

**Burbank Unified School District  
Administrative Services**

**REPORT TO THE BOARD**

TO: Members of the Board of Education and Superintendent

FROM: David Jaynes, Assistant Superintendent, Administrative Services

PREPARED BY: Ruthie DiFonzo, Senior Administrative Assistant

SUBMITTED BY: Ruthie DiFonzo, Senior Administrative Assistant

DATE: March 15, 2018

SUBJECT: Report on the Developer Fee Justification Study

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**Background:**

The State Allocation Board sets the statewide rate for Level I Developer Fees and updates that amount every other year, publishing the new rate in January. In order to collect developer fees, school districts must conduct a study that meets all the requirements of code, make that study available for public review, hold a public hearing and then take action to adopt the fee structure justified in the study. The fees are to be used to finance the construction, reconstruction and modernization of school facilities, and to provide for interim housing.

**Discussion/Issues:**

The District contracted with Koppel & Gruber Public Finance to perform a Developer Fee Justification Study to determine the appropriateness of increasing current rates to the new statutory rates for collection of Developer Fees. The study is attached.

**Fiscal Impact:**

\$ 7,475

**Recommendation:**

David Jaynes, Assistant Superintendent, Administrative Services, will introduce Lyn Gruber of Koppel & Gruber Public Finance, who will present the developer fee justification study, as presented.



## SCHOOL FEE JUSTIFICATION STUDY

MARCH 2, 2018

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## **EXECUTIVE SUMMARY**

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Education Code Section 17620 authorizes the governing board of a school district to levy school fees to offset the impacts to school facilities from new residential and commercial/industrial construction and reconstruction. In order to levy Level I fees (statutory fees), a school district must prepare and adopt a school fee justification study pursuant to the provisions of Education Code Section 17620 and Sections 65995 and 66001 of the Government Code. The school fee justification study serves as the basis for justifying the levy of Level I fees and presents and documents the nexus findings required by State law.

This School Fee Justification Study (“Study”) has been prepared for the Burbank Unified School District (“School District”) to demonstrate the relationship between new residential and commercial/industrial development and the School District’s need for the construction of school facilities, the cost of the school facilities, modernization of existing school facilities, and the per square foot amount of Level I fees (“School Fees”) that may be levied by the School District on residential and commercial/industrial development in accordance with applicable law.

The maximum School Fees authorized by Education Code Section 17620 are currently \$3.79 per square foot for residential construction/reconstruction and \$0.61 per square foot for commercial/industrial construction. The State Allocation Board (“SAB”) reviews and may adjust the maximum authorized School Fees every January in even-numbered years. Based on the findings presented in this Study, the School District is justified in collecting the amount equal to the maximum authorized Level I school fees or \$3.79 per square foot for residential construction/reconstruction and the maximum authorized or \$0.61 per square foot for categories of commercial/industrial development, except for new construction classified as Rental Self-Storage, Industrial Parks/Warehousing/Manufacturing, or Hospitality (Lodging). The findings are summarized below:

### **RESIDENTIAL DEVELOPMENT**

New residential development in the School District is projected over the next ten (10) years. Based on School District-wide student generation rates and the projected development of residential dwelling units within the School District, such development will generate an estimated 704 new students over the next ten (10) years. An analysis of the School District’s existing permanent facilities capacity and enrollment demonstrates the projected student enrollment does not support the need for the acquisition of new school sites or the construction of additional school campuses. The analysis does support expansion at the elementary school level. Additionally, the School District’s existing facilities are in need of modernization/reconstruction and those facilities are deemed inadequate for the long-term housing of both existing students and students generated from future residential development. The School District identified and estimated that the total cost of eligible capital improvement projects amounting to approximately \$46,483,284. The school facilities cost impact per residential square foot attributable to students generated from new residential construction as determined in this Study is shown in the following table.

The cost impacts per square foot shown in Table E-1 exceeds the current maximum authorized residential School Fee of \$3.79, therefore, the School District is reasonably justified in levying the Level I school fees in an amount up to but not exceeding \$3.79 per square for residential development (“Applicable Residential School Fee”).

**TABLE E-1  
RESIDENTIAL SCHOOL FACILITIES COST IMPACTS/APPLICABLE SCHOOL FEE**

DESCRIPTION	IMPACT PER SQUARE FOOT	MAXIMUM APPLICABLE SCHOOL FEE PER SQUARE FOOT
<b>Residential Construction</b>	\$4.59	<b>\$3.79</b>

**COMMERCIAL/INDUSTRIAL DEVELOPMENT**

As commercial/industrial properties develop new jobs are created. Many of the employees working at the new jobs will move into the School District boundaries, thereby increasing the need for new residential development and further impacting the School District’s facilities. School Fees may be imposed on commercial/industrial development if the school fees collected on residential development are insufficient to provide adequate school facilities for students generated as a result of new development and nexus findings are presented that justify the imposition of the commercial/industrial school fee.

Section 17621(e)(1)(B) of the Education Code requires that the Study determine the impact of the increased number of employees anticipated to result from commercial/industrial development upon the cost of providing school facilities within the School District. This code section further adds that employee generation estimates shall be based on the applicable employee generation estimates set forth in the January 1990 edition of “San Diego Traffic Generator Study” (“Traffic Study”), a report by San Diego Association of Governments (“SANDAG”). The school facilities cost impacts per commercial/industrial square foot as determined in this Study are shown in Table E-2 by commercial/industrial land use type (each commercial/industrial category is further described in Appendix “A”). The cost impacts per square foot for each category of commercial/industrial development are equal to or exceed the maximum authorized School Fee of \$0.61 per square foot, except for Rental Self-Storage, Industrial/Warehousing/Manufacturing and Hospitality (Lodging) development. Therefore, except for previously listed commercial/industrial categories, the School District is justified in levying commercial/industrial School Fees on new commercial/industrial development in an amount up to but not exceeding the maximum authorized School Fee of \$0.61 per square foot (“Applicable Com/Ind. School Fees”). The Applicable Com/Ind. School Fees may be imposed on new commercial/industrial construction or reconstruction classified as Rental Self-Storage, Industrial/Warehousing/Manufacturing and Hospitality (Lodging) up to their respective net cost impacts per square foot determined herein.

**TABLE E-2**  
**COMMERCIAL/INDUSTRIAL SCHOOL FACILITIES COST IMPACTS/APPLICABLE SCHOOL FEES**

COMMERCIAL/INDUSTRIAL CATEGORY	IMPACT PER SQUARE FOOT	MAXIMUM APPLICABLE SCHOOL FEE PER SQUARE FOOT
Banks	\$1.24	<b>\$0.61</b>
Community Shopping Center	\$0.90	<b>\$0.61</b>
Neighborhood Shopping Center	\$1.23	<b>\$0.61</b>
Industrial Business Parks	\$1.54	<b>\$0.61</b>
Industrial Parks/ Warehousing/ Manufacturing	\$0.59	<b>\$0.59</b>
Rental Self-Storage	\$0.03	<b>\$0.03</b>
Research & Development	\$1.33	<b>\$0.61</b>
Hospitality(Lodging)	\$0.49	<b>\$0.49</b>
Commercial Offices (Standard)	\$2.10	<b>\$0.61</b>
Commercial Offices (Large High Rise)	\$1.99	<b>\$0.61</b>
Corporate Offices	\$1.17	<b>\$0.61</b>
Medical Offices	\$1.86	<b>\$0.61</b>

## **SECTION I. INTRODUCTION**

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### **A. PURPOSE OF THE STUDY**

The purpose of this Study is to determine if a reasonable relationship exists between new residential and commercial/industrial development and the School District's need for the construction and/or reconstruction of school facilities. The findings presented in this Study have been made pursuant to and in compliance with Education Code Section 17620 and Government Code Section 66001 *et seq.* and serve as a basis for determining such a relationship.

### **B. GENERAL DESCRIPTION OF THE SCHOOL DISTRICT**

The School District serves the City of Burbank ("City") area within the County of Los Angeles ("County") and educates a total student population of approximately 15,200 kindergarten through twelfth grade students. The School District currently operates eleven (11) elementary schools, three (3) middle schools, three (3) high schools, one (1) adult school and two (2) alternative education schools.

## **SECTION II. LEGISLATION AND LEGAL REQUIREMENTS**

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This section discusses the legislative history of the Level I Fee.

Assembly Bill (“AB”) 2926 enacted by the State in 1986, also known as the “1986 School Facilities Legislation” granted school districts the right to levy fees in order to offset the impacts to school facilities from new residential and commercial development. Originally set forth in Sections 53080 and 65995 of the Government Code, AB 2926 authorized statutory school fees to be levied, commencing January 1, 1987, in the amount of \$1.50 per square foot of new residential assessable space and \$0.25 per square foot of enclosed commercial or industrial assessable space. AB 2926 also provided for an annual increase of the statutory fees based on the Statewide cost index for Class B construction, as determined by the SAB. The provisions of AB 2926 have since been amended and expanded.

AB 1600 was enacted by the State legislature in 1987 and created Government Code Sections 66000 *et seq.* These sections require a public agency to satisfy the following requirements when establishing, increasing or imposing a fee as a condition of approval for a development project:

1. Determine the purpose of the fee;
2. Identify the use to which the fee is to be put;
3. Determine how there is a reasonable relationship between the fee’s use and the type of development project on which the fee is imposed;
4. Determine that there is a reasonable relationship between the need for the public facilities and the type of development project on which the fee is imposed;
5. Determine that there is a reasonable relationship between the amount of the fee and the cost, or portion of the cost of the public facility attributable to the development on which the fee is imposed; and
6. Provide an annual accounting of any portion of the fee remaining unspent or held for projects for more than five (5) years after collection.

AB 181, enacted in 1989, established new requirements for school districts levying school fees and also re-codified Government Code Section 53080 *et seq.* as Education Code Section 17620 *et seq.* The additional provisions established by AB 181 imposed more stringent nexus requirements which must be satisfied by school districts prior to levying school fees, especially with respect to commercial/industrial school fees. Additionally, AB 181 provided that the maximum school fees for residential and commercial/industrial development be subject to an increase every two (2) years rather than annually.

In 1998, Governor Wilson signed into law Senate Bill 50 (“SB 50”), the Leroy F. Greene School Facilities Act of 1998, which reformed State’s School Building Program and developer school fee legislation. A significant provision of SB 50 provides school districts the option of adopting

alternative school fees (also known as Level II and Level III fees) in excess of the Level I fee upon meeting certain requirements. SB 50 also placed a \$9.2 billion State Bond measure on the November 3, 1998 ballot (Proposition 1A). With the passage of Proposition 1A in November 1998, SB 50 became operative.

SB 50 also limited the power of cities and counties to require mitigation of school facilities impacts as a condition of approving new development and suspended the court cases known as Mira-Hart-Murrieta. The Mira-Hart-Murrieta cases previously permitted school districts to collect mitigation fees in excess of school fees under certain circumstances.

On November 5, 2002, California voters passed Proposition 47, which authorized the issuance of \$13.05 billion in State bonds and also enacted AB 16, which provided for additional reformation of the School Building Program. AB 16, among other items, clarified that if the SAB is no longer approving apportionments for new construction due to the lack of funds available for new school facilities construction, a school district may increase its Level II Fee to the Level III Fee. With the issuance of the State bonds authorized by the passage of Proposition 47, this section of AB 16 became inoperable.

In addition, Proposition 55 was approved on March 2, 2004, which authorized the sale of \$12.3 billion in State bonds. Furthermore, California voters approved Proposition 1D in the general election held on November 7, 2006. Proposition 1D authorized the issuance of \$10.4 billion in State bonds.

Most recently, California voters approved Proposition 51 (the California Public School Facility Bonds Initiative) in the general election held on November 8, 2016, authorizing the issuance of \$9 billion in bonds to fund the improvement and construction of school facilities for K-12 schools and community colleges.

## **SECTION III. PROJECTED UNHOUSED STUDENTS AND FACILITY REQUIREMENTS**

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The objective of this Study is to determine if a nexus exists between future residential and commercial/industrial development and the need for school facilities. In addition, the Study aims to identify the costs of such required school facilities and determine the amount of School Fees that can be justifiably levied on residential and commercial/industrial development according to the estimated impacts caused by such development. This section evaluates whether existing school facilities can accommodate students generated from future residential development, projects student enrollment based on anticipated residential growth, and estimates the costs of school facilities required to accommodate new residential growth. The findings determined in this section are used in following sections to evaluate the cost impact per square foot for new residential and commercial/industrial property. Although many of the figures in this section are primarily derived from residential development projections and impacts, they are adjusted in Section V. to evaluate the impact of commercial/industrial development.

### **A. SCHOOL DISTRICT CAPACITY AND CURRENT STUDENT ENROLLMENT**

The School District's existing school facilities capacity and student enrollment were evaluated in order to determine if there is available capacity to house students generated by new residential and commercial/industrial development.

The School District currently operates eleven (11) elementary schools, three (3) middle schools, three (3) high schools, one (1) adult school and two (2) alternative education schools. These facilities include approximately 790 eligible teaching stations. However, as further described in this Study, many of the portable classrooms at the School District's sites have been deemed inadequate for long-term use and require replacement. Accordingly, the number of eligible classrooms was adjusted to exclude portable classrooms since the collection of Applicable School Fees will be used in part to replace portable classrooms with new permanent classrooms. The School District facilities capacity is determined based on loading standards set forth in the California Code of Regulations, Title II, Section 1859.35, which sets capacity on a district-wide basis rather than school-level, and is consistent with the loading standards recognized by the Office of Public School Construction (OPSC). Appendix "B" provides a calculation of the updated estimated facilities capacity.

Based on October 2017 California Basic Educational Data System (CBEDS) data, the student enrollment of the School District is 15,134 students. This enrollment figure does not include preschool students or students enrolled in the School District's Options for Youth Charter program, an online teaching program, which does not require teaching stations. The School District's enrollment as of October 2017 is summarized in Appendix "C". Current excess capacity is calculated by subtracting current student enrollment from existing school facilities capacity for each school level. This operation results in available seats at the elementary school, middle school and high school levels. The existing school facilities excess capacity determination is shown in Table 1.

**TABLE 1**  
**FACILITIES CAPACITY AND STUDENT ENROLLMENT**

SCHOOL LEVEL	EXISTING FACILITIES CAPACITY <sup>[1]</sup>	STUDENT ENROLLMENT (OCTOBER 2017)	EXCESS/(DEFICIT) CAPACITY
Elementary School (K-5)	6,450	6,282	168
Middle School (6-8)	4,293	3,439	854
High School (9-12) <sup>[2]</sup>	6,185	5,413	772
<b>Total</b>	<b>16,928</b>	<b>15,134</b>	<b>1,794</b>

[1] Appendix “B” provides a detailed analysis of the facility capacity determination.

[2] The capacity of facilities categorized as Other Programs has been included at the high school level since the students enrolled in these programs are grades 9 through 12 students.

## **B. PROJECTED UNHOUSED STUDENTS**

### **1. Projected Residential Units**

Areas within the school district are largely developed and built-out, however opportunities exist for new development through infill and redevelopment projects. A projection of the number of new residential construction within the School District boundaries was derived from information obtained from the Planning and Transportation Division of the City. Based on the information, it is estimated the School District could experience the development of 2,847 residential units over the next ten (10) years (“Total Projected Units”).

The Burbank 2035 General Plan, adopted by the City in February 2013, allows for the maximum development capacity of 61,647 with an estimated build-out of 50,219 units. According to the State Department of Finance, as of 2017 housing within the City was estimated at 44,488<sup>1</sup> units. Therefore the remaining residential capacity to build-out is estimated at 5,731 units.

In order to estimate the development of projected residential units over the next ten (10) years, Koppel & Gruber Public Finance (“KGPF”) primarily utilized updated information on current active planning projects from the City’s Planning and Transportation Division<sup>2</sup> alongside information regarding the realistic potential for redevelopment contained in the City’s Housing Element 2014-2021 dated December 2013 (“Housing Element”) to forecast a realistic potential for development at 2,847 units. It is worth noting that (i) projected realistic units are net of any existing residential units that could be demolished over the planning period and (ii) include the development potential for Accessory Dwelling Units (“ADUs”).

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<sup>1</sup> Education Code Section 17625 sets forth the prerequisites that must be met before school districts may levy school fees on mobile homes. Since it is often difficult to determine and make projections relating to mobile homes that meet those requirements, the mobile home category is omitted from this analysis.

<sup>2</sup> Active Planning Projects-Updated 2/19/2018; City of Burbank.

To help address the shortage of affordable housing in the California, the State Legislature recently enacted laws updated regulations pertaining to Accessory Dwelling Units (“ADU”). An ADU is generally defined as an attached or detached structure that provides independent living facilities for one or more persons and includes permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as a single-family dwelling unit. In response the State laws, which took effect January 1, 2017 (SB 1069 and AB 2299) and January 1, 2018 (SB 229 and AB 494), the City adopted an Interim Ordinance establishing new regulations for ADUs. A map prepared by the City shows that a majority of the residential properties fall within 0.5 of a mile of a public transportation stop or station that qualify for an ADU under State law. According to City records, over 100 permit applications have been reviewed for ADUs since April 2017. Furthermore, there are approximately 100 ADU projects listed under the City Active Planning Projects list as of February 2018. The development potential of ADUs within the City and following these actions is therefore evident. While the Interim Ordinance limits the construction of ADUs within the City to 500 square feet or less, these dwelling units have the capacity to house small families with school-aged children and are thus accounted for when making student enrollment forecasts in this Study.

The residential categories considered in this Study include Single-Family Detached units (“SFD”), which are those units with no common walls and Multi-Family (“MF”), which are those units sharing a common wall, including but not limited to townhouses, condominiums, apartments, duplexes. For the purposes of this Study, ADUs, whether attached or detached, have been categorized under MF due to their space restrictions.

Projected residential units having mitigated their impact through an alternative to paying School Fees, such as participation in a Community Facilities District or through execution of a mitigation agreement are subtracted from the Total Projected Units. However, currently none of the Total Projected Units have mitigated their impact to the School District through participation in a Community Facilities District or through execution of a mitigation agreement.

The determination of the Projected Units is summarized by residential category in Table 2.

**TABLE 2  
PROJECTED RESIDENTIAL UNITS**

<b>RESIDENTIAL CATEGORY</b>	<b>TOTAL PROJECTED UNITS</b>	<b>PROJECTED MITIGATED UNITS</b>	<b>PROJECTED UNITS</b>
SFD	0	0	0
MF	2,847	0	2,847
<b>TOTAL</b>	<b>2,847</b>	<b>0</b>	<b>2,847</b>

## 2. Student Generation Rates

In order to calculate student generation rates (“SGRs”), KGPF first obtained property characteristic data from the County Assessor’s Office. Parcels in the data file were classified by unit type (SFD and MF) and residential parcels were extracted. Due to the County data missing unit counts in certain instances, KGPF compiled unit counts based on information from the State Department of Finance<sup>3</sup>, resulting in a total of 19,816 SFDs, and 24,672 MFs within the School District.

KGPF then obtained a student database from the School District, which contained the school attended, grade level and physical address information for each student enrolled in the School District. The student database is reflective of student enrollment information as of October 2017. The student enrollment address information was matched to the address (situs address) information of parcels in the County property characteristic database. The number of students matched was then queried by school level and residential category. Table 3 provides a summary of the SGRs by school level and residential category. A more detailed analysis of the SGR determinations is contained within Appendix “D”.

**TABLE 3**  
**STUDENT GENERATION RATES SUMMARY**

<b>SCHOOL LEVEL</b>	<b>SFD UNITS</b>	<b>MF UNITS</b>
Elementary School (K-5)	0.1565	0.1047
Middle School (6-8)	0.0842	0.0544
High School (9-12)	0.1294	0.0880
<b>TOTAL</b>	<b>0.3701</b>	<b>0.2471</b>

## 3. Projected Student Enrollment

Projected student enrollment was determined by multiplying the SGRs in Table 3 by the number of Projected Units shown in Table 2. A total of 704 students are estimated to be generated from Projected Units. The projected student enrollment is summarized by school level in Table 4.

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<sup>3</sup> California Department of Finance- E-5 City/County Population and Housing Estimates, January 1, 2017.

**TABLE 4  
PROJECTED STUDENT ENROLLMENT BY SCHOOL LEVEL**

SCHOOL LEVEL	PROJECTED STUDENTS
Elementary School (K-5)	298
Middle School (6-8)	155
High School (9-12)	251
<b>Total</b>	<b>704</b>

**4. Projected Unhoused Students**

As shown in Table 1, there is available capacity at the elementary school, middle school and high school levels. In order to determine the projected unhoused students generated by Projected Units (“Projected Unhoused Students”) the Projected Student Enrollment is adjusted by the seats available at the elementary school, middle school, and high school levels. Table 5 shows the resulting Projected Unhoused Students.

**TABLE 5  
PROJECTED UNHOUSED STUDENTS**

SCHOOL LEVEL	PROJECTED STUDENT ENROLLMENT (10-YEAR)	AVAILABLE SEATS	PROJECTED UNHOUSED STUDENTS
Elementary School (K-5)	298	168	130
Middle School (6-8)	155	854	0
High School (9-12)	251	772	0
<b>Total</b>	<b>704</b>	<b>1,794</b>	<b>130</b>

**C. FACILITIES NEEDS COSTS AND ESTIMATED PER STUDENT COST**

**1. Facilities Needs**

In 2013, the School District conducted a preliminary needs assessment identifying certain improvements and modernization needs and cost estimates for the identified projects.

In March 2013, a ballot measure (“Measure S”) was approved by the electors and authorized the issuance of general obligation bonds in an amount not to exceed \$110 million to finance modernization and capital improvement projects throughout the School District. School districts can, with the required approval of its voters, issue general obligation bonds that are secured by an annual levy on taxable parcels within the boundaries of a school district. The levy is based on the assessed value of a parcel as determined by the County, pursuant to Proposition 13.

In 2015, the School District formalized a needs assessment as the Bond Implementation Plan (“2015 Plan”). The 2015 Plan was designed around the concept of issuing general obligation debt under the Measure S authorization as a primary source of funding to pay for needed facilities improvement projects. Facilities improvement needs were included and described in the 2015 Plan only to the extent the estimated costs and phasing of such projects could be feasibly funded primarily through the anticipated issuance of general obligation bonds and other sources, as determined at the time. Therefore, the full scope of the School District’s facilities improvement needs was not included in the 2015 Plan. The total estimated project costs determined in the 2015 Plan was \$143,550,972 in 2014 dollars.

As of the date of this Study, the majority of the capital improvement projects included in the cost estimate described above have been completed, much of which was financed with Measure S bond proceeds. The School District has identified approximately \$24,483,284 for remaining capital improvements listed under the 2015 Plan project list and related to the addition or replacement of portable classrooms with permanent facilities as well as certain instructional technology updates.

The School District has also identified capital improvement projects that were not listed under the 2015 Plan or the Measure S budget project list due to funding limitations, or that have been added as result of project enrollment growth, including the construction or installation of additional modular classrooms. The estimated costs amount to \$22,000,000. It should be noted these estimated costs also do not represent the full scope of the School District’s facilities improvement needs.

The determination of projected unhoused students shown in Table 5 demonstrates that adequate permanent facilities capacity does not exist to house Projected Student Enrollment at the elementary level and permanent facilities capacity does exist to house Projected Student Enrollment at the middle school and high school levels. The capital improvement projects outlined in the 2015 Plan and those projects described in the previous paragraph are necessary for the long-term use to adequately house the existing student population and future enrollment growth at all school levels. The facilities needs exist regardless of the availability of capacity to house student enrollment, inclusive of student enrollment generated from new development; therefore without implementation of the capital improvement projects capacity available for Projected Student Enrollment is deemed inadequate.

Revenues from the imposition of the applicable school fees are intended to help bridge the funding gap between (i) monies available from general obligation bond proceeds, including funding from the Measure S authorization, or other sources, and (ii) the estimated costs of the capital improvement projects, including the remaining Measure S capital improvement projects as well as future new construction projects.

## 2. Estimated per Student Cost

The estimated total cost impact per student to provide adequate school facilities to house Projected Enrollment for each school level was derived using the estimated capital improvement costs described in the preceding section and the estimated facility capacity added or replaced through implementation of the capital improvement projects. This calculation is shown in Appendix “E” of this Study. Table 6 summarizes the resulting estimated average Facilities Cost Impact per Student/Seat by school level.

**TABLE 6**  
**FACILITIES COST IMPACT PER STUDENT**

<b>SCHOOL LEVEL</b>	<b>FACILITIES COST IMPACT PER STUDENT/SEAT</b>
Elementary School (K-5)	\$19,485
Middle School (6-8)	\$22,527
High School (9-12)	\$18,714

## SECTION IV. PROJECTED IMPACT OF RESIDENTIAL DEVELOPMENT

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The following section presents the school facility impact analysis for new residential development and provides a step-by-step calculation of the estimated per residential square foot cost impact.

To determine the school facilities cost impact per square foot of residential development, first the Facilities Cost Impact per Student/Seat determined in Table 6 are multiplied by the SGRs per school level.

To determine the school facilities cost impact per square foot of residential development, first the Facilities Cost Impact per Student determined in Table 6 is multiplied by the Projected Enrollment as shown in Table 5 for each school level. The result of this computation is shown in Table 7 and reflects the estimated school facilities cost impact to house Projected Enrollment.

**TABLE 7  
FACILITIES COST IMPACT**

SCHOOL LEVEL	FACILITIES COST IMPACT PER STUDENT/SEAT	PROJECTED ENROLLMENT	FACILITIES COST IMPACT PER RESIDENTIAL UNIT
Elementary School (K-5)	\$19,485	298	\$5,806,586
Intermediate School (6-8)	\$22,527	155	\$3,491,685
High School (9-12)	\$18,714	251	\$4,697,214
<b>Total</b>			<b>\$13,995,429</b>

The total school facilities impact shown in Table 7 above was then divided by the number of Projected Units shown in Table 2 to determine the school facilities cost per residential unit. The costs per residential categories are shown in Table 8.

**TABLE 8  
SCHOOL FACILITIES COST PER RESIDENTIAL UNIT**

FACILITIES COST IMPACT ALLOCATION	NET PROJECTED UNITS	FACILITIES COST IMPACT PER RESIDENTIAL UNIT
\$13,995,429	2,847	<b>\$4,916</b>

The school facilities cost impact per residential square foot is calculated by dividing the school facilities cost per residential unit determined in Table 8 by the average square footage of a residential unit. This calculation is shown in Table 9. Square footage information for residential units constructed within the School District was obtained from the Planning and Transportation Division of the City and was used to estimate the average square footage of the Projected Units.

**TABLE 9**  
**SCHOOL FACILITIES COST PER RESIDENTIAL SQUARE FOOT**

FACILITIES COST IMPACT PER RESIDENTIAL UNIT	WEIGHTED AVERAGE SQUARE FOOTAGE	FACILITIES COST PER RESIDENTIAL SQUARE FOOT
\$4,916	1,071	<b>\$4.59</b>

The school facilities impact per residential square foot determined in Table 9 is greater than the current maximum authorized residential School Fees of \$3.79 per square foot; therefore, the School District is justified in levying up to but not exceeding the maximum authorized amount for residential construction and reconstruction.

## SECTION V. COMMERCIAL/INDUSTRIAL SCHOOL IMPACT ANALYSIS

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The following section presents the school facilities impact analysis for new commercial/industrial development and provides a step-by-step calculation of the estimated per commercial/industrial square foot cost impact.

### A. EMPLOYEE GENERATION

In the course of making the nexus findings to justify School Fees levied on commercial/industrial development, Education Code Section 17621(e)(1)(B) requires that the Study determine the impact of the increased number of employees anticipated to result from commercial/industrial development upon the cost of providing school facilities within the School District. As mentioned in the Executive Summary, for purposes of making such determination this code section further sets out that the employee generation estimates be based on the applicable estimates set forth in the Traffic Study published by SANDAG.

The employee generation estimates per 1,000 square feet of development derived from the Traffic Study are listed by commercial/industrial land use category in Table 10 below. The land use categories listed are based on those categories described in the Traffic Study and include land uses recommended by the provisions of Education Code Section 17621(e)(1)(B).

**TABLE 10  
EMPLOYEE GENERATION PER 1,000 SQUARE FEET  
OF COMMERCIAL/INDUSTRIAL DEVELOPMENT**

COMMERCIAL/INDUSTRIAL CATEGORY	AVERAGE SQUARE FOOTAGE PER EMPLOYEE	EMPLOYEES PER 1,000 SQUARE FEET
Banks	354	2.8253
Community Shopping Center	652	1.5348
Neighborhood Shopping Center	357	2.7985
Industrial Business Parks	284	3.5156
Industrial Parks/Warehousing	742	1.3473
Rental Self-Storage	15,541	0.0643
Research & Development	329	3.0408
Hospitality(Lodging)	883	1.1325
Commercial Offices (Standard)	209	4.7897
Commercial Offices (Large High Rise)	220	4.5442
Corporate Offices	372	2.6848
Medical Offices	234	4.2654

Source: San Diego Traffic Generator Study, January 1990 Edition; SANDAG.

## **B. RESIDENTIAL IMPACT**

### **1. Households**

To evaluate the impact of commercial/industrial development on School District facilities, the employee generation estimates listed in Table 10 were first used to determine the impact of commercial/industrial development on a per household basis. Based on information obtained from the California Department of Finance<sup>4</sup> and the Employment Development Department<sup>5</sup>, there are approximately 1.32 employed persons per household on average for households located within City of Burbank. Dividing the employee generation estimates listed in Table 10 by 1.32 results in the estimated number of households per 1,000 square feet of commercial/industrial development (“Total Household Impact”).

The Total Household Impact determined in the preceding paragraph takes into consideration all employees generated from commercial/industrial development. Since some of those employees will live outside the School District and therefore will have no impact on the School District, the figures are adjusted to reflect only those households within the School District occupied by employees generated from commercial/industrial development built within the School District. Based on information derived from U.S. Census Bureau data<sup>6</sup>, it is estimated that approximately 32.2% of employees both live and work within the School District. Multiplying the Total Household Impact by 32.2% results in the households within the School District impacted per 1,000 square feet commercial/industrial development. The results of these computations are shown in Table 11.

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<sup>4</sup> California Department of Finance- E-5 City/County Population and Housing Estimates, January 1, 2017.

<sup>5</sup> Employment Development Department (EDD)- Monthly Labor Force Data for Cities and Census Designated Places (CDP), December 2017.

<sup>6</sup> 2016 American Community Survey 5-Year Estimates: S0801-Worked in place of residence.

**TABLE 11**  
**IMPACT OF COMMERCIAL/INDUSTRIAL DEVELOPMENT ON**  
**HOUSEHOLDS WITHIN THE SCHOOL DISTRICT**

COMMERCIAL/INDUSTRIAL CATEGORY	SCHOOL DISTRICT HOUSEHOLDS PER 1,000 SQUARE FEET COM./IND.
Banks	0.6892
Community Shopping Center	0.4992
Neighborhood Shopping Center	0.6827
Industrial Business Parks	0.8576
Industrial/Warehousing/Manufacturing	0.3287
Rental Self-Storage	0.0157
Research & Development	0.7418
Hospitality(Lodging)	0.2763
Commercial Offices (Standard)	1.1684
Commercial Offices (Large High Rise)	1.1085
Corporate Offices	0.6549
Medical Offices	1.0405

## 2. Household Student Generation

The student generation impacts per 1,000 square feet of commercial/industrial development were calculated by multiplying the household impacts shown in Table 11 by blended student generation rates determined for each school level. The result of this calculation is shown in Table 12. The determination of the student generation rates are shown and described in Appendix “D” of this Study. Since all Projected Units are classified as MF units, only the SGRs determined for MF are utilized.

**TABLE 12**  
**STUDENT GENERATION PER 1,000 SQUARE FEET OF**  
**COMMERCIAL/INDUSTRIAL DEVELOPMENT**

COMMERCIAL/INDUSTRIAL CATEGORY	ELEMENTARY SCHOOL STUDENT GENERATION	MIDDLE SCHOOL STUDENT GENERATION	HIGH SCHOOL STUDENT GENERATION	TOTAL STUDENT GENERATION
Banks	0.0722	0.0375	0.0606	0.1703
Community Shopping Center	0.0523	0.0272	0.0439	0.1234
Neighborhood Shopping Center	0.0715	0.0371	0.0601	0.1687
Industrial Business Parks	0.0898	0.0467	0.0755	0.2120
Industrial/Warehousing/ Manufacturing	0.0344	0.0179	0.0289	0.0812
Rental Self-Storage	0.0016	0.0009	0.0014	0.0039
Research & Development	0.0777	0.0404	0.0653	0.1834
Hospitality(Lodging)	0.0289	0.015	0.0243	0.0682
Commercial Offices (Standard)	0.1223	0.0636	0.1028	0.2887
Commercial Offices (Large High Rise)	0.1161	0.0603	0.0975	0.2739
Corporate Offices	0.0686	0.0356	0.0576	0.1618
Medical Offices	0.1089	0.0566	0.0916	0.2571

### 3. Inter-District Student Impact

Based on information provided by the School District, 644 students were enrolled at the School District on an inter-district basis as of October 2017, including 135 students at the elementary school level, 240 students at the middle school level and 269 students at the high school level. Many of those inter-district students attend the School District as a result of their parents or guardians being employed at businesses located within the School District boundaries. To determine the inter-district impact of new commercial/industrial development, the number of inter-district students at each school level was first divided by the estimated number of employees within the School District's area. Employment was estimated at 57,100<sup>7</sup> based on data obtained from the U.S. Census Bureau. The ratio of inter-district students to estimated employment for each school level was then multiplied by the employee generation factors for each of the commercial/industrial categories as shown in Table 10. The calculation results in the Inter-District Student Impacts shown in Table 13.

<sup>7</sup> Employment Development Department (EDD)- Monthly Labor Force Data for Cities and Census Designated Places (CDP), December 2017.

**TABLE 13**  
**INTER-DISTRICT COST IMPACT PER 1,000 SQUARE FEET OF**  
**COMMERCIAL/INDUSTRIAL DEVELOPMENT**

COMMERCIAL/INDUSTRIAL CATEGORY	ELEMENTARY SCHOOL COST IMPACT	MIDDLE SCHOOL COST IMPACT	HIGH SCHOOL COST IMPACT	TOTAL INTER-DISTRICT COST IMPACT
Banks	0.0068	0.0119	0.0133	0.0320
Community Shopping Center	0.0049	0.0086	0.0096	0.0231
Neighborhood Shopping Center	0.0067	0.0118	0.0132	0.0317
Industrial Business Parks	0.0084	0.0148	0.0165	0.0397
Industrial/Warehousing/Manufacturing	0.0032	0.0057	0.0063	0.0152
Rental Self-Storage	0.0002	0.0003	0.0003	0.0008
Research & Development	0.0073	0.0128	0.0143	0.0344
Hospitality(Lodging)	0.0027	0.0048	0.0053	0.0128
Commercial Offices (Standard)	0.0115	0.0201	0.0225	0.0541
Commercial Offices (Large High Rise)	0.0109	0.0191	0.0214	0.0514
Corporate Offices	0.0064	0.0113	0.0126	0.0303
Medical Offices	0.0102	0.0179	0.0200	0.0481

**4. Total Student Generation Impact**

The Total Student Generation Impact is determined by adding the Student Generation Impacts shown in Table 12 to the Inter-District Impacts determined in Table 13. The Total Student Generation Impacts are listed in Table 14.

**TABLE 14**  
**TOTAL STUDENT GENERATION IMPACT PER 1,000 SQUARE FEET OF**  
**COMMERCIAL/INDUSTRIAL DEVELOPMENT**

COMMERCIAL/INDUSTRIAL CATEGORY	ELEMENTARY SCHOOL COST IMPACT	MIDDLE SCHOOL COST IMPACT	HIGH SCHOOL COST IMPACT	TOTAL STUDENT GENERATION COST IMPACT
Banks	0.0790	0.0494	0.0739	0.2023
Community Shopping Center	0.0572	0.0358	0.0535	0.1465
Neighborhood Shopping Center	0.0782	0.0489	0.0733	0.2004
Industrial Business Parks	0.0982	0.0615	0.0920	0.2517
Industrial/Warehousing/Manufacturing	0.0376	0.0236	0.0352	0.0964
Rental Self-Storage	0.0018	0.0012	0.0017	0.0047
Research & Development	0.0850	0.0532	0.0796	0.2178
Hospitality(Lodging)	0.0316	0.0198	0.0296	0.0810
Commercial Offices (Standard)	0.1338	0.0837	0.1253	0.3428
Commercial Offices (Large High Rise)	0.1270	0.0794	0.1189	0.3253
Corporate Offices	0.0750	0.0469	0.0702	0.1921
Medical Offices	0.1191	0.0745	0.1116	0.3052

## C. NET IMPACT PER COMMERCIAL/INDUSTRIAL SQUARE FOOT

### 1. Cost Impact

To estimate the school facilities costs required to house new students as a result of additional commercial/industrial development, the total school facilities cost per student was determined by multiplying the costs per student summarized in Table 6 by the total student generation impacts calculated in Table 14. The school facilities cost impacts are shown in Table 15 by commercial/industrial development category and school level.

**TABLE 15**  
**SCHOOL FACILITIES COSTS PER 1,000 SQUARE FEET OF**  
**COMMERCIAL/INDUSTRIAL DEVELOPMENT**

COMMERCIAL/INDUSTRIAL CATEGORY	ELEMENTARY SCHOOL IMPACT	MIDDLE SCHOOL IMPACT	HIGH SCHOOL IMPACT	TOTAL COST IMPACT
Banks	\$1,539	\$1,113	\$1,383	\$4,035
Community Shopping Center	\$1,115	\$806	\$1,001	\$2,922
Neighborhood Shopping Center	\$1,524	\$1,102	\$1,372	\$3,998
Industrial Business Parks	\$1,913	\$1,385	\$1,722	\$5,020
Industrial/Warehousing/Manufacturing	\$733	\$532	\$659	\$1,924
Rental Self-Storage	\$35	\$27	\$32	\$94
Research & Development	\$1,656	\$1,198	\$1,490	\$4,344
Hospitality(Lodging)	\$616	\$446	\$554	\$1,616
Commercial Offices (Standard)	\$2,607	\$1,886	\$2,345	\$6,838
Commercial Offices (Large High Rise)	\$2,475	\$1,789	\$2,225	\$6,489
Corporate Offices	\$1,461	\$1,057	\$1,314	\$3,832
Medical Offices	\$2,321	\$1,678	\$2,088	\$6,087

### 2. Residential Fee Offsets

New commercial/industrial development within the School District will generate new employees, thereby increasing the need for new residential development to house those employees living in the School District. Applicable residential school fees adopted by the School District under applicable law will also be imposed by the School District on such new residential development. To prevent new commercial/industrial development from paying the portion of impact that is mitigated by the applicable residential school fees, this amount has been calculated and deducted from the school facilities impact costs calculated in Table 15.

The residential fee offsets are first calculated by using the proposed Level I Fee of \$3.79 per square foot for residential development and multiplying that amount by the weighted average square footage of a residential unit in the School District, which is 1,071 square feet. This calculation provides the average residential revenues from a residential unit of \$4,059 ( $\$3.79 \times 1,071$ ). The average residential revenues from a residential unit multiplied by Household Impacts per 1,000 square feet of commercial/industrial development, as shown in Table 13, results in the residential

school fee revenues per 1,000 square feet of commercial/industrial development (“Residential Fee Offset”). This computation is shown in Table 16.

**TABLE 16  
RESIDENTIAL FEE OFFSET**

CATEGORY	HOUSEHOLDS PER 1,000 SQUARE FEET COM./IND.	RESIDENTIAL FEE OFFSET PER 1,000 SQUARE FEET COM./IND.
Banks	0.6892	\$2,798
Community Shopping Center	0.4992	\$2,026
Neighborhood Shopping Center	0.6827	\$2,771
Industrial Business Parks	0.8576	\$3,481
Industrial/Warehousing/Manufacturing	0.3287	\$1,334
Rental Self-Storage	0.0157	\$64
Research & Development	0.7418	\$3,011
Hospitality(Lodging)	0.2763	\$1,122
Commercial Offices (Standard)	1.1684	\$4,743
Commercial Offices (Large High Rise)	1.1085	\$4,500
Corporate Offices	0.6549	\$2,658
Medical Offices	1.0405	\$4,223

### 3. Net School Facilities Costs

Subtracting the Residential Fee Offset determined in Table 16 from the total school facilities costs listed in Table 15 results in the net school facilities costs per 1,000 square feet of commercial/industrial development (“Net School Facilities Costs”). The Net School Facilities Costs are listed in Table 17.

**TABLE 17**  
**NET SCHOOL FACILITIES COSTS**  
**PER 1,000 SQUARE FEET COMMERCIAL/INDUSTRIAL DEVELOPMENT**

<b>CATEGORY</b>	<b>TOTAL SCHOOL FACILITIES COSTS</b>	<b>RESIDENTIAL FEE OFFSET</b>	<b>NET SCHOOL FACILITIES COSTS</b>
Banks	\$4,035	\$2,798	\$1,237
Community Shopping Center	\$2,922	\$2,026	\$896
Neighborhood Shopping Center	\$3,998	\$2,771	\$1,227
Industrial Business Parks	\$5,020	\$3,481	\$1,539
Industrial/Warehousing/Manufacturing	\$1,924	\$1,334	\$590
Rental Self-Storage	\$94	\$64	\$30
Research & Development	\$4,344	\$3,011	\$1,333
Hospitality(Lodging)	\$1,616	\$1,122	\$494
Commercial Offices (Standard)	\$6,838	\$4,743	\$2,095
Commercial Offices (Large High Rise)	\$6,489	\$4,500	\$1,989
Corporate Offices	\$3,832	\$2,658	\$1,174
Medical Offices	\$6,087	\$4,223	\$1,864

The Net School Facilities Costs determined in Table 18 were then divided by 1,000<sup>8</sup> to provide the cost impact on a square foot basis. These cost impacts are listed in Table 19.

**TABLE 18**  
**NET COST IMPACTS**  
**PER SQUARE FOOT OF COMMERCIAL/INDUSTRIAL DEVELOPMENT**

<b>CATEGORY</b>	<b>NET COST IMPACTS</b>
Banks	<b>\$1.24</b>
Community Shopping Center	<b>\$0.90</b>
Neighborhood Shopping Center	<b>\$1.23</b>
Industrial Business Parks	<b>\$1.54</b>
Industrial/Warehousing/Manufacturing	<b>\$0.59</b>
Rental Self-Storage	<b>\$0.03</b>
Research & Development	<b>\$1.33</b>
Hospitality(Lodging)	<b>\$0.49</b>
Commercial Offices (Standard)	<b>\$2.10</b>
Commercial Offices (Large High Rise)	<b>\$1.99</b>
Corporate Offices	<b>\$1.17</b>
Medical Offices	<b>\$1.86</b>

<sup>8</sup> The Employee Generation Rates derived from the SANDAG Traffic Study are estimated per 1,000 square feet of development.

The net cost impacts shown in Table 18 are equal to or exceed the maximum authorized statutory school fee for commercial/industrial development of \$0.61 per square foot, except for the categories of Rental Self-Storage, Industrial/Warehousing/Manufacturing and Hospitality (Lodging) development. Therefore, the School District is justified in levying school fees on commercial/industrial in amount up to but not exceeding the maximum authorized statutory fee, or the net cost impacts determined for the categories of Rental Self-Storage, Industrial/Warehousing/Manufacturing and Hospitality (Lodging).

#### **D. COMMERCIAL/INDUSTRIAL DEVELOPMENT NOT IN PRESCRIBED CATEGORIES**

In cases where new commercial/industrial development does not fit within the prescribed categories shown in Table 18, the School District shall evaluate such development on a case-by-case basis to determine if the imposition of the School Fees on the development meets the nexus requirements set forth under Government Code Section 66000 et seq. The School District may levy School Fees on such development in an amount up to but not exceeding the cost per square foot impact determined through such evaluation.

#### **E. AGE-RESTRICTED (SENIOR) HOUSING**

Government Code Sections 65995.1 and 65995.2 provides school districts may only charge the fees applicable for commercial/industrial development for qualified age-restricted (senior citizen) housing. Qualified age-restricted housing generates employees resulting in school facility impacts similar to those impacts from other commercial/industrial categories specified herein.

## SECTION VI. REDEVELOPMENT

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Government Code Section 66001, subdivision (a)(3) and (4) requires that a school district, in imposing school-impact fees, establish a reasonable relationship between the fee's use, the need for the public facility and the type of development project on which the fee is imposed. This section addresses and sets forth general policy when considering the levy of school fees on new construction units resulting from redevelopment projects within the School District.

Redevelopment means voluntarily demolishing existing residential, commercial, and/or industrial structures and subsequently replacing them with new construction (“Redevelopment”). The School District is aware of Redevelopment projects completed within the School District boundaries and anticipates similar Redevelopment projects may be completed in the next ten (10) years and beyond. School fees authorized pursuant to Education Code Section 17620 and Government Code Sections 65995 et seq. shall be levied by the School District on new construction resulting from Redevelopment projects, if there is a nexus between the School Fees being imposed and the impact of new construction on school facilities, after the impact of pre-existing development has been taken into consideration. In determining such nexus, the School District shall review, evaluate and determine on a case-by-case basis, the additional impact of the proposed new development by comparing the projected square footage, student generation and cost impacts of the proposed new construction and the pre-existing residential, commercial and/or industrial development. Such analysis shall utilize the student generation rates identified in Table 3 of this Study, as applicable.

Redevelopment projects featuring a transition in commercial/industrial categorical classification (e.g. a project redeveloping a Hospitality (lodging) into Commercial office (standard) space) should be assessed based on the Applicable School Fee for the new commercial/industrial category multiplied by the total assessable space of the new commercial/industrial project in the case of a complete site redevelopment. In the case where there is a partial redevelopment, or an addition to an existing development, the Applicable School Fee should be calculated on a basis of the marginal assessable space increase multiplied by the maximum Applicable School Fee for the for the assessable space.

The School District may levy school fees, authorized under applicable law, on new residential units resulting from Redevelopment projects in an amount up to the additional impact cost per square foot as determined in accordance with the preceding paragraph, but not exceeding the applicable school fees.

## **SECTION VII. GOVERNMENT CODE SECTION 66000**

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Government Code Sections 66000 *et seq.* were enacted by State Legislature in 1987. In any action establishing, increasing, or imposing a fee as a condition of approval of a development project, such as the Applicable Residential School Fee and Applicable Com/Ind. School Fees described herein (collectively referred to as the “Applicable School Fees”), these Government Code sections require the public agency to satisfy the following requirements:

1. Determine the purpose of the fee;
2. Identify the use to which the fee is to be put;
3. Determine how there is a reasonable relationship between the fee’s use and the type of development project on which the fee is imposed;
4. Determine that there is a reasonable relationship between the need for the public facilities and the type of development project on which the fee is imposed;
5. Determine that there is a reasonable relationship between the amount of the fee and the cost, or portion of the cost of the public facility attributable to the development on which the fee is imposed; and
6. Provide an annual accounting of any portion of the fee remaining unspent or held for projects for more than five (5) years after collection.

The information set forth herein, including the information contained in the Appendices attached hereto, provide factual evidence establishing a nexus between the type of development projected to be built within the School District and the amount of Applicable School Fees levied upon such development based on the need for such Applicable School Fees. The determinations made in this Study meet the requirements of Government Code Section 66000. The findings are summarized as follows:

### **PURPOSE OF THE SCHOOL FEE**

The Board of the School District will levy and collect school fees on new residential and commercial/industrial development to obtain funds for the construction and/or reconstruction of school facilities to accommodate students generated as a result of such development. In accordance with Education Code Section 17620, “construction or reconstruction of school facilities” **does not** include any item of expenditure for any of the following:

- (i). Regular maintenance or routine repair of school buildings and facilities;
- (ii). Inspection, sampling, analysis, encapsulation or removal of asbestos-containing material, except where incidental to school facilities construction or reconstruction for which the expenditure of fees or other consideration collected pursuant to Education Code Section 17620 is not prohibited; and,
- (iii). Deferred maintenance as described in Education Code Section 17582.

## **IDENTIFY THE USE OF THE SCHOOL FEE**

The School District has determined that revenues collected from Applicable School Fees imposed on residential and commercial/industrial developments will be used for the following purposes:

- (i). Construction or reconstruction of school facilities required to accommodate students generated by new residential and commercial/industrial development in areas of the School District where existing school facilities are needed;
- (ii). Construction or reconstruction of administrative and operations facilities required in response to new student growth from new development;
- (iii). Acquisition or lease of property for unhoused students generated from new development;
- (iv). Purchase or lease of interim and/or temporary school facilities in order to accommodate student capacity demands;
- (v). Furniture for use in new school facilities;
- (vi). Costs associated with the administration, collection, and justification for the Applicable School Fees;
- (vii). Provide local funding that may be required if the School District applies for State funding through SB 50.

The 2015 Plan outlined the proposed capital improvement projects to a number of existing school facilities. As previously noted and described herein, the Alternative Fees will be used to provide adequate facilities for student enrollment generated from Projected Units to the extent described in this Study and permitted by applicable law. Such Applicable School Fees may be used to fund, in part, the facilities needs identified in the 2015 Plan and as allowable by applicable law, inclusive of those school facilities described in this Study.

## **RELATIONSHIP BETWEEN THE USE OF THE FEE, THE NEED FOR SCHOOL FACILITIES AND THE TYPE OF DEVELOPMENT ON WHICH THE FEE IS IMPOSED**

As determined in the preceding sections, existing school facilities are in need of upgrade for their continued long-term use and to provide adequate and safe housing for existing student enrollment and students generated from new residential and commercial/industrial development. The fees imposed on such new development will be used, in part, to finance the construction and/or reconstruction of school facilities required to accommodate student enrollment growth generated by new residential and commercial/industrial development.

## **DETERMINATION OF THE RELATIONSHIP BETWEEN THE FEE AMOUNT AND THE SCHOOL FACILITIES COSTS ATTRIBUTABLE TO TYPE OF DEVELOPMENT ON WHICH THE FEE IS IMPOSED**

The imposition of the Applicable Residential School Fee of \$3.79 per square foot of residential development is justified, as this fee is below the per square foot cost impact to provide adequate school facilities required as a result of such new residential development.

Similarly, the imposition of the Applicable Com/Ind. School Fees of \$0.61 per square foot of commercial/industrial development are justified as the fees are equal to or below the estimated per square foot net cost impact to provide adequate school facilities required as a result of such new commercial/industrial development, except for Rental Self-Storage, Industrial/Warehousing/Manufacturing and Hospitality (Lodging) development. For the listed commercial/industrial categories, the net cost impacts determined herein are below the applicable maximum outlined fee of \$0.61 per square foot. Therefore, the applicable commercial/industrial School Fees imposed on new commercial/industrial development classified under these categories shall not exceed the Net Cost Impacts.

#### **ACCOUNTING PROCEDURES FOR THE FEES**

The School District will deposit, invest, and expend the school fees imposed and collected on residential and commercial/industrial development in accordance with the provision of Government Code Section 66006.

**APPENDIX A**  
**COMMERCIAL/INDUSTRIAL DEVELOPMENT DESCRIPTIONS**

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Banks	Include small branch offices to regional offices used for banking. Properties under this category allow customers to conduct banking on-site.
Shopping Center	Broadly include regional, community and neighborhood shopping centers which sell merchandise and services to consumers. Include grocery stores, restaurants, retail centers, automotive sales.
Industrial Business Parks	Include any combination of facilities engaged in manufacturing/assembly, warehousing, and/or storage with 15% or more of the total area designated for commercial use.
Industrial Parks/Warehousing	Include any combination of facilities engaged in manufacturing/assembly, warehousing, and/or storage with limited or no commercial use (less than 15% of the total area designated for commercial use).
Rental Self-Storage	Include warehouse developments which rent small storage vaults and often termed “mini-storage”.
Research & Development	Include scientific research and development laboratories, office and/or their supporting facilities.
Hospitality (Lodging)	Include establishments which provide lodging to the general public. Lodging types include hotels, motels, resort hotels and inns. The maximum term of occupancy for establishment within this category shall not exceed 30 days.
Commercial Offices (Standard) <sup>1</sup>	Include general office space occupying less than 100,000 square feet with multiple tenants.
Commercial Offices (Large High Rise) <sup>1</sup>	Include general office space occupying 100,000 square feet and greater with multiple tenants.
Corporate Offices	An office or office building with a single tenant.
Medical Offices	Include medical offices that serve a wide range of medical needs and may include a pharmacy. Medical offices are generally operated by one or more physicians.

<sup>1</sup> Office space used for activities described under banks, research and development, or medical offices should be classified under those categories.

## **APPENDIX B - FACILITIES CAPACITY UPDATE**

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**BURBANK UNIFIED SCHOOL DISTRICT  
FACILITIES CAPACITY UPDATE  
APPENDIX B**

**CLASSROOM INVENTORY <sup>[1]</sup>**

School Site	Portable Classrooms <sup>[2]</sup>	Permanent Classrooms	Total Classrooms
<b>ELEMENTARY SCHOOL</b>			
WALT DISNEY ELEMENTARY SCHOOL	13	13	26
THOMAS EDISON ELEMENTARY SCHOOL	4	27	31
RALPH EMERSON ELEMENTARY SCHOOL	5	24	29
BRET HARTE ELEMENTARY SCHOOL	19	22	41
THOMAS JEFFERSON ELEMENTARY SCHOOL	12	29	41
JOAQUIN MILLER ELEMENTARY SCHOOL	0	49	49
WILLIAM MCKINLEY ELEMENTARY SCHOOL	6	21	27
PROVIDENCIA ELEMENTARY SCHOOL	12	20	32
THEODORE ROOSEVELT ELEMENTARY SCHOOL	8	20	28
R.L. STEVENSON ELEMENTARY SCHOOL	15	7	22
GEORGE WASHINGTON ELEMENTARY SCHOOL	8	26	34
<b>ELEMENTARY SCHOOL SUBTOTAL</b>	<b>102</b>	<b>258</b>	<b>360</b>
<b>MIDDLE SCHOOL</b>			
LUTHER BURBANK MIDDLE SCHOOL	0	51	51
DAVID STARR JORDAN MIDDLE SCHOOL	6	49	55
JOHN MUIR MIDDLE SCHOOL	4	59	63
<b>MIDDLE SCHOOL SUBTOTAL</b>	<b>10</b>	<b>159</b>	<b>169</b>
<b>HIGH SCHOOL</b>			
JOHN BURROUGHS HIGH SCHOOL	13	117	130
BURBANK HIGH SCHOOL	0	100	100
MONTEREY CONTINUATION HIGH SCHOOL	2	8	10
<b>HIGH SCHOOL SUBTOTAL</b>	<b>15</b>	<b>225</b>	<b>240</b>
<b>OTHER PROGRAM</b>			
COMMUNITY DAY SCHOOL	7	4	11
MAGNOLIA PARK	0	5	5
INDEPENDENT LEARNING ACADEMY	3	2	5
<b>OTHER PROGRAM SUBTOTAL</b>	<b>10</b>	<b>11</b>	<b>21</b>
<b>GRAND TOTAL</b>	<b>137</b>	<b>653</b>	<b>790</b>

<sup>[1]</sup> Source: School District; does not include classrooms located at the Burbank Adult School or the Horace Mann Preschool, as the enrollment at these sites is not considered in this analysis.

<sup>[2]</sup> Includes relocatable classrooms that have not been replaced and new modularity that have not been completely constructed or installed as of the date of this Study.

**ADJUSTED CLASSROOM COUNT**

School Level	Adjusted Classrooms <sup>[1]</sup>	Estimated Student Capacity <sup>[2]</sup>
ELEMENTARY SCHOOL (K-5)	258	6,450
MIDDLE SCHOOL (6-8)	159	4,293
HIGH SCHOOL (9-12)	225	6,075
OTHER PROGRAM	11	110
<b>TOTAL</b>	<b>653</b>	<b>16,928</b>

<sup>[1]</sup> Many of the School District's classrooms are aged and/or have been deemed inadequate for long-term use and require replacement. Furthermore, since the general intent of levying the Level I Fee is to replace the portable classrooms with permanent facilities, the portable classrooms are not considered as capacity in the justification of the Level I Fees.

<sup>[2]</sup> School capacities are determined based on loading factors of 25 students per classroom for grades K through 6 and 27 students per classroom for grades 7 through 12, and 13 non-severe and 9 severe students per classroom for those students enrolled in Special Education facilities. Other School District programs have been loaded at 10 students per classroom due to the program requirements. Since the School District serves grades kindergarten through 5 at the elementary school level and grades 6 through 8 at the middle school level, the loading factors have been adjusted to coincide with the school levels (ie. 25 students per classroom at the elementary school level).

## **APPENDIX C – STUDENT ENROLLMENT SUMMARY**

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**BURBANK UNIFIED SCHOOL DISTRICT  
ENROLLMENT SUMMARY -FALL 2017  
APPENDIX C**

Enrollment																
School Name/Program	School Level/Grade															Grand Total
	Elementary					Middle			High				Other			
	Pre-School	K	1	2	3	4	5	6	7	8	9	10	11	12	Ungraded Sec	
BRET HARTE ELEMENTARY SCHOOL	-	88	93	87	83	102	122	-	-	-	-	-	-	-	-	575
BURBANK HIGH SCHOOL	-	-	-	-	-	-	-	-	-	-	664	684	619	589	-	2,556
COMMUNITY DAY SCHOOL	-	-	-	-	-	-	-	-	-	-	1	4	5	4	-	14
DAVID STARR JORDAN MIDDLE SCHOOL	-	-	-	-	-	-	-	368	339	355	-	-	-	-	-	1,062
GEORGE WASHINGTON ELEMENTARY SCHOOL	-	123	90	75	73	59	72	-	-	-	-	-	-	-	-	492
HORACE MANN PRESCHOOL	57	-	-	-	-	-	-	-	-	-	-	-	-	-	-	57
INDEPENDENT LEARNING ACADEMY	-	-	-	-	-	-	-	-	-	3	9	25	26	29	-	92
JOAQUIN MILLER ELEMENTARY SCHOOL	-	126	120	124	123	125	129	-	-	-	-	-	-	-	-	747
JOHN BURROUGHS HIGH SCHOOL	-	-	-	-	-	-	-	-	-	-	681	642	630	628	-	2,581
JOHN MUIR MIDDLE SCHOOL	-	-	-	-	-	-	-	455	474	475	-	-	-	-	-	1,404
LUTHER BURBANK MIDDLE SCHOOL	-	-	-	-	-	-	-	308	312	350	-	-	-	-	-	970
MAGNOLIA PARK	-	-	-	-	-	-	-	-	-	-	2	7	8	6	-	23
MONTEREY CONTINUATION HIGH SCHOOL	-	-	-	-	-	-	-	-	-	-	-	2	43	98	-	143
NEW VISTA	-	-	-	-	-	-	-	-	-	-	1	1	3	2	-	7
NONPUBLIC, NONSECTARIAN SCHOOLS	-	-	-	-	2	-	2	1	3	5	3	4	6	6	8	40
PROVIDENCIA ELEMENTARY SCHOOL	-	70	64	57	72	71	62	-	-	-	-	-	-	-	-	396
R.L. STEVENSON ELEMENTARY SCHOOL	-	82	111	99	88	125	100	-	-	-	-	-	-	-	-	605
RALPH EMERSON ELEMENTARY SCHOOL	-	88	112	102	96	95	113	-	-	-	-	-	-	-	-	606
THEODORE ROOSEVELT ELEMENTARY SCHOOL	-	121	95	96	118	106	112	-	-	-	-	-	-	-	-	648
THOMAS EDISON ELEMENTARY SCHOOL	-	134	93	70	84	91	87	-	-	-	-	-	-	-	-	559
THOMAS JEFFERSON ELEMENTARY SCHOOL	-	113	147	119	126	125	125	-	-	-	-	-	-	-	-	755
WALT DISNEY ELEMENTARY SCHOOL	-	69	72	64	72	80	60	-	-	-	-	-	-	-	-	417
WILLIAM MCKINLEY ELEMENTARY SCHOOL	-	106	82	74	80	76	64	-	-	-	-	-	-	-	-	482
<b>GRAND TOTAL</b>	<b>57</b>	<b>1,120</b>	<b>1,079</b>	<b>967</b>	<b>1,017</b>	<b>1,055</b>	<b>1,048</b>	<b>1,132</b>	<b>1,128</b>	<b>1,188</b>	<b>1,361</b>	<b>1,369</b>	<b>1,340</b>	<b>1,362</b>	<b>8</b>	<b>15,231</b>
<b>ELIGIBLE</b>	<b>-</b>	<b>1,120</b>	<b>1,079</b>	<b>967</b>	<b>1,015</b>	<b>1,055</b>	<b>1,046</b>	<b>1,131</b>	<b>1,125</b>	<b>1,183</b>	<b>1,358</b>	<b>1,365</b>	<b>1,334</b>	<b>1,356</b>	<b>-</b>	<b>15,134</b>
<b>ELIGIBLE BY SCHOOL LEVEL <sup>[1]</sup></b>							<b>6,282</b>			<b>3,439</b>				<b>5,413</b>	<b>-</b>	<b>15,134</b>

<sup>[1]</sup> Does not include preschool students or students enrolled in nonpublic/nonsectarian programs.

## **APPENDIX D – DISTRICT-WIDE STUDENT GENERATION RATES**

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**BURBANK UNIFIED SCHOOL DISTRICT  
DISTRICT-WIDE STUDENT GENERATION RATES  
APPENDIX D**

**DISTRICT-WIDE SUMMARY**

School Level	SFD	MF
ELEMENTARY SCHOOL (K-5)	0.1565	0.1047
MIDDLE SCHOOL (6-8)	0.0842	0.0544
HIGH SCHOOL (9-12)	0.1294	0.0880
<b>TOTAL</b>	<b>0.3701</b>	<b>0.2471</b>

**SINGLE-FAMILY DETACHED (SFD)**

School Level	No. of Students Matched	Total SFD Units	Student Generation Rate <sup>[1]</sup>
ELEMENTARY SCHOOL (K-5)	3,102	19,816	0.1565
MIDDLE SCHOOL (6-8)	1,668	19,816	0.0842
HIGH SCHOOL (9-12)	2,564	19,816	0.1294
<b>TOTAL</b>	<b>7,334</b>	<b>NA</b>	<b>0.3701</b>

[1] Numbers may not compute due to rounding.

**MULTI-FAMILY ATTACHED (MF)**

School Level	No. of Students Matched	Total Units	Student Generation Rate <sup>[1]</sup>
ELEMENTARY SCHOOL (K-5)	2,584	24,672	0.1047
MIDDLE SCHOOL (6-8)	1,343	24,672	0.0544
HIGH SCHOOL (9-12)	2,171	24,672	0.0880
<b>TOTAL</b>	<b>6,098</b>	<b>NA</b>	<b>0.2472</b>

[1] Numbers may not compute due to rounding.

## **APPENDIX E – ESTIMATED FACILITY COSTS**

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**BURBANK UNIFIED SCHOOL DISTRICT  
ESTIMATED FACILITY COSTS  
APPENDIX E**

**ESTIMATED COSTS**

School Level	Estimated Remaining Capital Improvement Costs- Measure S <sup>[1]</sup>	Additional Unfunded Portable Replacement <sup>[2]</sup>	Estimated Total Costs
ELEMENTARY SCHOOL (K-5)	\$21,842,040	\$8,360,000	\$30,202,040
MIDDLE SCHOOL (6-8)	\$1,009,411	\$2,640,000	\$3,649,411
HIGH SCHOOL (9-12)	\$1,631,833	\$11,000,000	\$12,631,833
<b>Total</b>	<b>\$24,483,284</b>	<b>\$22,000,000</b>	<b>\$46,483,284</b>

<sup>[1]</sup> Includes remaining capital improvements cost for the addition/replacement of portable plus certain 21st century and technology update costs as reported in the Measure S Program Financial Report to SFOC dated November 1, 2017.

<sup>[2]</sup> Estimated cost based on (i) the number of remaining relocatables that have not been funded or replaced through Measure S proceeds and (ii) the estimated average cost of replacing portables in the amount of \$440,000 per classroom based on recent experience of the School District.

**ESTIMATED COST PER STUDENT/SEAT**

School Level	Estimated Total Costs	Additional/ Replacement Classrooms <sup>[1]</sup>	Additional/ Replacement Capacity <sup>[2]</sup>	Estimated Total Cost per Student/Seat
ELEMENTARY SCHOOL (K-5)	\$30,202,040	62	1,550	<b>\$19,485</b>
MIDDLE SCHOOL (6-8)	\$3,649,411	6	162	<b>\$22,527</b>
HIGH SCHOOL (9-12)	\$12,631,833	25	675	<b>\$18,714</b>
<b>Total/Average</b>	<b>\$46,483,284</b>	<b>93</b>	<b>2,387</b>	<b>\$19,474</b>

<sup>[1]</sup> Represents additional and/or replacement classrooms anticipated to be funded through Measure S proceeds, plus additional portables to be replaced in the future using other funding sources.

<sup>[2]</sup> School capacities are determined based on loading factors of 25 students per classroom for grades K through 6 and 27 students per classroom for grades 7 through 12.

<sup>[3]</sup> Computed as Total Estimated Costs divided by Additional/Replacement Capacity.