



Capital Facilities Fund: Developer Fees

Facilities Committee Meeting
December 9, 2019

Developer Fees

- Developer Fees are collected by the District to mitigate the impacts created by new development.
- Local Agencies collecting developer fees need to prepare two reports to ensure compliance with the law
 - Staff will post the FY 2019 reports on the District website <https://www.wccusd.net/Page/180>
 - Staff anticipates presenting the reports to the Board in January 2020

Collection & Use of Developer Fees

EC Section 17620(a)(1) states that "The governing board of any school district is authorized to levy a fee, charge, dedication, or other requirement against any construction within the boundaries of the district, for the purpose of funding the construction or reconstruction of school facilities, subject to any limitations set forth in Chapter 4.9 (commencing with Section 65995) of Division 1 of Title 7 of the Government Code."

- Therefore, school districts are allowed to impose fees for development projects that are within their boundaries. The maximum allowable amount of developer fees is adjusted, per GC Section 65995(b)(3) every two years on the change in the statewide cost index for class B construction.

General Use of Developer Fees

Developer Fees may be spent on:

- ☐ Construction or reconstruction of school facilities (Ed Code §17620(a))
- ☐ Costs attributable to the increased demand for public facilities reasonably related to the development in order to (1) refurbish existing facilities to maintain the existing level of service or (2) achieve an adopted level of service that is consistent with the general plan (Govt Code §66016(g))
- ☐ Certain costs associated with conducting any study, finding, needs analysis or determination required as part of the process for adopting the fee.
- ☐ Administering the fee, for which 3% of the fees collected may be expended (Ed Code §17620(a)(5))
- ☐ Costs associated with conducting the meetings required for levying a new fee or increasing an existing fee (Govt Code §66016(c))

Developer Fees generally may not be used for:

- Regular maintenance or routine repair of school buildings or facilities
 - Inspection, sampling, analysis, encapsulation or removal of ACM, except where incidental to a construction project
 - Deferred maintenance as defined in Ed Code §17582
- (Ed Code §17620(a)(3))