughly proportional and a reasonably related basis that the following amounts meet the requirements of Sections 66000 *et seq.*, as well as other applicable legal requirements, including but not limited to Sections 65995.5, 65995.6 and 65995.7. The Alternative No. 2 Fee and Alternative No. 3 Fee for the School District are listed in Table ES-2.

Table ES-2
Alternative Fees (2018$)

Fee	Amount per Square Foot
Alternative No. 2 Fee	$3.36
Alternative No. 3 Fee	$6.72

Attached as Exhibit E is (i) a summary of the school facility planning policies of the School District and (ii) an estimate of the school facilities cost impacts per square foot of residential construction. As can be seen from comparing Exhibit E to the recommended Alternative No. 2 Fee and the Alternative No. 3 Fee in Table ES-2, the Alternative Fees are less than the comparable amounts set forth in Exhibit E and are not sufficient to cover all of the actual school facilities cost impacts caused by new residential development on the School District. Therefore, the Alternative No. 2 Fees and the Alternative No. 3 Fees are reasonably related and roughly proportional to the cost of school facilities for the future development identified in the Analysis in accordance with applicable laws.

D. Imposition of Alternative No. 2 Fee and Alternative No. 3 Fee

Prior to the adoption of the Analysis, the public is given a 30-day period to review and comment on the Analysis, and any written comments received by the Governing Board of the School District must be responded to. The Governing Board is also required to hold a public hearing prior to its consideration of the Analysis.

Should the Governing Board of the School District approve the resolution that adopts the Analysis and the accompanying Alternative No. 2 Fee and Alternative No. 3 Fee, those amounts would be effective immediately for a period not to exceed 12 months. By approving the Analysis and the accompanying Alternative Fees, the Governing Board is authorizing the imposition of the Alternative No. 2 Fee for those periods when the State has new construction bond funds available and the Alternative No. 3 Fee for those periods when the SAB is no longer approving apportionments for new construction due to a lack of funds available and the conditions in Section 65995.7 have been met.

I. GENERAL

Upon adoption of Alternative Fees by a school district, such Alternative Fees may be required in accordance with applicable law. It is anticipated that such adoption will specify that Alternative No. 2 Fees will be required as provided in Section 65995.5(a) if the SAB is approving apportionments for new construction funding, and Alternative No. 3 Fees will be required as provided in Section 65995.7(a), if the SAB is not approving apportionments for new construction funding.

The Analysis is divided into seven (7) main sections.

- Section I is the introductory section that generally describes the methodology used in preparing the Analysis.
- Section II describes the Eligibility Determination that has been obtained from the SAB, as well as documents which of the four (4) Statutory Requirements the School District presently satisfies.
- Section III projects the unhoused students to be generated by residential development anticipated to occur in the School District over the next five (5) years ("Future Units") in accordance with Section 65995.6(a).
- Section IV identifies any surplus school sites or existing surplus local funds that the School District might elect in whole or part to use to reduce the impact of the Future Units on the School District.
- Section V of the Analysis sets forth the recommended amount of the Alternative No. 2 Fee.
- Section VI of the Analysis sets forth the recommended amount of the Alternative No. 3 Fee.
- Finally, Section VII documents facts whereby the School District may make determinations regarding compliance of the Alternative Fees with Sections 66000 *et seq.*

Eligibility to Collect Alternative Fees

Eligibility to Receive State Funds

A school district must have been determined by the SAB to be eligible for new construction funding under the SFP pursuant to Section 65995.5(b)(1).

Statutory Requirements

A school district must satisfy at least two (2) of the four (4) Statutory Requirements in order to adopt and impose Alternative Fees. The Statutory Requirements are summarized as follows:

1. A school district has a substantial enrollment, as defined in Section 65995.5(b)(3)(A) ("Substantial Enrollment") of its students on a multi-track year-round calendar;

2. A school district has placed at least one (1) GO bond measure on the ballot in the last four (4) years, and the measure received at least 50 percent plus one (1) of the votes cast;

3. A school district has issued debt or incurred obligations for capital outlay in an amount equivalent to a certain percentage of its bonding capacity; and/or

4. At least 20 percent of the teaching stations within a school district are relocatable classrooms.

Projected Unhoused Students from Future Residential Development

Total Projected Student Enrollment

In determining the amount of any proposed Alternative Fees, a school district must project in accordance with Section 65995.6 the total number of students to be generated by Future Units ("Projected Student Enrollment"). This projection is performed by applying the student generation rates for residential development over the previous five (5) years of a type similar to that of the Future Units either in the school district or in the city or the county in which the school district is located. The projection may be modified by relevant planning agency information.

Excess Capacity

A school district must identify and consider the number of excess seats, if any, which are available at each school level (i.e., elementary school or middle school). If surplus seats exist at one (1) or more school levels, the school district must

determine what portion of the excess seats, if any, should be made available to accommodate the Projected Student Enrollment. The determination may include such considerations as matriculation of existing students, advance funding from mitigated future residential units, long term needs of the school district, as well as other relevant factors. Excess seats shall be determined by comparing capacity as calculated pursuant to Section 17071.25 of the Education Code to student enrollment.

Projected Unhoused Students

Lastly, a school district must reduce the Projected Student Enrollment by the excess capacity, if any, that is identified and allocated by the school district to the Future Units to calculate the number of projected unhoused students ("Projected Unhoused Students").

Surplus Property and Existing Surplus Local Funds

Surplus Property

A school district must identify and make a reasonable allocation of surplus property, if any, which could be (i) used as a school site and/or (ii) sold to finance additional school facilities needed to accommodate the Projected Unhoused Students.

Existing Surplus Local Funds

A school district must identify and make a reasonable allocation of existing surplus local sources, including local funds, which includes commercial/industrial school fees ("Local Funds"), if any, that could be available to finance the construction of school facilities needed to accommodate the Projected Unhoused Students as referred to in Section 65995.5(c)(2) and 65995.6(b)(3).

Alternative No. 2 Fee

Student Capacity and Site Size of Future School Facilities

A school district must determine the appropriate number of students to be housed at each school level. Pursuant to Section 65995.5(h), after this determination has been made, the school district must calculate the appropriate site size for each school level based on the "School Site Analysis and Development Handbook" published by the State Department of Education as that handbook read as of January 1, 1998.

Site Acquisition and Site Development Costs

A school district must establish a factual basis for the estimated cost of acquiring property(s) for a school site(s) or the appraised value of a proposed school site(s). Additionally, the school district must establish an estimate of the permissible cost of developing such site(s). The site development cost includes utilities, off-site, and service site development costs.

Total School Facility Costs per Student and Total School Facility Costs

A school district must estimate the total school facility costs per student based on the site acquisition and the site development costs mentioned above, as well as the amounts specified in Section 65995.5, which may or may not be adequate to fund the necessary school facilities. Thereafter, the total school facility costs must be calculated. This calculation involves multiplying the number of Projected Unhoused Students by the school facility costs per student set forth in Section 65995.5 and subtracting any available local sources, including Local Funds, identified by the school district and dedicated to such portion of future development in the school district.

Residential Square Footage to be Constructed during the Next Five (5) Years

Based on information from the county, the city(s) or one (1) or more independent third party market reports, a school district must estimate the total assessable square footage of the Future Units.

Alternative No. 2 Fee

A school district must calculate the Alternative No. 2 Fee by dividing the total school facility costs by the total assessable square footage of the Future Units in accordance with Section 65995.5(c).

Alternative No. 3 Fee

Alternative No. 3 Fee

The Alternative No. 3 Fee is determined by increasing the Alternative No. 2 Fee by an amount that may not exceed the amount calculated pursuant to Section 65995.5(c), provided that the calculation of such amount excludes reductions for available local sources, including Local Funds, identified and dedicated in accordance with Section 65995.7(a).

II. ELIGIBILITY TO COLLECT ALTERNATIVE FEES

Section 65995.5 requires that a school district (i) be eligible for new construction funding under the SFP and (ii) satisfy at least two (2) of the Statutory Requirements to be eligible to impose an Alternative No. 2 Fee or an Alternative No. 3 Fee. Section II.A provides an evaluation of the eligibility of the School District for new construction funding under the SFP and Section II.B documents the School District's satisfaction of at least two (2) Statutory Requirements.

A. Eligibility to Receive State Funds

The School District has taken action electing to participate in the SFP established by Section 17070.10 of the Education Code. Additionally, the School District authorized a designated representative to (i) approve, certify, and submit the SAB Forms 50-01, 50-02, and 50-03 to the SAB and (ii) request an Eligibility Determination for new construction funding as required by the SFP. The School District filed SAB Forms 50-01, 50-02, and 50-03 and requested an Eligibility Determination for new construction funding as required by the SFP on March 24, 2000. On July 5, 2000, the Eligibility Determination of the School District was approved by the SAB. Subsequently, the School District submitted updated SAB Forms 50-01, 50-02, and 50-03 as part of its ongoing facilities planning and financing program. The most current SAB Forms 50-01, 50-02, and 50-03 are incorporated herein as Exhibits A, B, and C, respectively. As shown in the School District's most current Eligibility Determination from the SAB (attached and incorporated as Exhibit D), the School District is eligible for new construction funding under the SFP for 737 students in grades kindergarten through 6, three (3) students in grades 7 and 8, 23 non-severe special day class students, and zero (0) severe special day class students.

B. Statutory Requirements

As stated in Section I, a school district must satisfy at least two (2) of the four (4) Statutory Requirements in order to levy Alternative Fees. What follows are facts establishing that the School District satisfies at least two (2) of the Statutory Requirements.

1. <u>Substantial Enrollment on Multi-track Year-Round Schedule</u>

This Statutory Requirement is met if the school district has Substantial Enrollment on a multi-track year-round schedule. Substantial Enrollment is defined differently for different types of school districts, as follows:

a. *Unified School Districts and Elementary School Districts*. At least 30 percent of the school district's students in grades kindergarten through 6 are on a multi-track year-round schedule in the high school attendance area in which all or some of the new residential units identified in the Analysis are planned for construction.

b. *High School Districts.* (i) At least 30 percent of the high school district's students are on a multi-track year-round schedule, or (ii) at least 40 percent of the students in grades kindergarten through 12 within the boundaries of the high school attendance area in which all or some of the new residential units identified in the Analysis are planned for construction are on a multi-track year-round schedule.

The School District has determined that this Statutory Requirement has not been satisfied.

2. General Obligation Bond Measure

This Statutory Requirement is met if the school district has placed a GO bond measure on the ballot in the last four (4) years and received at least 50 percent plus one (1) of the votes cast on one (1) such measure.

The School District has determined that this Statutory Requirement has not been satisfied.

3. Debt or Obligations for Capital Outlay

This Statutory Requirement is met if the school district has issued debt or incurred obligations for capital outlay in an amount equivalent to a specified percent of its local bonding capacity. If the debt does not include debt associated with a Mello-Roos Community Facilities District ("CFD") formed by a landowner election after November 4, 1998, the threshold is 15 percent. If the debt includes debt associated with a Mello-Roos CFD formed by a landowner election after November 4, 1998, the threshold is increased to 30 percent. All debt and obligations to be repaid from property taxes, parcel taxes, special taxes, and the school district's general fund may be included.

The School District has determined that this Statutory Requirement has been satisfied. The School District currently has $32,621,317.80 in outstanding GO bonds issued. This debt represents 80.98 percent of the School District's bonding capacity (see Exhibit F for a calculation of the School District's bonding capacity).

4. Relocatable Classrooms

This Statutory Requirement is met if at least 20 percent of the school district's teaching stations are relocatable classrooms.

The School District has determined that this Statutory Requirement has been satisfied. The School District currently has a total of 86 permanent classrooms and 49 relocatable classrooms. This equates to a 36.30 percent relocatable classroom utilization rate.

C. Eligibility to Collect Alternative Fees

As determined above, the School District is eligible to receive new construction funding and currently satisfies at least two (2) of the four (4) Statutory Requirements. As a result, the School District is eligible to adopt and impose Alternative Fees as provided by applicable law.

III. PROJECTED UNHOUSED STUDENTS FROM RESIDENTIAL DEVELOPMENT OVER THE NEXT FIVE YEARS

Section 65995.6(a) requires that the School District determine the need for new school facilities for the Projected Unhoused Students. The calculation of the Projected Unhoused Students shall be based on historical student generation rates ("SGRs") of new residential units constructed during the previous five (5) years of a type similar to that of the Future Units. Section III.A calculates the Projected Student Enrollment. Section III.B sets forth the relevant facts as to the identification of any excess seats which might be considered by the School District as available at each school level to house the Projected Student Enrollment, as determined in Section III.A. Finally, Section III.C calculates the Projected Unhoused Students.

A. Projected Student Enrollment

As stated above, Section 65995.6(a) specifies the methodology the School District must use to calculate the Projected Student Enrollment. What follows is a step-by-step description of this calculation.

1. Student Generation Rates

In order to calculate SGRs in accordance with Section 65995.6(a), the School District must identify residential units that (i) were constructed during the previous five (5) years and (ii) are representative of the Future Units. Residential data pertaining to the School District was obtained by Cooperative Strategies, LLC from the Office of the Assessor ("Assessor") of the County of San Joaquin ("County"). Using data from the Assessor of the County and the School District, Cooperative Strategies compiled a database from such information containing the addresses of the units that met the criteria listed above. Parcels in the database were then classified by housing type (i.e., single family detached, single family attached, and multifamily).

- Residential units classified as single family detached ("SFD") are defined as units with no common walls each assigned a unique Assessor's parcel number.

- The category of single family attached ("SFA") consists of units with common walls each assigned a unique Assessor's parcel number (e.g., townhomes, condominiums, etc.).

- The third type of residential unit, multifamily ("MF"), is defined as a unit with common walls on an Assessor's parcel on which other units are located.

Cooperative Strategies determined that there were an insufficient number of units built over the past five (5) years to calculate SGRs that would be representative of the residential development expected to occur within the School District over the next five (5) years. Since the construction of SFD and MF units is expected to occur within the School District over the next five (5) years, the Analysis has employed the portion of Section 65995.6(a) that permits a school district to use SGRs of new residential units constructed over the previous five (5) years that are a similar type of unit to those anticipated to be constructed in either the city or county in which the school district is located.

The Analysis first evaluated SGRs for SFD and MF units that have been experienced and documented by Tracy Unified School District ("TUSD"). It was determined that the SGRs for MF units were representative to those experienced by the School District in the recent past and the SGRs for SFD units were not representative to those which have been experienced by the School District in the recent past. As a result, the Analysis evaluated SGRs for SFD units that have been experienced and documented by Stockton Unified School District ("SUSD"). It should be noted that both TUSD and SUSD are both located within the County. Table 1 shows the SGRs for SFD and MF units by school level.

Table 1
Student Generation Rates for SFD and MF Units

School Level	SFD Student Generation Rates [1]	MF Student Generation Rates [2]
Elementary School (Grades K-5)	0.4063	0.2015
Middle School (Grades 7-8)	0.1607	0.1002
Total	**0.5670**	**0.3017**

[1] Source: Analysis for SUSD dated June 2017
[2] Source: Analysis for TUSD dated August 2017

It should be noted that SUSD provides elementary school education to students in grades K through 6, whereas the School District provides elementary school education to students in grades K through 5 and the SGRs for SFD shown in Table 1 have been adjusted to reflect the grade level configuration of the School District.

2. Future Units

In order to obtain information regarding future residential units, the planning departments of the city of Tracy ("City") and the County were contacted (please refer to the map on the following page for a geographic profile of the School District). Based on correspondence from the Cities and County (see Exhibit G), Cooperative Strategies has determined that the School District could experience the construction of 1,050 Future Units over the next five (5) years. Of these 1,050 Future Units, 884 units have already mitigated their impact on the School District through a mitigation agreement. Table 2 distinguishes between Future Units by unit type.

Table 2
Future Units by Unit Type

Unit Type	Mitigated Future Units	Non-Mitigated Future Units	Total Future Units
Single Family Detached	884	16	900
Single Family Attached	0	0	0
Multifamily	0	150	150
Total Units	**884**	**166**	**1,050**

The projected number of non-mitigated future residential units identified in Table 2 includes units that may result from existing structures that are voluntarily demolished in order to be replaced by new residential development ("Reconstruction"). For additional information regarding the imposition of the Alternative No. 2 Fee and Alternative No. 3 Fee on Reconstruction please refer to Exhibit H.

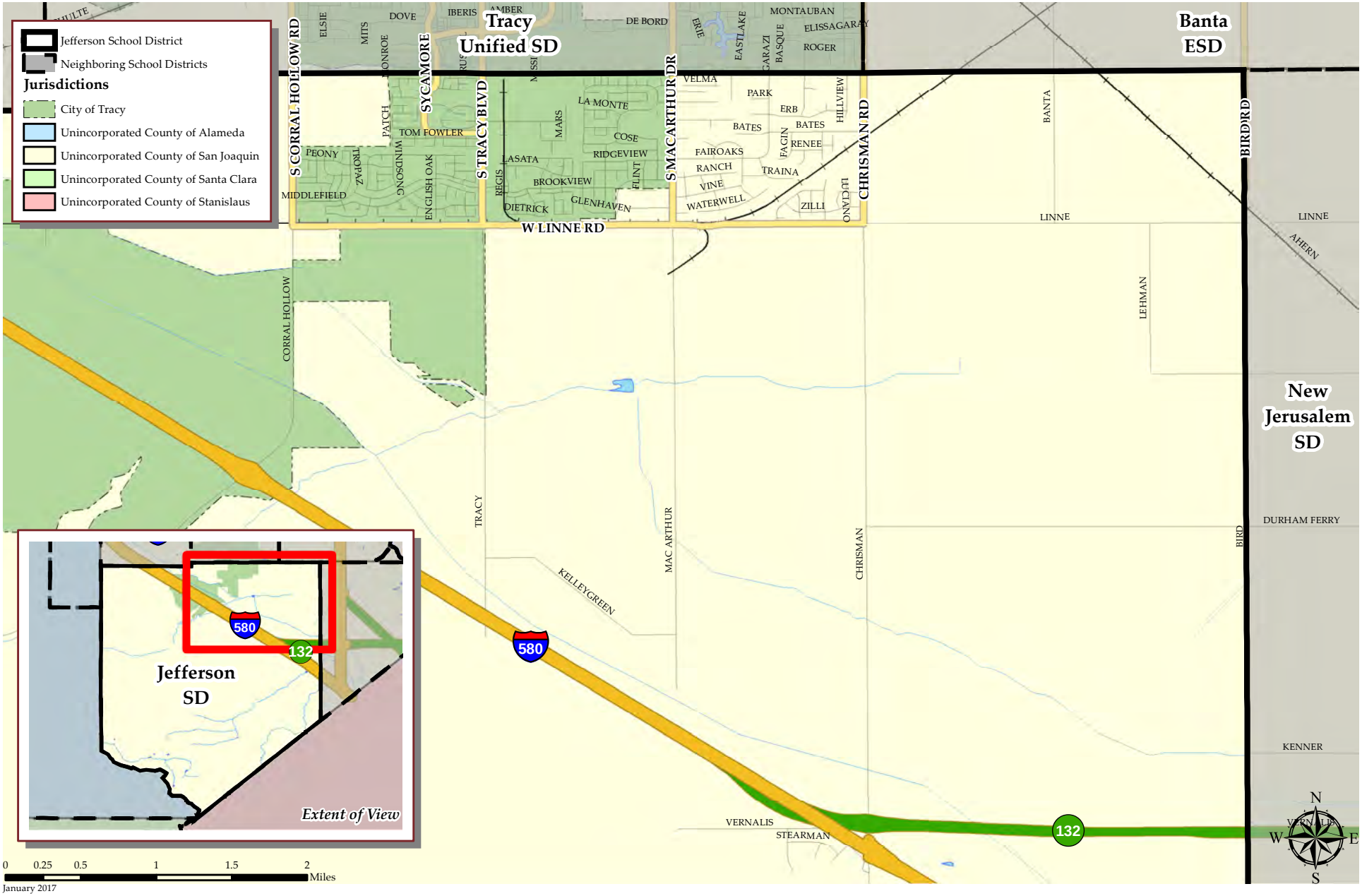
It should be noted these projections are based on the best available information at this time and are independent of the projected residential development reported to the State in SAB Form 50-01.

3. Projected Student Enrollment

To calculate the Projected Student Enrollment, the number of Future SFD units, Future SFA units, and Future MF units listed in Table 2 were multiplied by the SGRs shown in Tables 1. The results of this operation are shown in Table 3.

JEFFERSON SCHOOL DISTRICT

GEOGRAPHIC PROFILE



COOPERATIVE STRATEGIES

COMPLETE FINANCIAL & DEMOGRAPHIC PLANNING FOR EDUCATION

Table 3
Projected Student Enrollment

School Level	Students Generated from Mitigated Future Units	Students Generated from Non-Mitigated Future Units	Total Projected Students from Future Units
Elementary School	359	37	396
Middle School	142	18	160
Total	**501**	**55**	**556**

B. Current Capacity

Collectively, the School District's school facilities in school year 2017/2018 have a capacity of 2,679 seats per Section 17071.25 of the Education Code. Of these 2,679seats, 1,969are at the elementary school level and 710 are at the middle school level (the School District's school level configuration in this comparison has been altered to be consistent with SAB Form 50-02). These capacities include seats from all new school facility construction projects funded by the State. Based on student enrollment data for school year 2017/2018, the enrollment of the School District is 2,330 students. As shown in Table 4, facilities capacity exceeds student enrollment at both school levels in school year 2017/2018.

Table 4
Existing School Facilities Capacity and Student Enrollment

School Level [1]	2017/2018 Facilities Capacity [2]	2017/2018 Student Enrollment [3]	Excess/ (Shortage) Capacity
Elementary School (Grades K-6)	1,969	1,711	258
Middle School (Grades 7-8)	710	619	91
Total	**2,679**	**2,330**	**349**

[1] The School District operates elementary schools that serve grades K-5 and middle schools that serve grades 6-8. To compare capacity and enrollment consistent with SAB Form 50-02, the School District's school level configuration has been altered in this section.
[2] See Exhibit B for SAB Form 50-02, and Exhibit I for the Updated School Facilities Capacity Calculation.
[3] Student enrollment from October 2017.

C. Projected Unhoused Students

As shown in Table 6, the existing facilities capacity of the School District determined in accordance with Section 65995.6(a) exceeds student enrollment currently being generated from existing residential units by 258 seats at the elementary school level and 91 seats at the middle school level. These surplus seats exist at facilities which will house (i) students generated from non-mitigated Future Units, (ii) students generated from mitigated Future Units, and (iii) students generated from units developed beyond the five-year period of the Analysis.

The School District will experience growth beyond the next five (5) years. Therefore, the surplus seats identified in Table 4 must be allocated between the Future Units shown in Table 2 and residential units to be constructed beyond the next five (5) years. According to information obtained from the Cities and County, the School District can expect an additional 6,936 residential units through calendar year 2030. This number includes Future Units and residential units to be constructed beyond the next five (5) years. Allocating the surplus seats identified in Table 4 between Future Units and residential units to be constructed beyond the next five (5) years based on the number of students each group of units is expected to generate results in 39 surplus seats at the elementary school level and 14 surplus seats at the middle school level to be allocated over the next five (5) years.

Additionally, the surplus seats to be allocated over the next five (5) years must be apportioned between students generated from mitigated and non-mitigated Future Units (Table 3). Of the allocated surplus seats identified above, it was determined that three (3) surplus seats at the elementary school level and two (2) surplus seats at the middle school level are available to house students generated from non-mitigated Future Units. Tables 5 and 6 show the Projected Unhoused Students from mitigated and non-mitigated Future Units at each school level, while Exhibit J provides more information regarding the allocation of surplus seats.

Table 5
Projected Unhoused Students from Mitigated Future Units

School Level	Projected Student Enrollment	Surplus Seat Determination	Projected Unhoused Students
Elementary School	359	35	324
Middle School	142	12	130
Total	**501**	**47**	**454**

Table 6
Projected Unhoused Students from Non-Mitigated Future Units

School Level	Projected Student Enrollment	Surplus Seat Determination	Projected Unhoused Students
Elementary School	37	4	33
Middle School	18	2	16
Total	**55**	**6**	**49**

IV. SURPLUS SCHOOL SITES AND EXISTING SURPLUS LOCAL FUNDS

Section 65995.6(b) states that the School District must identify and consider (i) surplus property, if any, owned by the School District that can be used as a school site or that is available for sale to finance school facilities, (ii) the extent to which projected enrollment growth can be accommodated at existing school facilities, and (iii) local sources that are available to finance the construction or reconstruction of school facilities needed to accommodate any growth in enrollment attributable to the construction of new residential units. Additionally, Section 65995.5(c)(2) requires the School District to subtract from the school facilities cost impact created by Future Units the amount of Local Funds that the governing board has dedicated to facilities necessitated by new residential units. To comply with Section 65995.6(b), the School District has identified and considered property it owns and has determined that it does not possess any sites that could be considered surplus. The Governing Board will review and re-adopt this Analysis annually, including a review of this determination and any need to consider property that may then be surplus to fund school facilities required to accommodate students being generated from existing residential units, or other students.

As for identifying and considering existing excess capacity that could accommodate the Projected Student Enrollment generated from non-mitigated Future Units, Table 6 in Section III.C. of this Analysis illustrates that the School District has considered and determined that four (4) excess seats exist at the elementary school level and two (2) excess seats exist at the middle school level and has reduced the Projected Student Enrollment generated from non-mitigated Future Units accordingly.

Finally, in accordance with Sections 65995.6(b) and 65995.5(c)(2), the School District has determined that no local sources, including Local Funds, are available to finance the construction or reconstruction of school facilities needed to accommodate any Projected Student Enrollment generated from Future Units (see Exhibit K for more detail on local sources, including Local Funds).

V. ALTERNATIVE NO. 2 FEE

As discussed in Section I, the objective of this Analysis is (i) to determine whether the School District may adopt Alternative Fees and (ii) to determine the permissible amount of the Alternative No. 2 Fee and the Alternative No. 3 Fee that the School District is permitted to levy on new residential development. Based on the findings, determinations, and projections made in Sections II through IV, Section V contains a step-by-step calculation of the permissible Alternative No. 2 Fee in accordance with Section 65995.5.

A. Alternative No. 2 Fee School Facility Costs

As stated in Section 65995.5(c)(1), the initial step in calculating the maximum Alternative No. 2 Fee is to multiply the number of unhoused students generated from non-mitigated Future Units by the appropriate per-pupil grant amounts provided in Section 17072.10(a) of the Education Code. In addition, the sum shall be added to the site acquisition and site development costs determined pursuant to Section 65995.5(h).

1. Per-Pupil Grant Amounts

The per-pupil grant amounts identified in Section 17072.10(a) of the Education Code were adjusted by the SAB on January 24, 2018, pursuant to Section 17072.10(b) of the Education Code. The per-pupil grant amounts specified in Section 17072.10 are adjusted annually by the SAB to reflect construction cost changes as set forth in the statewide cost index for class B construction. Further, pursuant to SAB Regulation 1859.71.2 and Section 17074.56 of the Education Code, the per-pupil grants have been increased to account for automatic fire alarm detection systems and fire sprinkler systems. Table 7 shows the base per-pupil grant amounts.

Table 7
Base Per-Pupil Grant Amounts (2018$)

School Level	Per-Pupil Grant Amount	Additional Grants for Auto Alarm and Fire Sprinkler System	Base Per-Pupil Grant Amount
Elementary School	$11,567	$208	$11,775
Middle School	$12,234	$249	$12,483

In addition to the base per-pupil grant amounts shown in Table 7, SAB Regulation 1859.76 provides additional grants for general site development on new school construction projects. Currently, these additional grants are calculated as (i) 6 percent of the base per-pupil grants for elementary and middle school projects and (ii) a grant of $18,827 per new useable acre acquired for new school construction. To determine the general site development grant for each school level, Cooperative Strategies first applied the percentages mentioned above to the base per-pupil grant amounts shown in Table 7.

Second, Cooperative Strategies applied the grant per new useable acre mentioned above to the student capacity of future school facilities and corresponding site size requirements for the School District listed in Table 10 to derive a grant amount per student (see Exhibit L for more information on the calculation of the additional grants for general site development). 8 shows these additional grants as well as the total per-pupil grant amount.

Table 8
Total Per-Pupil Grant Amount (2018$)

School Level	Base Per-Pupil Grant Amount	Additional Grants for General Site Development	Total Per-Pupil Grant Amount
Elementary School	$11,775	$1,033	$12,808
Middle School	$12,483	$1,200	$13,683

Applicable law specifies the per-pupil grant amounts specified in Section 17072.10 are adjusted annually by the SAB to reflect construction cost changes as set forth in the statewide cost index for class B construction as provided in Section 17072.10(b) of the Education Code.

2. <u>Total New School Construction Grants</u>

To determine the total new school construction grants under Section 65995.5, the number of Projected Unhoused Students to be generated from non-mitigated Future Units, as shown in Table 6 is multiplied by the total per-pupil grant amounts set forth in Section 17072.10(a) and (b) of the Education Code, as shown in Table 8. Table 9 shows the total new school construction grants of the School District pursuant to Section 65995.5(c)(1).

Table 9
Total New School Construction Grants for Projected Unhoused Students from Non-Mitigated Future Units (2018$)
(In Accordance with Section 65995.5(c)(1) of the Government Code)

School Level	Projected Unhoused Students	Total Per-Pupil Grant Amount	Total New Construction Grants
Elementary School	33	$12,808	$422,664
Middle School	16	$13,683	$218,928
Total	**49**	**N/A**	**$641,592**

3. Total School Site Acquisition and Site Development Costs

In addition to the total new school construction grants specified by Section 17072.10 of the Education Code, Section 65995.5(c)(1) permits the Alternative No. 2 Fee to include site acquisition and site development costs determined pursuant to Section 65995.5(h) and the applicable statutory provisions referred to therein. What follows is the calculation for determining the appropriate site acquisition and site development costs in accordance with Section 65995.5(h).

a. Site Size Requirement

To calculate the amount of site acquisition and site development costs that may be included in the Alternative No. 2 Fee, a school district must determine the student capacity of future school facilities that will be needed to accommodate the Projected Unhoused Students, as well as students to be generated from residential development anticipated to occur over the next 20 years. Based on the educational programs of the School District, the School District has determined that future elementary school facilities will serve students in grades kindergarten through 8 ("K-8 Schools") and will be designed to accommodate 800 students. Based on these capacities, the guidelines included in the "School Site Analysis and Development Handbook" published by the State Department of Education as that handbook read as of January 1, 1998, identify the following site sizes for the School District.

Table 10
Student Capacities and Site Sizes of Future School Facilities

School Level	Student Capacity	Site Size (Acres)
K-8 School	800	15.70

It should be emphasized that the site sizes shown in Table 10 are based on site sizes recommended by the State Department of Education as of January 1, 1998. Since that time, the State Department of Education has prepared a revised Handbook that contains site size recommendations more consistent with School District policy. Please refer to Exhibit E for the site sizes more consistent with the revised Handbook.

b. Site Acquisition and Site Development Costs per Acre

Based on information regarding property sales within the County, the School District believes that $81,601 per acre for site acquisition is a reasonable estimate. As for site development, the School District estimates the cost to be approximately $114,180 per acre (the site development cost was taken from the School Facilities Needs Analysis prepared in and adjusted by the annual change in the construction cost index as published by Marshall & Swift). Table 11 lists the total estimated site acquisition costs and site development costs of the School District in accordance with Section 65995.5(h).

Table 11
Site Acquisition and Site Development Costs of Future School Facilities (2018$)

School Level	Site Acquisition Cost [1]	Site Development Cost [1]	Total Site Cost
K-8 School	$1,281,136	$1,792,626	$3,073,762

[1] The site acquisition and site development costs are equal to the per acre costs listed above multiplied by the number of acres, as listed in Table 10.

c. School Facilities Needed

To ensure that non-mitigated Future Units are being charged an Alternative No. 2 Fee that is reasonably related to the school facilities that are required to house the Projected Unhoused Students to be generated from non-mitigated Future Units, the School District must identify the number of future school facilities that will be needed to house the Projected Unhoused Students to be generated from non-mitigated Future Units, as well as students to be generated from

mitigated Future Units and residential development anticipated to occur over the next 20 years. To calculate the number of school facilities that the School District will need to adequately house the Projected Unhoused Students, the number of Projected Unhoused Students for each school level, as listed in Table 6, was divided by the applicable student capacity, as listed in Table 10. The number of school sites expected to be needed to house the Projected Unhoused Students generated from non-mitigated Future Units is shown in Table 12.

Table 12
School Facilities Needed

School Level	Total Facilities Needed	Facilities Needed for Students Generated from Mitigated Future Units	Facilities Needed for Students Generated from Non-Mitigated Future Units
K-8 School	0.629	0.568	0.041

It is important to realize that while the number of Projected Unhoused Students from non-mitigated Future Units equates only to approximately 4.1 percent of a K-8 School, the School District will need to construct at least one (1) K-8 School in the future to accommodate, (i) students generated from mitigated Future Units, (ii) students generated from non-mitigated Future Units, and (iii) students generated from future residential units beyond the next five (5) years.

d. <u>Alternative No. 2 Fee Site Costs in Accordance with Section 65995.5(h) of the Government Code</u>

The calculation of the total school site acquisition and site development cost impacts under Section 65995.5(h) is a two-step process. The first step involves calculating the total school site acquisition and site development costs related to the Projected Unhoused Students generated from non-mitigated Future Units. The calculation of this first step is shown in Table 13.

Table 13
Total School Site Acquisition and Site Development Costs for Students from Non-Mitigated Future Units (2018$)

School Level	Facilities Needed for Students Generated from Non-Mitigated Future Units	Site Cost	Total Site Costs [1]
K-8 School	0.041	$3,073,762	$126,024
[1] Numbers may not sum due to rounding.			

Only a portion of the total site costs may be included in the calculation of the Alternative No. 2 Fee. Accordingly, the total school site acquisition and site development costs under Section 65995.5(h) must be reduced by half to arrive at the Alternative Fee No. 2 Site Costs. The calculation of this step is shown in Table 14.

Table 14
Alternative No. 2 Fee Site Costs (2018$)
(In Accordance with Section 65995.5(h) of the Government Code)

School Level	Total Site Costs	Multiplier	Alternative No. 2 Fee Site Cost
K-8 School	$126,024	50.00%	$63,012

4. <u>Alternative No. 2 Fee School Facility Costs</u>

As stated previously, the initial step in calculating the maximum Alternative No. 2 Fee is to identify (i) the total new school construction grant, and (ii) the site acquisition and development costs pursuant to Section 65995.5(h). The sum of these amounts, which is the Alternative No. 2 Fee School Facility Costs, is the maximum amount of school facility costs that may be included in the Alternative No. 2 Fee before any local fund credits are applied. For the School District, the total new school construction grant is $641,592 and the total site acquisition and site development cost pursuant to Section 65995.5(h) is $63,012. These costs and the Alternative No. 2 Fee School Facility Costs are shown by school level in Table 15.

Table 15
Alternative No.2 Fee School Facility Costs (2018$)
(In Accordance with Section 65995.5(c)(1) of the Government Code)

School Level	Total New Construction Grants	Alternative No. 2 Fee Site Costs	Alternative No. 2 Fee School Facility Costs
K-8 School	$641,592	$63,012	$704,604

B. Credit for Local Funds

The second step in calculating the maximum Alternative No. 2 Fee is to subtract the amount of local sources, including Local Funds, if any, the School District has decided to dedicate to school facilities necessitated by the construction of non-mitigated Future Units from the Alternative No. 2 Fee School Facility Costs in order to calculate the Net Alternative No. 2 Fee School Facility Costs. As stated in Section IV of the Analysis, the School District has determined that no credit is available to accommodate Projected Unhoused Students generated from Future Units (see Exhibit K for more detail on local sources, including Local Funds).

Table 16
Net Alternative No.2 Fee School Facility Costs (2018$)
(In Accordance with Section 65995.5(c)(2) of the Government Code)

Item	Amounts
Alternative No. 2 Fee School Facility Costs	$704,604
Credit for Existing Surplus Local Funds	$0
Net Alternative No. 2 Fee School Facility Costs	**$704,604**

C. Alternative No. 2 Fee Calculation

The final step in calculating the maximum Alternative No. 2 Fee is to divide the Net Alternative No. 2 Fee School Facility Costs by the total square footage of assessable space for non-mitigated Future Units.

1. Average Square Footage per Unit

In order to project the total square footage of assessable space of the non-mitigated Future Units, the Analysis must estimate the average square footage of Future SFD Units and Future MF Units to be constructed in the School District. To estimate the average square footage of Future Units to be constructed in the School District, Cooperative Strategies utilized information obtained from the City.

Based on this information, the average Future SFD Unit to be constructed within the School District is estimated to contain 1,850 and the average Future MF Unit estimated to contain 1,200 square feet (see Exhibit G).

2. Total Square Footage of Assessable Space

To calculate the total square footage of assessable space for non-mitigated Future Units, the average square footage of Future SFD Units and Future MF Units listed above was multiplied by the number of non-mitigated Future Units listed in Table 2 . The results of this operation are shown in Table 17.

Table 17
Estimated Total Residential Square Footage

Land Use	Non-Mitigated Future Units	Average Square Footage	Total Square Footage
Single Family Detached	16	1,850	29,600
Multifamily	150	1,200	180,000
Total	**166**	**N/A**	**209,600**

The projected total square footage of non-mitigated future residential units identified in Table 17 includes units that may result from Reconstruction. For additional information regarding the imposition of the Alternative No. 2 Fee and Alternative No. 3 Fee on Reconstruction please refer to Exhibit H.

3. Calculation of Alternative No. 2 Fee

To calculate the Alternative No. 2 Fee, the Net Alternative No. 2 Fee School Facility Costs, as listed in Table 16, were divided by the total square footage of assessable space of the non-mitigated Future Units, as listed in Table 17. Table 18 provides the Alternative No. 2 Fee that can be adopted by the School District.

Table 18
Alternative No. 2 Fee (2018$)

Item	Amount/Square Footage
Net Alternative No. 2 Fee School Facility Costs	$704,604
Total Residential Square Footage	209,600
Alternative No. 2 Fee	**$3.36**

VI. ALTERNATIVE NO. 3 FEE

The Alternative No. 2 Fee, which is the maximum Alternative Fee that may be imposed during periods when State funds for new construction are available, was calculated in Section V in accordance with Section 65995.5. During periods when the SAB is no longer approving apportionments for new construction due to a lack of funds available, the Alternative No. 3 Fee may be imposed by a school district. Additionally, in accordance with Section 1859.81 of the SAB regulations, a school district requesting financial hardship assistance funding is required to impose the maximum developer fee justified by law (the Alternative No. 2 Fee, or the Alternative No. 3 Fee when the State declares that such fees can be imposed), or an alternative source greater than or equal to the amount of such fees. Similar to the methodology of the calculations performed in Section V, this Section VI provides a calculation of the Alternative No. 3 Fee in accordance with Section 65995.7.

A. Alternative No. 3 Fee School Facility Costs

Pursuant to Section 65995.7, the Alternative No. 3 Fee School Facility Cost, which is the maximum amount of school facility costs that may be included in the Alternative No. 3 Fee, is calculated by increasing the Net Alternative No. 2 Fee School Facility Costs by an amount not to exceed the Alternative No. 2 Fee School Facility Costs. As required by Section 65995.7, this amount has been reduced by the amount of local funds ($0 in the case of the School District) identified pursuant to Section 65995.5(c)(2). Accordingly, Table 19 shows the Net Alternative No. 2 Fee School Facility Costs previously shown in Table 16, and adds to that amount the Alternative No. 2 Fee School Facility Costs previously shown in Table 15. The result, shown in Table 19, is the Alternative No. 3 Fee School Facility Costs.

Table 19
Alternative No. 3 Fee School Facility Costs (2018$)
(In Accordance with Section 65995.7 of the Government Code)

Item	Amounts
Net Alternative No. 2 Fee School Facility Costs	$704,604
Alternative No. 2 Fee School Facility Costs	$704,604
Alternative No. 3 Fee School Facility Costs	**$1,409,208**

B. Alternative No. 3 Fee Calculation

To calculate the Alternative No. 3 Fee, the Alternative No. 3 Fee School Facility Costs were divided by the total square footage of assessable space of the non-mitigated Future Units listed in Table 17. This calculation is required by Section 65995.5(c)(3) and outlined in Section V.C. of the Analysis. Table 20 provides the Alternative No. 3 Fee that can be levied by the School District on new residential development where permitted by applicable law.

Table 20
Alternative No. 3 Fee (2018$)

Item	Amount/Square Footage
Alternative No. 3 Fee School Facility Costs	$1,409,208
Total Residential Square Footage	209,600
Alternative No. 3 Fee	**$6.72**

VII. SECTION 66000 OF THE GOVERNMENT CODE

Sections 66000 *et seq.* were enacted by the State in 1987. These provisions are assumed to be applicable to the Alternative Fees. Sections 66000 *et seq.* require that all public agencies satisfy the following requirements when establishing, increasing or imposing a fee, such as the herein described Alternative Fees, as a condition of approval for a development project.

1. Determine the purpose of the fee.

2. Identify the facilities to which the fee will be put.

3. Determine that there is a reasonable relationship between the need for public facilities and the type of development on which a fee is imposed.

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

5. Provide an annual accounting of any portion of the fee remaining unexpended or uncommitted in the School District's accounts.

New residential development in the School District, as shown in the Analysis, will generate additional students who will require the School District to provide additional school facilities. The amount to be included in the Alternative Fees is specified by statute. The Alternative No. 2 Fee of $3.36 per square foot and the Alternative No. 3 Fee of $6.72 per square foot are justified in the Analysis. The estimated average school facilities cost impacts on the School District per square foot of residential development as estimated in Exhibit E is $9.77. As the actual school facilities cost impacts per square foot of residential construction is greater than the Alternative Fees, it is reasonable for the School District to determine that the Alternative No. 2 Fee of $3.36 per square foot and the Alternative No. 3 Fee of $6.72 per square foot are roughly proportional and reasonably related to the actual impacts caused by residential development on the School District.

This Analysis and the information included in Exhibit E therefore establish that the Alternative Fees meet the requirements of Sections 66000 *et seq.* and such a determination by the School District as part of adopting the Alternative Fees is justified and appropriate. The School District, therefore, is justified in levying Alternative Fees on all new development.

By way of summary, the Analysis shows that non-mitigated Future Units will produce additional elementary and middle school students and that the School District does not have the capacity or funds to accommodate all of those additional students. Alternative Fees, therefore, will be used to fund (i) new elementary school and middle school facilities, (ii) expansion of existing elementary school and middle school school facilities, and (iii) other upgrades to existing school facilities, but only to the extent that such items are needed to accommodate the Projected Unhoused Students generated from Future Units and to the extent that the use of the Alternative Fees on such items is permitted by applicable law.

S:\Clients\Jefferson SD\Demographics\SFNA\SY1718\Reports\Final\SFNA_JeffersonSD_1718_Fn.doc

EXHIBIT A

Updated SAB Form 50-01

STATE OF CALIFORNIA

STATE ALLOCATION BOARD

ENROLLMENT CERTIFICATION/PROJECTION

OFFICE OF PUBLIC SCHOOL CONSTRUCTION

SAB 50-01 (Rev. 01/03) Excel (Rev. 2/27/2003)

SCHOOL DISTRICT: JEFFERSON ELEMENTARY

FIVE DIGIT DISTRICT CODE NUMBER (*see California Public School Directory*): 68544

COUNTY: SAN JOAQUIN

HIGH SCHOOL ATTENDANCE AREA (HSAA) OR SUPER HSAA (*if applicable*):

Part A. Enrollment Data - (districts or county superintendent of schools)

Grade	3rd Previous 1996/97	2nd Previous 1997/98	Previous 1998/99	Current 1999/2000
K	75	75	92	111
1	100	82	88	193
2	80	95	97	111
3	99	79	105	107
4	94	93	89	113
5	84	103	95	110
6	77	84	109	108
7	85	83	84	128
8	81	84	88	91
9				
10				
11				
12				
TOTAL	775	778	847	1,012

Part B. Pupils Attending Schools Chartered By Another District

3rd Previous	2nd Previous	Previous	Current

Part C. Continuation High School - (districts only)

Grade	3rd Previous	2nd Previous	Previous	Current
9				
10				
11				
12				

Part D. Special Day Class Pupils - (districts or county superintendent of schools)

Elementary	Non-Severe	Severe	Secondary	Non-Severe	Severe
MR			MR		
HH			HH		
DEAF			DEAF		
HI			HI		
SLI			SLI		
VI			VI		
SED			SED		
OI			OI		
OHI			OHI		
SLD			SLD		
DB			DB		
MH			MH		
AUT			AUT		
TBI			TBI		
TOTAL			TOTAL		

Part E. Special Day Class Enrollment - (county superintendent of schools only)

3rd Previous	2nd Previous	Previous	Current

Part F. Number of New Dwelling Units 2223

Part G. District Student Yield Factor 0.700

Part H. Five Year Projected Enrollment - School Facility Program Projections - (except special day class pupils only)

K-6	7-8	9-12	TOTAL
2,053	585		2,638

Projections - special day class pupils only

Elementary	Non-Severe	Severe	Secondary	Non-Severe	Severe
MR			MR		
HH			HH		
DEAF			DEAF		
HI			HI		
SLI			SLI		
VI			VI		
SED			SED		
OI			OI		
OHI			OHI		
SLD			SLD		
DB			DB		
MH			MH		
AUT			AUT		
TBI			TBI		
TOTAL			TOTAL		

Part I.

One Year Projected Enrollment - State Relocatable Program Projections - (except special day class pupils only)

K-6	7-8	9-12	TOTAL
889	252		1,141

Projections - (special day class pupils only) (includes Severe & Non-Severe)

	Elementary	Secondary		Elementary	Secondary
MR			OI		
HH			OHI		
DEAF			SLD		
HI			DB		
SLI			MH		
VI			AUT		
SED			TBI		
			TOTAL		

I certify, as the District Representative, that the information reported on this form is true and correct and that:
I am designated as an authorized district representative by the governing board of the district.
If the district is requesting an augmentation in the enrollment projection pursuant to Regulation Section 1859.42 (b), the local planning commission or approval authority has approved the tentative subdivision map used for augmentation of the enrollment and the district has identified dwelling units in that map to be contracted. All subdivision maps used for augmentation of enrollment are available at the district for review by the Office of Public School Construction (OPSC).
This form is an exact duplicate (verbatim) of the form provided by the Office of Public School Construction.
In the event a conflict should exist, then the language in the OPSC form will prevail.

SIGNATURE OF DISTRICT REPRESENTATIVE: Ed Quinn

DATE: 6/28/05

EXHIBIT B

Updated SAB Form 50-02

STATE ALLOCATION BOARD
OFFICE OF PUBLIC SCHOOL CONSTRUCTION

STATE OF CALIFORNIA

EXISTING SCHOOL BUILDING CAPACITY

SAB 50-02 (Rev. 08/02) Excel (Rev. 11/21/2002)

SCHOOL DISTRICT: JEFFERSON ELEMENTARY

FIVE DIGIT DISTRICT CODE NUMBER (see California Public School Directory): 68544

COUNTY: SAN JOAQUIN

HIGH SCHOOL ATTENDANCE AREA (HSAA) OR SUPER HSAA (if applicable):

PART I - Classroom Inventory ☐ NEW ☐ ADJUSTED

	K-6	7-8	9-12	Non Severe	Severe	Total
Line 1. Leased State Relocatable Classrooms						
Line 2. Portable Classrooms leased less than 5 years	2	1				3
Line 3. Interim Housing Portables leased less than 5 years						
Line 4. Interim Housing Portables leased at least 5 years						
Line 5. Portable Classrooms leased at least 5 years	2					2
Line 6. Portable Classrooms owned by district	19	2				21
Line 7. Permanent Classrooms	14	6				20
Line 8. Total (Lines 1 through 7)	37	9				46

PART II - Available Classrooms

Option A	K-6	7-8	9-12	Non Severe	Severe	Total
a. Part I, line 4						
b. Part I, line 5	2					2
c. Part I, line 6	19	2				21
d. Part I, line 7	14	6				20
e. Total (a, b, c, & d)	35	8				43

Option B	K-6	7-8	9-12	Non Severe	Severe	Total
a. Part I, line 8	37	9				46
b. Part I, lines 1,2,5 and 6 (total only)						26
c. 25 percent of Part I, line 7 (total only)						5
d. Subtract c from b (enter 0 if negative)	19	2				21
e. Total (a minus d)	18	7				25

PART III - Determination of Existing School Building Capacity

	K-6	7-8	9-12	Non Severe	Severe
Line 1. Classroom capacity	450	189			
Line 2. SER adjustment	19	8			
Line 3. Operational Grants					
Line 4. Greater of line 2 or 3	19	8			
Line 5. Total of lines 1 and 4	469	197			

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

SIGNATURE OF DISTRICT REPRESENTATIVE: Ed Rivas

DATE: 6/28/05

EXHIBIT C

Updated SAB Form 50-03

STATE ALLOCATION BOARD

STATE OF CALIFORNIA

ELIGIBILITY DETERMINATION

OFFICE OF PUBLIC SCHOOL CONSTRUCTION

SAB 50-03 (Rev. 01/03) Excel (Rev. 4/29/2003)

SCHOOL DISTRICT: JEFFERSON ELEMENTARY

FIVE DIGIT DISTRICT CODE NUMBER (see California Public School Directory): 68544

BUSINESS ADDRESS:

HIGH SCHOOL ATTENDANCE AREA (HSAA) OR SUPER HSAA (if applicable):

CITY:

COUNTY: SAN JOAQUIN

Part I - The following individual(s) have been designated as district representative(s) by school board minutes:

DISTRICT REPRESENTATIVE | TELEPHONE NUMBER | E-MAIL ADDRESS

DISTRICT REPRESENTATIVE | TELEPHONE NUMBER | E-MAIL ADDRESS

Part II - New Construction Eligibility ☐ NEW ☐ ADJUSTED

	K-6	7-8	9-12	Non-Severe	Severe
1. Projected Enrollment (Part G, Form SAB 50-01)	2,053	585			
2. Existing School Building Capacity (Part III, line 5 of Form SAB 50-02)	469	197			
3. New Construction Baseline Eligibility (line 1 minus line 2)	1,584	388			

Part III - Modernization Eligibility ☐ NEW ☐ ADJUSTED

1. SCHOOL NAME:

Option A	K-6	7-8	9-12	Non-Severe	Severe
2. Permanent classrooms at least 25 years old					
3. Portable classrooms at least 20 years old					
4. Total (lines 2 and 3)					
5. Multiply line 4 by: 25 for K-6, 27 for 7-8 and 9-12; 18 for non-severe and 9 for severe					
6. CBEDS enrollment at school					
7. Modernization eligibility (lesser of the totals of line 5 or 6)					

Option B	
2. Permanent space at least 25 years old (report by classroom or square footage)	
3. Portable space at least 20 years old (report by classroom or square footage)	
4. Total (lines 2 and 3)	
5. Remaining permanent and portable space (report by classroom or square footage)	
6. Total (lines 4 and 5)	
7. Percentage (divide line 4 by line 6)	0%

	K-6	7-8	9-12	Non-Severe	Severe
8. CBEDS enrollment at school site					
9. Modernization eligibility (multiply line 7 by each grade group on line 8)					

I certify, as the District Representative, that the information reported on this form is true and correct and that:
I am designated as an authorized district representative by the governing board of the district; and:
A resolution or other appropriate documentation supporting this application under Chapter 12.5, Part 10, Division 1, commencing with Section 17070.10, et seq., of the Education Code was adopted by the School District's Governing Board on _____; and,
This form is an exact duplicate (verbatim) of the form provided by the Office of Public School Construction (OPSC). In the event a conflict should exist, then the language in the OPSC form will prevail.

SIGNATURE OF DISTRICT REPRESENTATIVE: Ed Quesia

DATE: 6/28/05

EXHIBIT D

Eligibility Determination from the SAB

Project Main Page

Return to Search Results

DSA eTracker:	(Project Lacks a Valid DSA Number)
Application:	50/68544-00-001
County:	San Joaquin
District:	Jefferson Elementary
Site:	TOM HAWKINS ELEMENTARY
District Rep:	Mr. James W. Bridges

Details Fund Releases Budget Summary Transaction Detail Modernization Eligibility New Construction Eligibility

District Code	Attendance Area	Original SAB Approval Date	Recent SAB Approval
68544	0	7/5/2000	7/27/2005

SAB 50-03 New Construction Eligibility Information

New Construction Baseline Eligibility

Grade Level:	K - 6	7 - 8	9 - 12	Non-Severe	Severe
Established Eligibility:	1470	342	0	0	0
SAB Approvals/Adjustments:	-733	-339	0	23	0
Remaining Eligibility:	737	3	0	23	0

SAB 50-03 Eligibility Document Status/Dates

Status:	PM Complete
Date Signed:	3/24/2000
Date Received:	3/27/2000
SAB Approval Date:	7/5/2000

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EXHIBIT E

Summary of School Facility Planning Policies and Estimates of Actual School Facility Costs

Jefferson School District

School Facility Cost Impacts per Residential Square Foot

January 2018

School Facility Costs

School Level	Site Acquisition Cost	Facility Construction	Total Cost
K-8 School	$1,395,377	$28,382,316	$29,777,693

Costs per Student

School Level	Total Cost	Students Housed	Cost per Student
K-8 School	$29,777,693	800	$37,222

School Facility Cost Impacts per Residential Unit

School Level	Cost per Student	Weighted Average SGR	Cost per Unit
K-8 School	$37,222	0.3313	$12,333
Total School Facility Cost Impact			**$12,333**
Average Square Footage [1]			1,263
School Facility Cost Impact per Square Foot			**$9.77**

[1] See Table 17 of the Analysis.

Jefferson School District
Summary of Estimated Costs
K-8 School
January 2018

A. Site				**$1,435,377**
	Purchase Price of Property		$1,395,377	
	Acres[1]:	17.1		
	Cost/Acre:	$81,601		
	EIR		$20,000	
	Appraisals		$10,000	
	Surveys		$5,000	
	Escrow/Title		$5,000	
	[1] Assumes Net Usable Acres.			
B. Plans				**$1,549,500**
	Architect's Fee		$1,387,500	
	Preliminary Tests		$20,000	
	DSA/SDE Plan Check		$122,000	
	Energy Fee Analysis		$15,000	
	Other		$5,000	
C. Construction				**$24,000,000**
	(Includes Construction, Site Development, General Site Development, and Technology)			
	Square Feet / Studen	80		
	Cost / Square Feet	$375		
D. Tests				**$50,000**
E. Inspection				**$144,000**
	($12,000 per month for 12 months)			
F. Furniture and Equipment				**$531,200**
	($5 per Square Foot, includes Cost Index Adjustment of 66%)			
G. Contingency				**$417,651**
	($2,000 + 1.5% of items A-F)			
H. Items Not Funded by the State				**$1,649,965**
	Technology (5% of Construction)		$1,200,000	
	Library Books (8 books/student @ $15)		$96,000	
	Landscaping ($0.44/sq. ft x 17.1 acres)		$327,745	
	Landscape Architect Fees (8% of Landscaping)		$26,220	
I. Total Estimated Cost				**$29,777,693**

Summary	
School Facilities Capacity - Traditional Calendar	**800**
School Facilities Cost per Student - Traditional Caler	**$37,222**

EXHIBIT F

Bonding Capacity Calculation

JEFFERSON SCHOOL DISTRICT

Bonding Capacity Calculation
Fiscal Year 2017/2018

Description	Value
(1) Taxable property of the District excluding unitary and operating nonunitary property described above	$2,098,087,553
(2) Enter applicable percentage bond debt limit Section 15102 (School District) 1.25% [1] Section 15108 (Unified School District) 2.5%	1.92%
(3) Bonding capacity	$40,283,281
(4) Senate Bill 50 local bonding capacity threshold 15% of District's local bonding capacity	$6,042,492
(5) Senate Bill 50 local bonding capacity threshold 30% of District's local bonding capacity	$12,084,984

[1] The School District's bonding capacity increased to 1.92% based on a bonding capacity waver approved by the State Board of Education dated May 8, 2013.

Source: San Joaquin County Office of the Auditor-Controller

EXHIBIT G

Correspondence with the City

COOPERATIVE
STRATEGIES
COMPLETE FINANCIAL & DEMOGRAPHIC PLANNING FOR EDUCATION

December 21, 2017

Mr. Andrew Malik
Development Services Director
City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

Re: Residential Development Projections within Jefferson School District Boundaries

Dear Mr. Malik,

Cooperative Strategies, LLC is in the process of revising the School Facilities Needs Analysis ("SFNA") for the Jefferson School District ("School District"). Pursuant to Section 65995.5(c)(3) of the Government Code, one component of the SFNA is an estimate of the number, type, and square footage of expected future residential units ("Future Units") to be constructed in the area of the City of Tracy ("City") served by the School District **over the next five (5) years.**

Projections regarding the Future Units to be constructed within the area of the City served by the School District are shown on the following page. Based on information obtained from the City and the School District, Cooperative Strategies has prepared Future Unit estimates and Future Unit square footage estimates for the School District. Cooperative Strategies would like to provide the City with the opportunity to review, and if necessary, modify these projections. Please complete the attached page ("Certificate") and return to Cooperative Strategies by **January 15, 2018**.

Mr. Malik, should you have any questions regarding the projections please contact me at 949.250.8300. We sincerely appreciate your assistance in providing this information and look forward to hearing from you soon.

Sincerely,

Andrew Bishop
Senior Associate Director

In its efforts to assist Cooperative Strategies, LLC in preparing the SFNA in accordance with the guidelines of Section 65995.5(c)(3) of the Government Code for the Jefferson School District, the City of Tracy ("City"):

___The City concurs with the previous residential development projections as provided below:

Unit Type	Projected Number of Units [1]	Estimated Average Square Footage per Unit
Single Family Detached *(i.e. single family home)*	900	1,850
Single Family Attached (e.*g. condos, duplexes, townhomes, etc.)*	0	N/A
Multifamily *(i.e. apartments)*	150	1,200

[1] Excludes units designated as age restricted (i.e. requiring residents to be at least 55 years of age).

___The residential development projected by the City is listed below:

Unit Type	Projected Number of Units [1]	Estimated Average Square Footage per Unit
Single Family Detached *(i.e. single family home)*		
Single Family Attached (e.*g. condos, duplexes, townhomes, etc.)*		
Multifamily *(i.e. apartments)*		

[1] Excludes units designated as age restricted (i.e. requiring residents to be at least 55 years of age).

Signed, _____, of the City of _____ on _____.

Printed Name: _____
Title: _____

EXHIBIT H

Reconstruction

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

A. Residential Reconstruction

Residential Reconstruction consists of voluntarily demolishing existing residential units and replacing them with new residential development. To the extent Reconstruction increases the residential square footage beyond what was demolished ("New Square Footage"), the increase in square footage is subject to the applicable Alternative No. 2 Fee or Alternative No. 3 Fee as such construction is considered new residential development. As for the amount of square footage constructed that replaces only the previously constructed square footage ("Replacement Square Footage"), the determination of the applicable fee, if any, is subject to a showing that the Replacement Square Footage results in an increase in student enrollment and, therefore, an additional impact being placed on the School District to provide school facilities for new student enrollment.

As of the date of this Analysis, the large-scale Reconstruction of residential development within the School 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 fees on Replacement Square Footage, the School District may undertake an analysis on any future proposed project(s) and may amend/update this Analysis. 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 Analysis 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 School 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 Alternative No. 2 Fee or Alternative No. 3 Fee that is in effect at such time.

B. Reconstruction of Commercial/Industrial Construction into Residential Construction

The voluntary demolition of existing commercial/industrial buildings and replacement of them with new residential development is a different category of Reconstruction. Cooperative Strategies is aware that such types of Reconstruction may occur within the School District over the next five (5) years, however, Cooperative Strategies was unable to find information (i) about the amount planned within the School District over the next five (5) years or (ii) historical levels, which might indicate the amount to be expected in the future. Due to the lack of information, the School 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, or hotel/motel). The actual impacts of the planned residential project (taken from Exhibit E) will be reduced by the impact of the existing commercial/industrial category (derived from calculations contained in the current Commercial/Industrial Development School Fee Justification Study adopted by the School District). Any reduction to the Alternative No. 2 Fee would only occur if the reduced amount falls below the Alternative No. 2 Fee. In such a case, the School District would levy the reduced amount per square foot of new residential construction for the subject Reconstruction project.

EXHIBIT I

Updated School Facilities Capacity Calculation

Jefferson School District

School Facilities Capacity Calculation

Application	Item	Elementary School	Middle School
N/A	SAB Form 50-02	469	197
50/66464-00-003	Tom Hawkins Elementary	600	243
50/66464-00-004	Anthony Traina	250	108
50/66464-00-005	Anthony Traina	650	162
Total Capacity	**N/A**	**1,969**	**710**

EXHIBIT J

Allocation of Surplus Seats

Jefferson School District

Allocation of Surplus Seats

Actual and Projected Surplus School Seats from Existing Units

Item	School Year 2017/2018
Actual Elementary School Students	1,711
Existing Elementary School Facilities Capacity	1,969
Excess Elementary School Seats	**258**
Actual Middle School Students	619
Existing Middle School Facilities Capacity	710
Excess Middle School Seats	**91**

Units to be Constructed over the Next Five (5) Years ("Future Units") and Total Units to be Constructed (i.e. Next Five (5) Years + Beyond the Next Five (5) Years) ("Total Units")

Item	Number of Future Units	Number of Total Units[1]
Number of SFD Units	900	5,894
Number of MF Units	150	1,042

[1] Source: SJCOG 2030 Forecasts

Percent of Students Generated from Future Units

Item	Students Generated from Future Units	Students Generated from Total Units
Elementary School Students from SFD Units	366	2,395
Elementary School Students from SFA Units	0	0
Elementary School Students from MF Units	30	210
Total Elementary School Students Generated	**396**	**2,605**
Middle School Students from SFD Units	145	947
Middle School Students from SFA Units	0	0
Middle School Students from MF Units	15	104
Total Middle School Students Generated	**160**	**1,051**
Percent of Elementary School Students Generated from Future Units		**15.20%**
Percent of Middle School Students Generated from Future Units		**15.22%**

Allocation of Excess School Seats to Students Generated from Future Units

School Level	Excess Seats	% of Students Generated from Future Units
Elementary School	258	15.20%
Middle School	91	15.22%
Excess Elementary School Seats Allocated Students Generated from Future Units		**39**
Excess Middle School Seats Allocated Students Generated from Future Units		**14**

Number of Non-Mitigated Future Units and Number of Total Future Units

Item	Non-Mitigated Future Units	Total Future Units
Number of SFD Units	16	900
Number of SFA Units	0	0
Number of MF Units	150	150

Percentage of Students Generated from Non-Mitigated Future Units

Item	Students Generated from Non-Mitigated Future Units	Students Generated from Total Future Units
Elementary School Students from SFD Units	7	366
Elementary School Students from SFA Units	0	0
Elementary School Students from MF Units	30	30
Total Elementary School Students Generated	**37**	**396**
Middle School Students from SFD Units	3	145
Middle School Students from SFA Units	0	0
Middle School Students from MF Units	15	15
Total Middle School Students Generated	**18**	**160**
Percent of Elementary School Students Generated from Non-Mitigated Future Units		**9.34%**
Percent of Middle School Students Generated from Non-Mitigated Future Units		**11.25%**

Allocation of Excess Seats to Students Generated from Non-Mitigated Future Units

School Level	Excess Seats	% of Students Generated from Non-Mitigated Future Units
Elementary School	39	9.34%
Middle School	14	11.25%
Excess Seats Allocated to Elementary School Students		**4**
Excess Seats Allocated to Middle School Students		**2**

EXHIBIT K

Identification and Consideration of Local Funding Sources per Section 65995.5(c)(2) and Section 65995.6(b)(3)

Section 65995.6(b)(3) requires the School District to identify and consider any local sources other than fees, charges, dedications, or other requirements that can be used to offset the cost impacts of Future Units. Additionally, Section 65995.5(c)(2) requires the School District to subtract the amount of Local Funds, which includes commercial/industrial school fees, that the governing board has dedicated to facilities necessitated by Future Units. What follows is a summary of potential local sources, including Local Funds that were evaluated for reducing such impact.

1. Lease Financings

Lease financings are a means of financing facilities through a pledge of lease payments, as opposed to a new revenue source, i.e., Certificates of Participation ("COPs"), Lease Revenue Bonds ("LRBs"), etc. All lease payments associated with lease financings must be paid by the issuing school district through its existing sources of revenue. The lease payments are secured by the issuing school district's general fund.

The School District has not issued any recent lease financings to offset the impact of Future.

2. General Obligation Bonds

General Obligation ("GO") bonds are secured by the full faith, credit and taxing power of the issuing school district. A GO bond constitutes debts of the issuer and generally requires 2/3 approval by election prior to issuance; however, a Proposition 39 GO bond is approved by 55 percent of the votes. In return for a lower voter approval threshold under Proposition 39, the issuing school district (i) must identify a specific list of school facility projects, (ii) has limitations on the rate of maximum tax levy, and (iii) upon approval, the expenditures are monitored and audited by a citizens' oversight committee annually. Voter approval grants the school district the right to levy additional *ad valorem* taxes on all taxable property within its jurisdiction in order to pay debt service on the GO bonds.

On November 2, 2010, the voters of the School District approved Measure J, which authorized the issuance of $35,400,000 in GO bonds. Of the $35,400,000 to be issued, the entire amount has been earmarked for the modernization and renovation of existing school facilities. Therefore, at this time, there are no proceeds from the GO Bonds available to offset the impact of projected unhoused students generated from Future Units.

3. Redevelopment Pass-Throughs

California redevelopment law allows school districts to share in tax increment income via pass-through agreements with local redevelopment agencies. The passage of AB X1 26 eliminated redevelopment agencies as of February 1, 2012, and replaced them with successor agencies. Though redevelopment agencies have been eliminated, local educational agency's pass-through entitlements remain.

The School District currently has pass-through agreements with redevelopment agencies of Tracy. Over the last five (5) years, the School District has collected approximately $176,365 in redevelopment revenue and this amount is considered available as potential funding for school facilities to house students generated from Future Units.

4. Community Facilities Districts

The Mello-Roos Community Facilities Act provides an alternative method for public agencies to fund facilities with useful lives of five (5) years or more. The Community Facilities District ("CFD") is a financing entity through which a local government is authorized to levy special taxes to pay debt service on issued bonds or to pay for the direct construction of facilities. A two-thirds vote of the qualified voters is required to form the CFD.

The School District has formed two (2) CFDs as part of the Tracy Area Public Facilities Financing Agency. These CFDs were formed on specific residential development projects as an alternative to paying mitigation payments. Accordingly, none of the special tax or bond proceeds from these CFDs will be available to offset the cost impacts of any residential units constructed outside the boundaries of the CFDs. Similarly, the School District will not be permitted to collect additional statutory school fees, mitigation payments or Alternative Fees from the units located within the CFDs, nor were the units from the CFDs considered in calculating the Alternative No. 2 and Alternative No. 3 Fees.

5. School Fees

Sections 17620 *et seq.* of the Education Code gives school districts the authority to collect statutory school fees ("School Fees") from commercial and industrial development if a justification study is prepared and certain nexus findings are made. Section 65995.5(c)(2) requires the School District to identify and consider Local Funds, which includes commercial/industrial School Fees, and to subtract such funds from the total impact created by Future Units, if such Local Funds are available.

The School District currently collects such fees in the amount of $0.42 per square foot. In the previous five (5) years, the School District collected approximately $4,311 in School Fees from commercial/industrial development. A similar amount of commercial/industrial School Fees can be expected to be received over the following five (5) years. This potential funding will be discussed further below.

6. Identification of Existing Surplus Local Funds

Over the next five (5) years, the School District will need to construct school facilities to house students to be generated from Future Units. Using per-student costs calculated in Exhibit E, providing adequate school facilities to the 49 Projected Unhoused Students identified in Section III.C will have a cost of $1,870,918. Table K-1 shows a summary of the school facilities needs of the School District.

Table K-1
Identification of School Facilities Needs (2018$)

Item	Amount
Future Unhoused Student Impact	$1,870,918

As stated above, the School District has identified the following local funds: (i) a potential for $176,365 in funding from redevelopment pass-through agreements and (ii) potential commercial/industrial school fees in the amount of $4,311. In addition, the School District also plans to pursue State funding for the construction of school facilities to adequately house students generated from existing residential development and Future Units. Based on the current per-pupil grant amounts established by the State and the School District's site costs, the 49 Projected Unhoused Students would generate $704,604 in State funding. Additionally, based on Table 15 of the Analysis, the School District can expect to receive $704,604 from Alternative No. 2 Fees on new residential development. Table K-2 summarizes potential funding sources to fund the school facilities needs identified in Table K-1.

Table K-2
Identification of Local Funds (2018$)

Item	Amount
Projected Redevelopment Revenues	$176,365
Projected Commercial/Industrial School Fees	$4,311
State Funding for Projected Unhoused Students	$704,604
Projected Alternative No. 2 Fees	$704,604
Total	**$1,589,884**

As shown in Table K-3, when considering the current and future school needs of the School District, there is currently a $281,034 funding shortfall. Therefore, the School District does not have surplus funds available to offset the cost impact of Future Units.

Table K-3
Identification of Funding Shortfall (2018$)

Item	Amount
School Facilities Needs	$1,870,918
Local Funding Sources	($1,589,884)
Remaining Funding Shortfall	**$281,034**

EXHIBIT L

Calculation of Additional Grants for General Site Development

Jefferson School District

General Site Development Grant per Student Calculation

1. Calculation of Additional Grant Amount as a percentage of Base Per-Pupil Grant at Each School Level

School Level	Base Per-Pupil Grant [1]	Percent	Additional Grant
Elementary School	$11,775	6.00%	$707
Middle School	$12,483	6.00%	$749
[1] Includes Automatic Fire Detection/Sprinkler Grant.			

2a. Calculation of Total Grant Amount for a New School Facility at Each School Level

School Level	Grant per New Usable Acre	Site Size	Grant per School Facility
Elementary School	$18,827	9.0	$169,443
Middle School	$18,827	6.7	$126,141

2b. Calculation of Grant Amount per Student at Each School Level

School Level	Grant per School Facility	Facility Capacity	Grant per Student
Elementary School	$169,443	520	$326
Middle School	$126,141	280	$451

3. Determination of Total Grant per Student for General Site Development at Each School Level

School Level	Additional Grant as a percentage of Base Per-Pupil Grant	Grant per Student	Total Grant for General Site Development
Elementary School	$707	$326	$1,033
Middle School	$749	$451	$1,200