

Solana Beach School District
Annual and Five Year Developer Fee Report
December 2022



Solana Beach School District
390 North Rios Avenue
Solana Beach, CA 92075

**SOLANA BEACH SCHOOL DISTRICT
ANNUAL AND FIVE YEAR DEVELOPER FEE REPORT FOR
FISCAL YEAR 2021-22**

Government Code Sections 66006 and 66001 provide that the District shall make available to the public certain information and adopt described findings relative to statutory school facility fees (“Statutory School Fees”) collected pursuant to Education Code Sections 17620 et. seq. and Government Code Sections 65995 et. seq., (“Statutory School Facility Fees”). The foregoing for this purpose is also referred to as reportable fees (“Reportable Fees”). The described information and findings relate to Reportable Fees received, expended or to be expended in connection with school facilities (“School Facilities”) to accommodate additional students from new development if funded or partially funded with Reportable Fees. The Reportable Fees do not include letters of credit, bonds, or other instruments to secure payment of Reportable Fees at a future date. The Reportable Fees have not been levied, collected or imposed for general revenue purposes.

The following is the information and proposed findings the District proposes to review and adopt in accordance with Government Code Sections 66006 and 66001.

1. ANNUAL REPORT

In accordance with Government Code Sections 66006(b)(1) and (2), the District provides the following information for fiscal year 2021-22:

A. DESCRIPTION OF THE TYPE OF REPORTABLE FEES IN THE ACCOUNTS OF THE DISTRICT:

The Reportable Fees consist of Mitigation and Statutory School Fees.

B. AMOUNT OF REPORTABLE FEES:

The Reportable Fee amounts for fiscal year 2021-22 were \$1.94 per square foot of assessable space for residential development that is constructed within the School District. The commercial/industrial Reportable Fee amount was \$0.09 per square foot of covered and enclosed space constructed within the District. These Reportable fee amounts were previously adopted on behalf of the District by the Governing Board of the District.

The Reportable Fee amounts only partially mitigate the impacts to the District caused by new residential development because the Reportable Fees do not adequately fund the school facility needs resulting from additional development within the District. The amounts of the Reportable Fees are essential to fund planning and the lease or acquisition of interim and permanent School Facilities to accommodate students from additional development within the District.

C. BEGINNING AND ENDING BALANCE OF ACCOUNTS:

| | Reportable School Facility Fees |
|---------------------------|--|
| Beginning Balance, 7/1/21 | \$893,558.70 |
| Ending Balance, 6/30/22 | \$1,069,199.07 |

D. AMOUNT OF THE REPORTABLE FEES COLLECTED AND INTEREST EARNED:

Table 2 below shows the amount of Reportable Fees collected to accommodate students from additional development (“Project Students”) and interest earned during fiscal year 2021-22.

| Source | Amount Collected |
|-----------------|-------------------------|
| New Development | \$299,094.70 |
| Interest Earned | \$6,617.97 |

E. IDENTIFICATION OF EACH PROJECT OF THE DISTRICT ON WHICH REPORTABLE FEES WERE EXPENDED AND THE AMOUNT OF THE EXPENDITURES ON EACH PROJECT OF THE DISTRICT, INCLUDING THE TOTAL PERCENTAGE OF THE COST OF THE PROJECT OF THE DISTRICT, THAT WAS FUNDED WITH REPORTABLE FEES:

Developer fee funds have been designated through the District budget to fund planning and the lease or acquisition of interim and permanent School Facilities to accommodate students from additional development within the District.

| Projects | Amount Expended and Percentage of the Projects Funded by Reportable Fees | |
|---|---|-------|
| Rentals, Leases, Repairs & Noncapitalized Improvements | \$89,478.00 | 89.5% |
| Professional/Consulting Services & Operating Expenditures | \$10,532.66 | 10.5% |

F. IDENTIFICATION OF INCOMPLETE PROJECTS:

The District will use the Reportable Fees in Fund 25 to fund next year’s rents, leases, purchase, facility consulting and installation of student housing facilities as needed.

G. DESCRIPTION OF INTERFUND TRANSFERS OR LOAN MADE FROM THE ACCOUNT:

No transfers or loans of Reportable Fees were made in Fiscal Year 2021-22

H. THE AMOUNT OF REFUNDS MADE OR REVENUES ALLOCATED FOR OTHER PURPOSES IF THE ADMINISTRATIVE COSTS OF REFUNDING UNEXPENDED REVENUES EXCEED THE AMOUNT TO BE REFUNDED:

| Refunded To | Amount Refunded |
|----------------------------------|------------------------|
| Marrokal Design & Remodeling LLC | \$1,806.14 |

In accordance with Government Code Section 66006 (b)(2), the foregoing Information including the proposed five (5) year findings set forth below will be made available to the public at least (15) days prior to consideration of the Reportable Fees Report. The Board of the District will review such annual information and proposed five-year findings at its next regular meeting occurring at least fifteen days subsequent to the availability of this Reportable Fee Report.

II. PROPOSED FIVE-YEAR FINDINGS

In accordance with Government Code Section 66001, the District provides the following information with respect to that portion of the account or sub-account(s) remaining unexpended, whether committed or uncommitted.

A. IDENTIFICATION OF THE PURPOSE TO WHICH THE REPORTABLE FEES ARE TO BE PUT:

The purpose of the Reportable Fees imposed and collected on new residential, commercial and industrial development within the District is to fund additional School Facilities required to serve the students of the District generated by this new development within the District as needed. Specifically, the Reportable Fees will be used for facility planning and the lease or acquisition of additional School Facilities, remodeling existing School Facilities to add additional classrooms and technology.

| Project | Project Total |
|---|----------------------|
| Facilities Planning | \$20,000 |
| Rental, Leases Repairs & Non-capitalized Improvements | \$100,000 |

B. DEMONSTRATION OF A REASONABLE RELATIONSHIP BETWEEN THE REPORTABLE FEES AND THE PURPOSES FOR WHICH THEY ARE CHARGED:

There is a roughly proportional, reasonable relationship between the new development upon which the Reportable Fees are charged and the need for additional School Facilities by reason of the fact that additional students will be generated by additional development within the District and the District does not have student capacity in the existing School Facilities to accommodate these new students. Furthermore, the Reportable Fees charged on a new development will be used to fund School Facilities which will be used to serve the students generated from new development and the Reportable Fees do not exceed the costs of providing such School Facilities for new students.

C. IDENTIFICATION OF ALL SOURCES AND AMOUNTS OF FUNDING ANTICIPATED TO COMPLETE FINANCING OF THE SCHOOL FACILITIES IDENTIFIED BY THE DISTRICT:

| Source of Funding | Amount of Funding Anticipated to be Received to Complete Financing of School Facilities |
|----------------------------------|---|
| Development Impact Fees: Fund 25 | \$ 227,000 |

D. DESIGNATION OF THE APPROXIMATE DATE ON WHICH THE FUNDING REFERRED TO IN PARAGRAPH “C” ABOVE IS EXPECTED TO BE DEPOSITED IN THE APPROPRIATE ACCOUNT:

| Sources | Approximate Date Expected to be Deposited |
|----------------------|---|
| School Facility Fees | Immediately Upon Receipt |