

## **Final Report**

# 2020 Development Impact Fee Nexus Study

*The Economics of Land Use*



**Prepared for:**

Rocklin Unified School District

**Prepared by:**

Economic & Planning Systems, Inc. (EPS)

*Economic & Planning Systems, Inc.  
400 Capitol Mall, 28th Floor  
Sacramento, CA 95814  
916 649 8010 tel  
916 649 2070 fax*

*Oakland  
Sacramento  
Denver  
Los Angeles*

**[www.epsys.com](http://www.epsys.com)**

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# 1. Executive Summary

The purpose of this 2020 Developer Fee Study (Study) is to demonstrate a nexus between the Rocklin Unified School District (District) and residential and nonresidential development and these:

- The need for school facilities.
- The cost of school facilities.
- The amount of statutory school fees that are within the limits adopted by the State Allocation Board (SAB) in January 2020, pursuant to the provisions of Section 17620 of the Education Code, as well as Sections 65995 and 66001 of the Government Code.

## Findings

### Geographical Area

The District largely corresponds with the City of Rocklin (City) boundaries but does contain some areas outside the City. Currently, there is very little development in any of the areas outside the City, but development is projected in future years.

### Development Costs for Middle Schools and High Schools

When comparing and analyzing facility costs between middle schools and high schools, it is apparent that the cost per classroom varies significantly. This variation is due to specific site needs related to the increased student capacity as well as support and ancillary programs.

Simply housing students in new classrooms, without providing for adequate support on the campus, is not providing a full and complete educational experience for the students. This is especially true when the number of new students is significant, impacting the existing school. The costs for these additional improvements are included in the assumed facility cost totals for each middle and high school site. These are clarified in following sections of this report by site.

### Elementary School Facilities

The District has master planned for 12 elementary schools to serve the District at buildout. There are 11 elementary schools serving students of the District. The 12th and final elementary school is under construction in the final phase of Whitney Ranch. This school is expected to open in the summer of 2021. This school is estimated to cost approximately \$41 million in 2020 dollars, including funds spent to date.

The District is expanding the capacity of Ruhkala Elementary School. The cost for this project is estimated to be \$11.24 million.

Sources of funding for the new elementary school are:

- Mello-Roos Community Facilities District Bonds.
- Mello-Roos Community Facilities District Special Taxes.
- Developer Impact Fees.
- State Grants.

### **Middle School Facilities**

The District currently operates 2 middle schools: Spring View and Granite Oaks. Buildout of residential development in the District will generate the need for additional classrooms for Spring View and Granite Oaks. A third middle school was planned previously for the Whitney Ranch area of Rocklin. Based on the findings of the School Facility Master Plan 2014 Update, a third middle school will not be required to house middle school students through buildout.

The School Facility Master Plan 2018 Update identifies new classrooms that are planned for the 2 school sites. The estimated cost for new classrooms and accompanying site infrastructure improvement is \$22.2 million. New classroom improvements for Granite Oaks Middle School are estimated to cost \$4.6 million, and for Spring View Middle School costs are estimated to be \$17.6 million.

### **High School Facilities**

The District currently operates 3 high schools: Rocklin High and Whitney High are comprehensive high schools, and Victory is an alternative high school. Buildout of residential development in the District will completely fill these high schools, and additional classrooms may be needed at these sites to house new students in the future. The current estimate for these new classroom facilities and corresponding site infrastructure improvements is \$113.1 million.

The estimated costs for new classroom facilities for Rocklin High School are \$73.1 million, and the estimated costs for Whitney High School are \$40.0 million. Cost information is provided by the School Facility Master Plan 2018 Update.

State of California (State) funding and development impact fees are expected to be used to construct these facilities.

### **Districtwide Support Facilities**

Residential growth in the District generated the need for a new District office, which was built in 2002. Residential growth has generated the need to expand the existing transportation yard to accommodate more busses and to build a new maintenance facility and food services warehouse. The new maintenance facility and food services warehouse have been constructed, and the transportation yard has been expanded to accommodate

new residential growth. These support facilities are necessary facility costs directly related to new growth and thus are eligible to be funded by statutory (Level 1) mitigation fees (as per Section 65995 (e) of the Government Code). Administrative costs necessary to implement the facilities program also are included in this 2020 Study.

Total costs for these facilities are approximately \$15.7 million.

### **Nonresidential Development**

Nonresidential (commercial and industrial) development attracts new employees. Some of these employees will buy existing housing and will create the need for more school facilities. Because these employees will not generate mitigation fees through housing purchases, State law allows the collection of development impact mitigation fees on nonresidential development. The fees on such development are capped at \$0.66 per square foot. As calculated herein, the District is justified in collecting the maximum fee on all nonresidential development, with the exception of self-storage units.

### **Senior Housing**

Age-restricted senior housing projects require residents to be 55 years old or older; therefore, school-aged children will not be generated directly by the project. Senior projects, however, do cause an increase in the need for support services, such as retail, travel, banking, healthcare, and entertainment. Additional workers come to the project to fill the jobs provided by the increased support services. The workers bring with them school-aged children. As with nonresidential projects, it can be stated that the senior housing project indirectly impacts school facilities. By law, development impact fees are limited to the maximum nonresidential fee, as long as they are justified by nexus requirements. The fees on such development are capped at \$0.66 per square foot. Based on the facility costs calculation in this document, the District is justified in collecting \$0.04 per square foot for senior housing.

## **Recommendation**

At the January 22, 2020, SAB meeting, the board approved an increase in the Level 1 developer fee from \$3.79 per square foot to \$4.08 per square foot, based on the increase in the RS Means Construction Cost Index. This represents a 7.65 percent increase in the Level 1 fee from January 2018 to January 2020.

As a result of the above findings, the District should adopt updated development impact fees authorized under Education Code Section 17620 and Government Code Section 65995 to fund a portion of new development's share of the required middle school, high school, and support facilities, as described in this report. Based on the findings, the development impact fee would be updated to the amounts shown below in **Table 1**.

**Table 1**  
**Recommended Development Impact Fees**

Type of Development	Fee
Residential	\$4.08/sq. ft.
Office	\$0.66/sq. ft.
Retail	\$0.66/sq. ft.
Industrial	\$0.66/sq. ft.
Warehouse	\$0.66/sq. ft.
Self-Storage	\$0.11/sq. ft.
Senior Housing	\$0.04/sq. ft.

## **Nexus Legislative Requirements**

This report establishes a school development impact fee program pursuant to Education Code Section 17620 and Government Code Sections 65995 et seq. and 66000 et seq. These sections, among other things, grant school district governing boards the authority to impose development fees up to a specified limit on new residential and commercial/industrial development to pay for school facilities.

Assembly Bill (AB) 1600, which created Section 66000 et seq. of the Government Code, sets forth the procedural requirements for establishing and collecting development impact fees. These procedures require that "a reasonable relationship or nexus must exist between a governmental exaction and the purpose of the condition."<sup>1</sup> Specifically, each public agency imposing a fee must:

- Identify the purpose of the fee.
- Identify how the fee is to be used.
- Determine how a reasonable relationship exists between the fee's use and the type of development project on which the fee is imposed.
- Determine how a reasonable relationship exists between the need for the public facility and the type of development project on which the fee is imposed.
- Demonstrate a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

The fees do not exceed the limits set forth in Government Code Section 65995.

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<sup>1</sup> *Public Needs & Private Dollars*, William Abbott, Marian E. Moe, and Marilee Hanson, page 109.

## Overview of the Report

This report is divided into 10 chapters and 2 appendices. This Executive Summary Chapter and subsequent chapters (listed below) provide the data and information necessary to make these findings and to set fees at a level that will mitigate the impacts of future development. The appendices of this report provide additional information:

- **Chapter 2** discusses new development and student generation rates.
- **Chapter 3** discusses elementary school costs and cost allocations.
- **Chapter 4** discusses middle school costs and cost allocations.
- **Chapter 5** discusses high school costs and cost allocations.
- **Chapter 6** discusses districtwide support facility costs and cost allocations.
- **Chapter 7** discusses nonresidential impacts from new development.
- **Chapter 8** discusses 2020 revisions to the development impact fee.
- **Chapter 9** discusses the nexus findings.
- **Chapter 10** discusses the California Environmental Quality Act.
- **Appendix A** is the support tables for nonresidential costs.
- **Appendix B** is the California Environmental Quality Act Notice of Exemption.



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## 2. New Development and Student Generation Rates

### New Development

EPS updated the remaining dwelling unit assumptions for development approvals through January 2020. The 2020 Study is based on the assumption that about 4,000 residential units will be added to the District through buildout. It is expected that the number of units through buildout will continue to increase as the City approves rezoning of nonresidential land to residential uses.

The 2020 Study assumes 2,648-square-foot average for single-family detached residential to be constructed in the following 5 years, based on such units built between 2014 and 2018. No multifamily units or attached single-family residential were constructed in the previous 5 years.

### Student Generation Rates

One of the components in any fee analysis is the student generation rate (SGR). This is the calculation of the average number of students living in each type of unit. This amount is used to translate a given construction cost per student to the construction cost per unit. The construction cost per unit is divided by the assumed average building square footage for residential units to determine the cost per square foot of new school construction.

EPS has updated the SGRs for the District for this 2020 Study. The 2020 SGRs are based on the assessor's database for homes built from 2014 through 2018. Newer homes (built from 2014 through 2018) have a considerably higher SGR for elementary school, middle school, and high school than those for all residential units in the District.

The 2020 Study uses the SGRs determined for new residential development. The SGRs for development that occurred from 2014 to 2018 is slightly more than the previous update but generally consistent with historical SGRs for new development.

**Table 2** summarizes the SGRs from new development that occurred from 2014 to 2018 used for calculating the fee. These totals are used in **Table 2** to calculate SGRs for elementary school, middle school, and high school levels.

**Table 2**  
**Student Generation Rates by Grade Levels—New Units from 2014–2018**

Residential Units	K-6	Students		
		7-8	9-12	K-12
1,960	691	231	423	1,345
SGRs	0.353	0.118	0.216	0.686
<i>"new_sgr"</i>				

### 3. Elementary School Costs

The 12th elementary school is under construction at a site located in Whitney Ranch. It is expected to be open in the summer of 2021. It will serve K-6 students coming from the final phase of development for the Whitney Ranch community. The District is also expanding student capacity at Ruhkala Elementary School.

Proposed funding sources for the school are as follows:

- State funding from the School Facilities Program.
- Mello-Roos Community Facility District (CFD) special taxes and bond proceeds.
- Mitigation fees.

#### **State Funding**

The passage of Proposition 51 signified the voters' continued support of funding school facilities with State bonds. If the new elementary school will not be constructed with Proposition 51 funds, it is anticipated they would be funded by future statewide bonds. There are currently no available Proposition 51 funds available for District projects.

Although State funding is purported to be a 50/50 program (50 percent of the cost coming from the State and 50 percent coming from local sources), the District's standards exceed State standards; thus, the State's 50 percent represents approximately one-third of the actual cost.

#### **Mello-Roos CFD Special Taxes and Bond Proceeds**

The developers of Whitney Ranch approved the formation of CFD No. 3 in January 2003. The CFD is authorized to levy a special tax on new residential development within the boundaries of the CFD. The CFD is authorized to fund the costs of constructing new elementary and middle schools. The District is authorized to issue up to \$36 million in CFD bonds to fund construction costs. Special taxes not needed to fund debt service on outstanding CFD bonds may be used to fund the costs of constructing elementary and middle schools.

The District issued Mello-Roos CFD Special Tax Bonds under the authority of CFD No. 3 in September 2019. The bond issuance netted \$28.1 million in construction proceeds for the new elementary school, currently under construction.

## Mitigation Fees

Mitigation fees may be used to fund the cost of constructing the proposed elementary school, as necessary. To this date, the District had used mitigation fees to fund the construction of middle schools, high schools, and supplemental facilities. The District is using mitigation fees to construct the final elementary school and the Ruhkala Elementary School expansion.

## Fee Calculation

**Table 3** calculates the estimated elementary school facility cost per new dwelling unit, with adjustments for anticipated State funding. The actual grant funding for the elementary school facility may differ at the time of application for such funding than shown in **Table 3**.

**Table 3**  
**2020 Development Impact Fee Nexus Study**  
**Elementary School Fee Calculation (2020 \$s)**

		Student Capacity	Assumed Facility Cost	Cost per Student	Dwelling Unit [1]	Cost per SGRs per Unit [2]	Cost per Sq. Ft. 2,648 sq ft / unit [3]
<b>Elementary School</b>							
New Whitney Ranch Elementary School	[4]	600	\$41,050,555	\$68,418	\$23,552	0.353	\$8.89
Ruhkala Expansion	[5]	960	\$11,240,000	\$11,708	\$4,030	0.353	\$1.52
Mello-Roos CFD Special Taxes	[6]	600	(\$28,128,941)	(\$46,882)	(\$16,138)	0.353	(\$6.09)
Credit for State Grant Funding							
Student Grant	[7]	1,560	(\$19,423,560)	(\$12,451)	(\$4,286)	0.353	(\$1.62)
Site Development & Acquisition Grant	[8]	600	(\$3,500,000)	(\$5,833)	(\$2,008)	0.353	(\$0.76)
<b>Fees required to fund ES</b>		<b>1,560</b>	<b>\$1,238,054</b>	<b>\$14,960</b>	<b>\$5,150</b>		<b>\$1.94</b>
<i>es sum</i>							

[1] Cost per dwelling unit is based on SGRs in **Table 2**

[2] From **Table 2**.

[3] EPS used the records of the Placer County Assessor and the City of Rocklin to determine the number of residential units constructed from 2014 to 2018, then used the square footage from these records to determine the average square foot per dwelling unit.

[4] Estimated cost of one new permanent facility in Whitney Ranch, including funds expended to date.

[5] Costs for Ruhkala expansion provided by RUSD.

[6] Net construction proceeds for the 2019 CFD No. 3 special tax bond issuance.

[7] The per student grant for new school construction for 2020 is \$12,451. Proposition 51 student grants are currently not available for these projects.

[8] Provided by Capitol PFG.

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## 4. Middle School Costs

### School Site Improvements

#### Granite Oaks Middle School

The addition of 8 new classrooms is supported by student toilets and a weight room as well as related site development. These additional facilities are necessary to provide adequate programs for the additional students.

#### Spring View Middle School

The addition of 20 new classrooms is supported by staff support space, student and staff toilets and a weight room as well as related site development. The increase in staff and students needs to be mitigated with more than just classrooms.

### School Construction Funding

Existing middle schools have been constructed to serve development in the District. These schools were constructed using the following funding sources:

- State funding from the School Facilities Program.
- Mitigation fees.

Additional classrooms will need to be constructed at existing middle schools to serve future development. These school facilities are expected to be constructed from 3 funding sources:

- State funding from the School Facilities Program.
- Mitigation fees.
- CFD No. 3 Bonds and Special Taxes.

### State Funding

The passage of Proposition 51 signified the voters' continued support of funding school facilities with State bonds. Although State funding is purported to be a 50/50 program (50 percent of the cost coming from the State and 50 percent coming from local sources), the District's standards exceed State standards; thus, the State's 50 percent represents approximately one-third of the actual cost.

The District is scheduled to receive Proposition 51 state funding for the 2015/2016 Granite Oaks Middle School expansion in 2019/2020. There are currently no further available Proposition 51 funds available for District projects.



## **Mello-Roos CFD Special Taxes and Bond Proceeds**

The developers of Whitney Ranch approved the formation of CFD No. 3 in January 2003. The CFD is authorized to levy a special tax on new residential development within the boundaries of the CFD. The CFD is authorized to fund the costs of constructing new elementary and middle schools. The District is authorized to issue up to \$36 million in CFD bonds to fund construction costs for K-8 schools. Special taxes not needed to fund debt service on outstanding CFD bonds may be used to fund the costs of constructing elementary and middle schools.

The District issued CFD Special Tax Bonds in September 2019. The net construction proceeds will be used to fund the cost of constructing the new elementary school.

Future CFD bonding capacity and excess CFD special taxes may be available to fund construction of middle school facilities.

## **Mitigation Fees**

Mitigation fees will pay the balance of the costs for the construction of new middle school classrooms, in combination of available funding from CFD No. 3 special taxes and/or special tax bonds.

## **Fee Calculation**

**Table 4** calculates the estimated middle school facility cost per new dwelling unit, with adjustments anticipated for State funding.

**Table 4**  
**2020 Development Impact Fee Nexus Study**  
**Middle School Fee Calculation (2020 \$s)**

		<u>New</u> <u>Classrooms</u>	<u>Classroom</u> <u>Capacity</u>	<u>Student</u> <u>Capacity</u>	<u>Assumed</u> <u>Facility</u> <u>Cost</u>	<u>Cost per</u> <u>Student</u>	<u>Cost per</u> <u>Dwelling</u> <u>Unit [1]</u>	<u>SGRs</u> <u>per Unit [2]</u>	<u>Cost per Sq. Ft.</u> <u>2,648 sq ft / unit [3]</u>
<b>Middle School</b>									
New Classrooms	[4]								
Granite Oaks MS		8	27	216	\$4,579,836	\$21,203	\$2,394	0.118	\$0.90
Spring View MS		20	27	540	\$17,581,954	\$32,559	\$3,677	0.118	\$1.39
Credit for State Funding	[5]			756	(\$9,955,764)	(\$13,169)	(\$1,487)	0.118	(\$0.56)
<b>Fees required to fund MS</b>				<b>756</b>	<b>\$12,206,026</b>	<b>\$40,593</b>	<b>\$4,584</b>		<b>\$1.73</b>
<i>ms sum</i>									

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[1] Cost per dwelling unit is based on SGRs in Table 2

[2] From Table 2.

[3] EPS used the records of the Placer County Assessor and the City of Rocklin to determine the number of residential units constructed from 2014 to 2018, then used the square footage from these records to determine the average square foot per dwelling unit.

[4] Estimated cost based upon current Facilities Master Plan dated April 2018.

[5] The per student grant for new school construction for 2020 is \$13,169. Proposition 51 students grants are currently not available at this time. Site development and acquisition grants are not included. New facilities will be constructed on existing campuses.

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## 5. High School Costs

### School Site Improvements

#### Rocklin High School

Aging portables are planned to be replaced by with new two-story classroom buildings. The addition of new classrooms is required to support new growth. It is critical to expand support and services throughout the campus. In addition to the standard classrooms and CTE spaces, this site needs a second gymnasium and adequately sized performing arts building to provide adequate programs for the additional students.

#### Whitney High School

The addition of 39 classrooms is very significant, increasing the capacity by nearly 50 percent. However, at this site there is an existing performing art building and a second gymnasium, relieving the need for building new spaces for these programs. Space for teacher and student support is included but relatively minimal.

### School Construction Funding

Significant residential development early in the 1990s resulted in significant overcrowding at Rocklin High School. To relieve the overcrowding and provide classrooms for students from future development, the District constructed Whitney High School.

Future high school costs include the costs associated with construction of additional classrooms needed at the existing high school sites required to serve students coming from new development.

Funding for additional new classrooms will come from these sources:

- Mitigation fees paid by completed development.
- Mitigation fees paid by future development.
- State funding from the School Facilities Program.

### State Funding

The passage of Proposition 51 signified the voters' continued support of funding school facilities with State bonds. Although State funding is purported to be a 50/50 program (50 percent of the cost coming from the State and 50 percent coming from local sources), the District's standards exceed State standards; thus, the State's 50 percent represents approximately one-third of the actual cost.

There are currently no available Proposition 51 funds available for District projects.

## Mitigation Fees

**Table 5** calculates the estimated high school facility cost per new dwelling unit based on the estimated costs for additional new classrooms needed to serve new development. The mitigation fee is based on the need, after accounting for actual State funding.

**Table 5**  
**2020 Development Impact Fee Nexus Study**  
**High School Fee Calculation (2020 \$s)**

		New Classrooms	Classroom Capacity	Student Capacity	Facility and Land Cost (2020 \$s)	Cost per Student	Cost per Dwelling Unit [1]	SGRs per Unit [2]	Cost per Sq. Ft. 2,648 sq ft / unit [3]
<b>High School</b>									
New School Classrooms	[4]								
Rocklin HS		39	27	1,053	\$73,123,643	\$69,443	\$13,142	0.216	\$4.96
Whitney HS		39	27	1,053	\$40,002,802	\$37,989	\$7,190	0.216	\$2.71
Credit for State Funding	[5]			2,106	(\$35,288,136)	(\$16,756)	(\$3,171)	0.216	(\$1.20)
<b>Fees required to fund HS</b>				<b>2,106</b>	<b>\$77,838,309</b>	<b>\$90,677</b>	<b>\$17,161</b>		<b>\$6.48</b>

*hs sum*

[1] Cost per dwelling unit is based on the weighted SGRs in Table 2.

[2] From Table 2.

[3] EPS used the records of the Placer County Assessor and the City of Rocklin to determine the number of residential units constructed from 2014 to 2018, then used the square footage from these records to determine the average square foot per dwelling unit.

[4] Estimated cost based upon current Facilities Master Plan dated April 2018.

[5] The per student grant for new school construction for 2020 is \$16,756. Proposition 51 students grants are currently not available at this time. Site development and acquisition grants are not included. New facilities will be constructed on existing campuses.

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## 6. Districtwide Support Costs

Districtwide support facilities serve all development, including new development anticipated in the District in the coming years. Districtwide support facility costs are allocated to new development based on the methodologies presented in this chapter.

**Table 6** shows the projected growth.

**Table 6**  
**Summary of Projected Enrollment Growth**

Year	Projected Enrollment	Cumulative Growth
Base Enrollment 2000–01	7,425	
Buildout	14,432	7,007

In 1999, the District identified the following support facilities necessary to support anticipated growth, and this 2020 Study will include the cost of these facilities in its development impact fee:

- Transportation yard expansion.
- Maintenance and food services warehouse.
- District office.
- Administrative costs.

The remainder of this chapter provides the nexus justification for each facility or cost.

**Table 7** shows the calculation of the fees needed to fund districtwide facilities and facilities office administration, and **Table 8** shows the project costs for these support facilities.

As staff and equipment increase, the transportation yard was required to be expanded to house and maintain the larger number of busses. The District's cost to expand the transportation yard was \$2,454,507.50, which has been divided by the 7,007 additional students expected from the baseline year through buildout.

The new maintenance facility and food services warehouse have been constructed. The total cost of construction was approximately \$6,000,000. The estimated cost has been divided by the 8,721 students in grades K–8 at buildout.

The new District office ultimately will serve the entire District. The final cost of \$3.9 million has been divided by the 14,432 students expected through buildout.



**Table 7**  
**2020 Development Impact Fee Nexus Study**  
**Supplemental K-12 Fee for Support Facilities and Administration (Actual Costs)**

<b>Facilities</b>	<b>Additional Students Served [1]</b>	<b>Project Cost</b>	<b>Cost per Student [2]</b>	<b>Cost per Dwelling Unit</b>	<b>Cost per Sq. Ft. 2,648 sq ft / unit [3]</b>
<b>Support Facility Expenses See Table 9</b>					
Transportation Yard Improvement	7,007	\$2,454,508	\$350		
Maintenance and Food Service Warehouse	8,721	\$6,000,000	\$688		
District Office Improvements	14,432	\$3,900,000	\$270		
<b>Total Support Expenditures</b>		<b>\$12,354,508</b>	<b>\$1,309</b>		
<b>Administration [4]</b>					
Salaries and Benefits allocated to building program	1,633	\$3,325,200	\$2,036		
<b>Support and Other Facility Cost Fee</b>		<b>\$15,679,708</b>	<b>\$3,345</b>	<b>\$2,162</b>	<b>\$0.82</b>

*supp*

Sources: Rocklin USD and EPS

[1] 7,425 students represent the increase in students from 00/01 through buildout. 00/01 is the baseline date because that was the year that the existing support facilities reached capacity. The new Central Kitchen will serve grades K-8 (8,721 students at buildout), and the District Office will serve the buildout enrollment of 14,432 students.

[2] May not add due to rounding.

[3] EPS used the records of the Placer County Assessor to determine the number of residential units constructed from 2014 to 2018, then used the square footage from these records to determine the average square foot per dwelling unit

[4] Administrative expenses are based on an 85% proration of inflated administrative costs through buildout (see Master Plan).

**Table 8**  
**Summary of Estimated Costs of Support Facilities**

	Transportation Yard	Maintenance & Food Service Warehouse	District Office
Construction	\$2,454,508	\$4,080,000	
Plans	[1]	\$600,000	
Tests and Inspection	[1]	\$120,000	
Furniture and Equipment	[1]	\$900,000	
Contingency	[1]	\$300,000	
<b>Project Cost</b>	<b>\$2,454,508</b>	<b>\$6,000,000</b>	<b>\$3,900,000</b>

sc

Sources: Rocklin USD, EPS

[1] Included in construction costs.

There is an administrative cost to manage construction projects, State funds, CFD funds, and bond funds. About 85 percent of the 2007–08 facilities office expenses (\$250,000) are used as the baseline for administrative costs. The \$3,325,000 cost shown is the inflated cost through buildout. Depending on the level of development and construction activity, this amount may vary in the future.

## 7. Nonresidential Impacts

New retail, office, industrial, and warehouse development creates new jobs and increases the demand for housing. Some new employees will move into existing housing, others into new housing, and still others into housing in other school districts. As new households move into the District, the schools are directly impacted by the additional students added by these households. The impact of new students generated by new housing is mitigated by the residential school impact fee.

For the existing housing base, the impact on the District occurs when a new household with school-aged children moves into the District. Over time, households with and without school-aged children will move in and out of the District. An impact occurs when a new household with school-aged children moves into the District replacing an existing household without school-aged children. When this happens, this household is not subject to residential developer fees; therefore, the impacts on the District of these additional children are not mitigated by the homeowner.

**Table 9** shows the calculation of the school facility impact for nonresidential development. The impact is quantified per 1,000 square feet of building by estimating the number of employees and households with children moving into existing homes without children. This impact then is converted to a per-square-foot basis and compared to the State authorized development impact fee amount. Overall, the current findings show there are between 0.005 and 0.33 households (that move into existing houses and add children to the District) per 1,000 square feet of new nonresidential development, depending on the type of development.

Based on the average cost per residential unit of \$21,745 for grade K-12 facilities and support facilities, the cost per 1,000 square feet of building ranges from \$109 for self-storage uses to \$7,254 for office uses. On a per-square-foot basis, the cost of new school facilities ranges from \$0.11 per square foot to \$7.25 per square foot.

For all office, retail, industrial, and warehouse nonresidential development, the District can assess the statutory maximum of \$0.66 per square foot of assessable space. For self-storage units, the District can assess \$0.11 per square foot.

**Table 9**  
**2020 Development Impact Fee Nexus Study**  
**Nonresidential Fee Calculation**

	Calculation	Office	Retail	Industrial	Warehouse	Self-Storage
Square Feet per Employee [1]	a	225	500	750	1,400	15,000
Employees per 1,000 Sq. Ft.	b = 1,000/a	4.44	2.00	1.33	0.71	0.07
Percent of Employees Forming Households [2]	c	60%	60%	60%	60%	60%
Households per 1,000 Sq. Ft.	d = b x c	2.65	1.19	0.80	0.43	0.04
Share of Households Moving into New Housing [3]	e	41%	41%	41%	41%	41%
Share of Households Moving into Existing Housing [3]	f = 1 - e	59%	59%	59%	59%	59%
Households Moving into Existing Housing per 1,000 Sq. Ft.	g = d x f	1.56	0.70	0.47	0.25	0.02
Share of Households with School Age Children Moving into Existing Housing and Replacing Households with No Children in the School System [2]	h	21%	21%	21%	21%	21%
Households Moving into Existing Housing and Adding Children to the School System per 1,000 Sq. Ft.	i = g x h	0.33	0.15	0.10	0.05	0.005
School Facilities Cost per Dwelling Unit [4]	j	\$21,745	\$21,745	\$21,745	\$21,745	\$21,745
School Facilities Cost Assigned to 1,000 Sq. Ft. Equivalent Dwelling Units	k = i x j	\$7,254	\$3,264	\$2,176	\$1,166	\$109
Cost per Sq. Ft.	l = k/1,000	\$7.25	\$3.26	\$2.18	\$1.17	\$0.11
Maximum Development Impact Fee per Sq. Ft.	m	\$0.66	\$0.66	\$0.66	\$0.66	\$0.66
Surplus/(Shortfall) per Sq. Ft.	n = m - l	(\$6.59)	(\$2.60)	(\$1.52)	(\$0.51)	\$0.55
<b>Recommended Fee</b>		<b>\$0.66</b>	<b>\$0.66</b>	<b>\$0.66</b>	<b>\$0.66</b>	<b>\$0.11</b>

*nr fees*

[1] Source: San Diego Traffic Generators, 1990 (SANDAG) and EPS.

[2] From **Table A-1**.

[3] From **Table A-2**

[4] Based on the total single-family costs from **Tables 3, 4, 5 and 7**.

## 8. 2018 Development Impact Fees

### Residential Impacts

This 2018 Study calculates the cost of District facilities and the resulting fee for new residential construction based on Government Code Section 65995. This type of school impact fee was formerly known as the Stirling fee and is now known as a Level 1 fee.

Level 2 and Level 3 fees were authorized by Senate Bill (SB) 50 and Proposition 1A in 1988 and can be adopted as alternatives to the Level 1 fee. Level 2 fees are the fees allowed when the State School Facilities Program has available funds. Level 3 fees are allowed after the State is no longer apportioning projects because of a lack of State bond funds. To levy Level 2 or Level 3 fees, a district must complete a School Facilities Needs Analysis (SFNA) using state cost standards in a strict formula, rather than a district's standards. Level 2 fees also must account for Mello-Roos CFD taxes and must be spent only on school facilities, not support facilities. Because the District has a great need for support facilities and actually will collect less in fees if the Mello-Roos CFD is included in the computation, the District has chosen to calculate the fees for grade K-12 educational facilities and districtwide support facilities under the legal requirements for Level 1 fees.

Previous chapters reviewed the justification for updating the development impact fee calculation for the following factors:

- Whitney Ranch New Elementary School.
- The need for additional classrooms at existing middle schools.
- The need for additional classrooms at existing high schools.
- Actual and projected State funding for schools.
- Costs for districtwide support facilities.

### Summary

**Table 10** shows that the total costs attributable to new residential development exceed the statutory limit for Level 1 fees of \$4.08 per square foot. Therefore, this 2020 Study recommends that the District adopt a fee of \$4.08 per square foot of new residential development.

### Nonresidential Impacts

As detailed earlier in this report, nonresidential development impacts the District. With the exception of storage units, the District can assess the maximum statutory fee of \$0.66 per square foot of development.

**Table 10**  
**Estimated Residential Fee Summary**

		<u>Cost per Sq. Ft.</u>
<b>Residential Fee Summary</b>		
Elementary School Fee	[1]	\$1.94
Middle School Fee	[2]	\$1.73
High School Fee	[3]	\$6.48
Districtwide Support Services Fee	[4]	\$0.82
<b>Justified Fee</b>		<b>\$10.97</b>
<b>Maximum Fee Allowed by Statute</b>		<b>\$4.08</b>
<b>Recommended Residential Fee</b>		<b>\$4.08</b>

sum2

[1] From Table 3.

[2] From Table 4.

[3] From Table 5.

[4] From Table 7.

## Senior Housing Impacts

Age-restricted senior housing projects require residents to be 55 years old or older; therefore, school-aged children will not be generated directly by the project. Senior projects, however, do cause an increase in the need for support services, such as retail, travel, banking, healthcare, and entertainment. Additional workers come to the project to fill the jobs provided by the increased support services. The workers bring with them school-aged children. As with nonresidential projects, it can be stated that the senior housing project indirectly impacts school facilities. By law, development impact fees are limited to the maximum nonresidential fee, as long as they are justified by nexus requirements.

This impact may not occur immediately after construction of the senior units. As the senior community builds out, the need for the support services will occur over time. Because there is no ability to collect the fee at the time the school impact occurs after the senior housing construction, the impact fee is being estimated before development and will be collected at the time the unit is constructed.

**Table 11** shows the senior housing fee justification for school facilities. **Appendix A** includes supporting census and housing projection data used in the calculation. As mentioned above, senior housing generates the need for more services, which are filled

**Table 11**  
**2020 Development Impact Fee Nexus Study**  
**Senior Housing Fee Costs**

Category	Calculation	Per Senior Housing Unit
Direct Employees Generated Per New Unit [1]	a	0.17
Share of Employees in Local Area [2]	b	16%
Percent of Employees forming Head of Household [3]	c	60%
New Households per Senior Unit	$d = a * b * c$	0.02
Share of Households moving into New Housing [3]	e	41%
Share of Households moving into Existing Housing	$f = 1 - e$	59%
New Households Moving into Existing Housing per New Senior Unit	$g = d * f$	0.01
Share of Households with School Age Children Moving Into Existing Housing Replacing Households with no Children in the School System [3]	h	21%
New Households Moving into Existing Housing adding Children to the School System per Senior Unit	$i = h * g$	0.00
School Facilities Cost per Dwelling Unit [4]	j	\$21,745
School Facilities Cost Caused by Senior Unit	$k = i * j$	\$43
Cost per Sq. Ft. assuming 1,000 Sq. Ft. Senior Unit	$l = k / 1000$	\$0.04
Maximum fee allowed by law	m	\$0.66
Surplus / (Shortfall) per Square Foot	$n = m - l$	\$0.62
<b>Recommended Fee</b>		<b>\$0.04</b>

seniors

[1] From Table A-3.

[2] 2018 ACS Census. See Table A-1 for detail.

[3] See Table A-1 for details.

[4] Based on Table 9.



by new employees. The senior housing impact is calculated by estimating the number of new jobs generated by one senior housing unit, then the subsequent number of new local households with school-aged children replacing existing households without school-aged children. This number of new households is multiplied by the facility costs caused by a new household to arrive at the school facilities cost caused by one new senior housing unit. This cost is converted to a cost per square foot.

The number of jobs generated by one senior housing unit on which this calculation was based was estimated using data from the Consumer Expenditure Survey from the United States Bureau of Labor Statistics and the Economic Census from the United States Census. The Consumer Expenditure Survey provides data for households at a variety of income levels, detailing the amounts that typical households spend on things like "Food at Home," "Apparel and Services," and "Vehicle Maintenance and Repairs." The household's typical expenditures were converted to the number of jobs created by their spending. The first step in this process is to determine how much of an industry's gross receipts are used to pay wages and employee compensation. EPS relied on data from the Economic Census,<sup>2</sup> which provides employment, gross sales, and payroll data by industry for the City. In certain instances, Rocklin data were not available for every Economic Census industry—in those cases, EPS relied on statewide Economic Census data for that industry.

To link the Economic Census data and the Consumer Expenditure Survey data, EPS made determinations as to the industries involved with expenditures in various categories. For example, purchases in the Consumer Expenditure Survey's "Food at Home" category likely would involve the Economic Census' "Food & Beverage Stores" industry. By contrast, purchases in the Consumer Expenditure Survey's "Entertainment Fees and Admissions" category was attributed to the Economic Census' "Arts, Entertainment, and Recreation" industry. Where more than one Economic Census category was attributable to a Consumer Expenditure Survey category, EPS estimated the proportion of expenditures associated with each Economic Census category.

After determining the amount of the household's expenditures that were used for employee wages, an estimation of the number of employees those aggregate wages represent is required. EPS calculated the number of workers supported by that spending using the average wage per worker (also from the Economic Census). **Table A-3** in **Appendix A** distinguishes between the typical incomes of workers in different types of retail stores (e.g., "food and beverage stores" versus "general merchandise stores"), rather than assuming all retail-sector workers earn the same income. However, the average wage is used for each subcategory of industry employment and represents a reasonable proxy for the range of incomes in that group: while some employees will have higher wages, others will have lower incomes.

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<sup>2</sup> Note that the Consumer Expenditure Survey data are based on information current as of 2012. The latest data available for the Economic Census were published in 2007. Because the data sources were from different years, EPS converted the 2012 expenditures to 2007 dollars using the Consumer Price Index (CPI) for the San Francisco Metropolitan Statistical Area (MSA) from the Bureau of Labor Statistics.

To calculate the number of households supported by the expenditures of market-rate housing units, EPS estimated the employees' household formation rates. There was an average of approximately 1.67 workers per working household in the City.<sup>3</sup> This factor was used to estimate the number of households formed by the employees and the average total incomes of those households. This assumption implies the workers in a given household will have roughly equivalent pay per hour. While certainly there will often be some variation in wages per employee within a household, on average, this assumption is reasonable because it implies comparable levels of education and training among all workers in a household. Then the total jobs by industry were summed to obtain an estimated 0.17 total jobs created per unit.

It is important to note that the nonresidential fee does not pay for all of the nonresidential impact and has left a shortfall. This gap could, in part, be lessened by a fee imposed on senior housing. The calculated impact for age-restricted senior housing is less than the maximum allowable fee of \$0.66 per square foot; therefore, the District is justified in assessing up to \$0.04 per square foot of age-restricted senior housing development.

## **Summary of Recommended Development Impact Fees**

The total impact of new development on the District's future facility needs is greater than the maximum State-authorized development impact fees of \$4.08 per square foot of residential building, \$0.04 per square foot for senior housing, and \$0.66 per square foot of nonresidential building (except for self-storage units). Therefore, funding for the grade K-12 school facilities and support services required to serve future development in the District will come from a variety of sources.

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<sup>3</sup> Workers per working household based on American Community Survey (ACS) Census data, current as of March 2016.

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## 9. Nexus Findings

This chapter presents the findings necessary to establish development impact fees in accordance with Government Code Section 66000 et seq. For each facility for which the District will levy a development impact fee, the findings must state (1) the purpose of the fee, (2) the use of the fee, (3) the relationship between the use of the fee and the type of development, (4) the relationship between the need for the facility and the type of project, and (5) the relationship between the amount of the fee and the cost or portion of cost attributed to new development. The specific findings for school facilities are presented below:

- **Purpose of fee:** Provide school facilities and support facilities for students generated by new development in the District. The fee will be used to fund elementary school, middle school, high school, and districtwide support facilities for which there is no other reasonable funding source.
- **Use of fee:** Expansion and modernization of existing schools, construction of new schools, and provision of District support facilities necessary to provide adequate school facilities for students from new development.
- **Relationship between use of fee and type of development:** Development of new residential and nonresidential land uses will generate additional grade K-12 students and the need for school facilities to house them. Because projected grade K-12 students exceed existing capacity, new facilities must be constructed. The fees will be used to fund new development's share of necessary school facilities.
- **Relationship between need for facility and type of project:** Residential development will result in the direct increase of students in grades K-12 to be served by the District, which will increase the total number of students that need to be served by the District. Because the District does not have current capacity to serve all additional students adequately, new school facilities must be constructed to serve future additional students.
- **Relationship between amount of fee and cost of or portion of facility attributed to development on which fee is imposed:** As shown in this study's analysis, the amount of new development's impact fees is fully based on mitigating its share of new school facilities. Fees for new development are commensurate with the cost of new school construction.
- **Establish a separate account:** The District has established a separate capital facilities account as required by Government Code 66006. All interest revenue also will be deposited in this account. The monies in this account will be expended only for the purpose for which the fees were collected. The District must make specific information about the account available 180 days after the end of each fiscal year.

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## 10. California Environmental Quality Act

California Code of Regulations, Title 14, Division 6, Chapter 3, Article 18, Section 15273(a)(4) exempts the establishment or modification of charges by public agencies, which the public agency finds are for the purpose of obtaining funds for capital projects necessary to maintain service in existing service areas.

Furthermore, Section 15273(c) requires that “the public agency shall incorporate written findings in the record of any proceeding in which an exemption under this section is claimed setting forth with specificity the basis for the claim of exemption.”

This study provides evidence necessary to make the finding that development impact fees are required to provide funds for capital improvement projects to provide school facilities in the District. Therefore, this study provides the findings and basis for the claim of exemption.

The California Environmental Quality Act Notice of Exemption is found in **Appendix B**.

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## APPENDICES:

Appendix A: Support Tables for  
Nonresidential Costs

Appendix B: California Environmental Quality  
Act Notice of Exemption





## APPENDIX A:

### Support Tables for Nonresidential Costs



Table A-1	2010 Census Data—City of Rocklin .....	A-1
Table A-2	Households Moving into Existing and New Homes .....	A-2
Table A-3	Household Expenditures and Employment Generation (3 pages) .....	A-3

**Table A-1**  
**2020 Development Impact Fee Nexus Study**  
**2018 ACS - City of Rocklin**

Total occupied households	a	21,206
Total households with children	b	14,653
Percentage of households with children	$c = b / a$	69%
Percentage of households without children	$d = 1 - c$	31%
Probability of household with children moving into house where previous residents had no children	$e = c \times d$	21%
Employed residents per household [1]	f	1.67
Percent of Employees Forming Households	$g = 1/f$	60%

*census*

Source: 2018 American Community Survey (1-year estimate)

Total employees	h	20,920
Employees working in the city of residence	i	3,324
Percentage of employees who work in city of residence	$j = i/h$	16%

Source: Department of Finance. US Census On the Map, California EDD

[1] From Table A-3.

**A-2**

**'Jones'**

[2] EPS assumption

**Table A-3**  
**2020 Development Impact Fee Nexus Study**  
**Household Expenditures and Employment Generation**

Item	% of Household Income Spent per Category [1]	% of Category Expenditure per Type of Business [2]	2016 Expenditures [3]	2012 Expenditures [4]	2012 Expenditures per 1000 Households	Gross Receipts to Wages	2012 Total Wages	2012 Avg. Wage	# of Workers	Workers/ HH [5]	Total Worker HH	2012 Avg. Worker HH Income
<i>Calculation</i>	<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e = d * 1000</i>	<i>f</i>	<i>g = e / f</i>	<i>h</i>	<i>i = g / h</i>	<i>j</i>	<i>k = i / j</i>	<i>l = h * j</i>
<b>Food at Home [6]</b>	8.2%	100%	\$4,137	\$3,723								
Food & Beverage Stores		100%	\$4,137	\$3,723	\$3,722,620	10.04	\$370,790	\$29,331	13	1.67	8	\$49,113
<b>Food Away From Home</b>	5.3%	100%	\$2,744	\$2,469								
Food Services and Drinking Places		100%	\$2,744	\$2,469	\$2,469,065	3.38	\$729,833	\$15,096	48	1.67	29	\$25,277
<b>Alcoholic Beverages</b>	0.7%	100%	\$0	\$0								
Food & Beverage Stores		50%	\$0	\$0	\$0	10.04	\$0	\$29,331	0	1.67	0	\$49,113
Food Services and Drinking Places		50%	\$0	\$0	\$0	3.38	\$0	\$15,096	0	1.67	0	\$25,277
<b>Housing Maintenance, Repairs, Insurance, Other expenses</b>	2.5%	100%	\$1,231	\$1,107								
Personal and Household Goods Repair and Maintenance [7]		45%	\$554	\$498	\$498,252	4.00	\$124,501	\$28,341	4	1.67	3	\$47,454
Building Material and Garden Equipment and Supplies Dealer		45%	\$554	\$498	\$498,252	7.33	\$68,019	\$33,968	2	1.67	1	\$56,877
Real Estate and Rental and Leasing		10%	\$123	\$111	\$110,723	4.35	\$25,438	\$44,857	1	1.67	0	\$75,110
<b>Fuel oil and Other fuels [8]</b>	0.2%	100%	\$92	\$83								
Nonstore Retailers		100%	\$92	\$83	\$82,920	10.34	\$8,021	\$45,000	0	1.67	0	\$75,349
<b>Water and Other Public Services [8]</b>	1.1%	100%	\$536	\$482								
Waste Management and Remediation Services [7]		100%	\$536	\$482	\$481,912	4.07	\$118,372	\$46,051	3	1.67	2	\$77,109
<b>Household Operations Personal Services</b>	0.5%	100%	\$223	\$201								
Nursing and Residential Care Facilities [7]		40%	\$89	\$80	\$80,384	2.50	\$32,168	\$27,624	1	1.67	1	\$46,254
Social Assistance [7]		60%	\$134	\$121	\$120,575	2.84	\$42,526	\$24,279	2	1.67	1	\$40,653
<b>Household Operations Other Household Expenses</b>	1.6%	100%	\$768	\$691								
Services to Buildings and Dwellings		100%	\$768	\$691	\$690,675	2.72	\$253,474	\$25,530	10	1.67	6	\$42,747
<b>Housekeeping Supplies</b>	1.3%	100%	\$647	\$582								
Building Materials and Garden Equipment and Supplies Dealers		10%	\$65	\$58	\$58,239	7.33	\$7,950	\$33,968	0	1.67	0	\$56,877
Food & Beverage Stores		35%	\$227	\$204	\$203,837	10.04	\$20,303	\$29,331	1	1.67	0	\$49,113
General Merchandise [7]		35%	\$227	\$204	\$203,837	12.40	\$16,432	\$22,345	1	1.67	0	\$37,415
Miscellaneous Store Retailers [7]		20%	\$129	\$116	\$116,478	7.22	\$16,125	\$22,021	1	1.67	0	\$36,872

[1] Percentage of income spent per category is based on the 2016 Consumer Expenditure Survey data for households at the median income level for seniors. Note that the sum of the categories included in this analysis is well below the total expenditures of households at this income level, and thus represent a conservative estimate of job creation and housing impacts. Expenditure categories not incorporated because of data constraints include taxes, housing and lodging, most utilities, tobacco, health insurance, personal/life insurance, cash contributions, and financing charges.

[2] Where multiple business types are likely to provide goods and services in the expenditure category, EPS has estimated the proportion accruing to each business type.

[3] 2016 expenditures are based on the estimated household income distributed based on the percent of income spent per the 2016 U.S. Consumer Expenditure Survey.

[4] 2016 expenditures converted to 2012 dollars using the CPI for the San Francisco MSA from the BLS.

[5] Based on ACS data current as of 02/26/2018.

[6] Half of the expenditures in the "Alcoholic Beverages" category of the Consumer Expenditure Survey is included in "Food At Home" and the remaining half is included in "Food Away From Home".

[7] Rocklin data not available from 2012 Economic Census. Gross receipts to wages and 2012 average wage thus based on Placer County or statewide data.

[8] Part of the Utilities, Fuels, and Public Services category, which also includes natural gas, electricity, and telephone services. Natural gas, electricity, and telephone services not estimated because data was not available in the 2012 Economic Census.

**Table A-3**  
**2020 Development Impact Fee Nexus Study**  
**Household Expenditures and Employment Generation**

Item	% of Household Income Spent per Category [1]	% of Category Expenditure per Type of Business [2]	2016 Expenditures [3]	2012 Expenditures [4]	2012 Expenditures per 1000 Households	Gross Receipts to Wages	2012 Total Wages	2012 Avg. Wage	# of Workers	Workers/ HH [5]	Total Worker HH	2012 Avg. Worker HH Income
<i>Calculation</i>	<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e = d * 1000</i>	<i>f</i>	<i>g = e / f</i>	<i>h</i>	<i>i = g / h</i>	<i>j</i>	<i>k = i / j</i>	<i>l = h * j</i>
<b>Household Furnishings and Equipment</b>	3.1%	100%	\$1,520	\$1,368								
Furniture and Home Furnishings Stores		40%	\$608	\$547	\$547,077	9.03	\$60,565	\$43,468	1	1.67	1	\$72,784
Electronics and Appliance Stores		40%	\$608	\$547	\$547,077	4.12	\$132,791	\$48,754	3	1.67	2	\$81,636
General Merchandise Stores [7]		10%	\$152	\$137	\$136,769	12.40	\$11,025	\$22,345	0	1.67	0	\$37,415
Miscellaneous Store Retailers [7]		10%	\$152	\$137	\$136,769	7.22	\$18,934	\$22,021	1	1.67	1	\$38,872
<b>Apparel and Services</b>	3.2%	100%	\$1,533	\$1,379								
Clothing and Clothing Accessories Stores		40%	\$613	\$552	\$551,759	7.95	\$69,381	\$9,959	7	1.67	4	\$16,675
General Merchandise		40%	\$613	\$552	\$551,759	12.40	\$44,479	\$22,345	2	1.67	1	\$37,415
Miscellaneous Store Retailers		10%	\$153	\$138	\$137,940	7.22	\$19,096	\$22,021	1	1.67	1	\$38,872
Personal and Household Goods Repair and Maintenance [7]		5%	\$77	\$69	\$68,970	4.00	\$17,234	\$28,341	1	1.67	0	\$47,454
Dry Cleaning and Laundry Services [7]		5%	\$77	\$69	\$68,970	3.31	\$20,826	\$26,707	1	1.67	0	\$44,719
<b>Vehicle Purchases (net outlay)</b>	7.0%	100%	\$3,361	\$3,024								
Motor Vehicle and Parts Dealers		100%	\$3,361	\$3,024	\$3,024,141	10.65	\$283,975	\$51,185	6	1.67	3	\$85,706
<b>Gasoline and motor oil</b>	4.1%	100%	\$1,975	\$1,777								
Gasoline Stations		100%	\$1,975	\$1,777	\$1,777,415	50.21	\$35,399	\$19,351	2	1.67	1	\$32,402
<b>Vehicle Maintenance and Repairs</b>	1.6%	100%	\$785	\$706								
Repair and Maintenance		100%	\$785	\$706	\$706,283	3.84	\$194,051	\$29,742	7	1.67	4	\$49,800
<b>Medical Services</b>	1.5%	100%	\$711	\$640								
Ambulatory Health Care Services		40%	\$284	\$256	\$255,979	2.98	\$85,940	\$39,417	2	1.67	1	\$66,001
General Medical and Surgical Hospitals [7]		30%	\$213	\$192	\$191,984	2.91	\$65,999	\$68,845	1	1.67	1	\$115,275
Nursing and Residential Care Facilities [7]		30%	\$213	\$192	\$191,984	2.50	\$76,824	\$27,624	3	1.67	2	\$46,254
<b>Drugs</b>	1.0%	100%	\$478	\$430								
Health and Personal Care Stores		100%	\$478	\$430	\$430,208	9.43	\$45,608	\$29,099	2	1.67	1	\$48,724
<b>Medical Supplies</b>	0.2%	100%	\$107	\$97								
Health and Personal Care Stores		100%	\$107	\$97	\$96,577	9.43	\$10,238	\$29,099	0	1.67	0	\$48,724
<b>Entertainment Fees and Admissions</b>	0.7%	100%	\$330	\$297								
Arts, Entertainment, & Recreation [7]		100%	\$330	\$297	\$296,561	3.65	\$81,250	\$14,350	6	1.67	3	\$24,029

[1] Percentage of income spent per category is based on the 2016 Consumer Expenditure Survey data for households at the median income level for seniors. Note that the sum of the categories included in this analysis is well below the total expenditures of households at this income level, and thus represent a conservative estimate of job creation and housing impacts. Expenditure categories not incorporated because of data constraints include taxes, housing and lodging, most utilities, tobacco, health insurance, personal/life insurance, cash contributions, and financing charges.

[2] Where multiple business types are likely to provide goods and services in the expenditure category, EPS has estimated the proportion accruing to each business type.

[3] 2016 expenditures are based on the estimated household income distributed based on the percent of income spent per the 2016 U.S. Consumer Expenditure Survey.

[4] 2016 expenditures converted to 2012 dollars using the CPI for the San Francisco MSA from the BLS.

[5] Based on ACS data current as of 02/26/2018.

[6] Half of the expenditures in the "Alcoholic Beverages" category of the Consumer Expenditure Survey is included in "Food At Home" and the remaining half is included in "Food Away From Home".

[7] Rocklin data not available from 2012 Economic Census. Gross receipts to wages and 2012 average wage thus based on Placer County or statewide data.

[8] Part of the Utilities, Fuels, and Public Services category, which also includes natural gas, electricity, and telephone services. Natural gas, electricity, and telephone services not estimated because data was not available in the 2012 Economic Census.

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**Table A-3**  
**2020 Development Impact Fee Nexus Study**  
**Household Expenditures and Employment Generation**

Item	% of Household Income Spent per Category [1]	% of Category Expenditure per Type of Business [2]	2016 Expenditures [3]	2012 Expenditures [4]	2012 Expenditures per 1000 Households	Gross Receipts to Wages	2012 Total Wages	2012 Avg. Wage	# of Workers	Workers/ HH [5]	Total Worker HH	2012 Avg. Worker HH Income
Calculation	a	b	c	d	e = d * 1000	f	g = e / f	h	i = g / h	j	k = i / j	l = h * j
Entertainment Audio and Visual Equipment and Services	2.2%	100%	\$1,067	\$960								
Electronics and Appliance Stores		100%	\$1,067	\$960	\$959,921	4.12	\$233,000	\$46,754	5	1.67	3	\$81,636
Entertainment Pets, Toys, Hobbies, and Playground Equip.	1.1%	100%	\$555	\$499								
Sporting Goods, Hobby, and Musical Instrument Stores		40%	\$222	\$200	\$199,788	12.84	\$15,564	\$19,622	1	1.67	0	\$32,855
Miscellaneous Store Retailers		40%	\$222	\$200	\$199,788	7.22	\$27,659	\$22,021	1	1.67	1	\$36,872
Veterinary Services [7]		20%	\$111	\$100	\$99,894	2.94	\$34,018	\$34,911	1	1.67	1	\$58,455
Other Entertainment Supplies, Equipment, and Services	0.4%	100%	\$194	\$175								
Sporting Goods, Hobby, and Musical Instrument Stores		85%	\$165	\$148	\$148,427	12.84	\$11,583	\$19,622	1	1.67	0	\$32,855
Photographic Services [7]		15%	\$29	\$26	\$26,193	4.40	\$5,952	\$24,707	0	1.67	0	\$41,370
Personal Care Products and Services	1.2%	100%	\$578	\$520								
Unspecified Retail		50%	\$289	\$260	\$259,979	10.34	\$25,155	\$32,678	1	1.67	0	\$54,717
Personal Care Services		50%	\$289	\$260	\$259,979	2.57	\$101,147	\$14,589	7	1.67	4	\$24,427
Reading	0.2%	100%	\$114	\$102								
Sporting Goods, Hobby, and Musical Instrument Stores		100%	\$114	\$102	\$102,431	12.84	\$7,979	\$19,622	0	1.67	0	\$32,855
Education	1.1%	100%	\$525	\$472								
Educational Services		100%	\$525	\$472	\$472,156	2.30	\$205,626	\$17,280	12	1.67	7	\$28,933
Tobacco Products and Smoking Supplies	0.8%	100%	\$402	\$362								
Unspecified Retail		100%	\$402	\$362	\$361,921	10.34	\$35,019	\$32,678	1	1.67	1	\$54,717
Miscellaneous [9]	2.3%	100%	\$1,102	\$991								
Accounting [7]		25%	\$275	\$248	\$247,784	2.98	\$83,048	\$37,088	2	1.67	1	\$62,101
Architectural, Engineering, and Related [10]		25%	\$275	\$248	\$247,784	3.50	\$70,715	\$59,500	1	1.67	1	\$99,628
Specialized Design Services [7]		25%	\$275	\$248	\$247,784	3.29	\$75,429	\$60,488	1	1.67	1	\$101,283
Death Care Services [7]		25%	\$275	\$248	\$247,784	3.65	\$67,869	\$28,255	2	1.67	1	\$47,311
Total per 1,000 Households									167		100	
Total per Household									0.17		0.10	

Source: 2016 Consumer Expenditure Survey, U.S. Bureau of Labor Statistics; 2012 Economic Census, U.S. Census Bureau; Census 2016; Economic & Planning Systems, Inc.

[1] Percentage of income spent per category is based on the 2016 Consumer Expenditure Survey data for households at the median income level for seniors. Note that the sum of the categories included in this analysis is well below the total expenditures of households at this income level, and thus represent a conservative estimate of job creation and housing impacts. Expenditure categories not incorporated because of data constraints include taxes, housing and lodging, most utilities, tobacco, health insurance, personal/life insurance, cash contributions, and financing charges.

[2] Where multiple business types are likely to provide goods and services in the expenditure category, EPS has estimated the proportion accruing to each business type.

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[5] Based on ACS data current as of 02/26/2018.

[6] Half of the expenditures in the "Alcoholic Beverages" category of the Consumer Expenditure Survey is included in "Food At Home" and the remaining half is included in "Food Away From Home".

[7] Rockin data not available from 2012 Economic Census. Gross receipts to wages and 2012 average wage thus based on Placer County or statewide data.

[8] Part of the Utilities, Fuels, and Public Services category, which also includes natural gas, electricity, and telephone services. Natural gas, electricity, and telephone services not estimated because data was not available in the 2012 Economic Census.

[9] Miscellaneous also includes legal services. However, legal services are not estimated because data was not available in the 2007 Economic Census.

[10] Note that average salary reported for architecture, engineering and related industries reflects the full range of employees within the industry, not solely professional and technical staff.

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APPENDIX B:

California Environmental Quality Act  
Notice of Exemption





**Exempt from recording fees  
pursuant to Government  
Code Sections 6103 and 27383.**

WHEN RECORDED, RETURN TO:  
**Rocklin School District**  
2615 Sierra Meadows Drive  
Rocklin, CA 95677

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**NOTICE OF EXEMPTION**

To: ☐ **Office of Planning and Research**  
P.O. Box 3044  
Sacramento, CA 95812-3044

From: **Rocklin Unified School District**  
2615 Sierra Meadows Drive  
Rocklin, CA 95677

☐ **County Clerk**  
County of Placer  
175 Fulweiler Avenue  
Auburn CA 95603

**Project Title: Development Impact Fees**

**Project Location—Specific: Rocklin Unified School District**

**Project Location—City: Rocklin**

**Project Location—County: Placer**

**Description of Project:**

**Development impact fees to generate funding for capital projects.**

**Name of Public Agency Approving Project: Rocklin Unified School District**

**Name of Person or Agency Carrying Out Project: Rocklin Unified School District**

**Exempt Status: (Check One)**

☐ Ministerial (Sec. 21080(b)(1); 15268);

☐ Declared Emergency (Sec. 21080(b)(3); 15269(a));

☐ Emergency Project (Sec. 21080(b)(4); 15269(b)(c));

☐ Categorical Exemption. State type and section number: \_\_\_\_\_

☒ Statutory Exemption: **Sec. 15273(a)(4)**

☐ Fees per Government Code 65995.6 (g)

**Reasons why project is exempt:**

**These fees are for capital facility projects within Rocklin Unified School District.**

**Lead Agency Contact person: Craig Rouse**


**Area Code Telephone Ext. (916) 630-3188**

**If filed by applicant.**

1. **Attach certified document of exemption finding.**

2. **Has a Notice of Exemption been filed by the public agency approving the project?** ☐ Yes ☐ No

**Signature:**



**Date:** 3-5-2020

**Title: Senior Director of Facilities and Operations**

☒ **Signed by Lead Agency**  
☐ **Signed by Applicant**

**Date received for filing at OPR:** \_\_\_\_\_

## **CERTIFIED DOCUMENT OF EXEMPTION FINDING**

By adopting this Study, the Rocklin Unified School District (District) hereby makes the finding that the development impact fees adopted by the District are Statutorily Exempt from the California Environmental Quality Act.

California Code of Regulations, Title 14, Division 6, Chapter 3, Article 18, Section 15273(a)(4) exempts the establishment or modification of charges by public agencies that the public agency finds are for the purpose of obtaining funds for capital projects necessary to maintain service in existing service areas.

The development impact fees adopted by this District are required to provide funds for capital improvement projects to provide school facilities in the District.

Approved by the Rocklin Unified School District Board of Education on \_\_\_\_\_.

Certified:

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Clerk of the Board

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Date

**BEFORE THE BOARD OF TRUSTEES  
OF THE ROCKLIN UNIFIED SCHOOL DISTRICT  
PLACER COUNTY, CALIFORNIA**

**RESOLUTION 19-20-14**

**RESOLUTION AUTHORIZING INCREASE IN SCHOOL FACILITIES IMPACT FEES  
ON RESIDENTIAL AND COMMERCIAL DEVELOPMENT, EFFECTIVE MAY 4, 2020**

**WHEREAS**, the Rocklin Unified School District on June 3, 1992, adopted Resolution 91-92-32 reestablishing fees imposed on residential and commercial development as authorized by Government Code section 53080 and Government Code section 65995(b)(3); and

**WHEREAS**, the Rocklin Unified School District on March 4, 2020, adopted the Development Impact Fee Nexus Study 2020 Update prepared by Economic & Planning Systems, Inc., establishing the basis for the continued levy of fees on residential and commercial development; and

**WHEREAS**, Government Code section 65995(b)(3) requires the State Allocation Board, every two years, to increase the allowable developer fee for inflation; and

**WHEREAS**, pursuant to Government Code section 65995(b)(3) the State Allocation Board has determined that the adjusted maximum developer fee is \$4.08 per square foot for residential development and \$0.66 per square foot for commercial development; and

**WHEREAS**, conditions of severe overcrowding continue to exist within the Rocklin Unified School District; and

**WHEREAS**, additional residential and commercial development will increase the overcrowding in the Rocklin Unified School District; and

**WHEREAS**, there will be insufficient facilities within the Rocklin Unified School District to accommodate the projected number of students which new residential and commercial development will bring to the schools; and

**WHEREAS**, this Board has conducted a public hearing on March 4, 2020 during which the Board received and considered evidence regarding the necessity and appropriateness of increasing developer fees.

**NOW, THEREFORE, BE IT RESOLVED** that the Governing Board finds that:

1. Residential and commercial development is projected to occur within the territory of the District.
2. It is necessary to implement the authority of Government Code section 53080 and Government Code section 65995(b)(3) to levy fees in the amount stated below.

3. Additional residential and commercial development within the District will increase the need for additional school facilities as a result of increased enrollment.
4. The District is justified in imposing a residential impact fee of \$4.08 per square foot on residential development and \$0.66 per square foot on commercial development.
5. Fees from future residential and commercial development in the District will not exceed the total cost of school facilities related to development.
6. The above amount bears a reasonable relationship and is limited to the need of the community for school facilities and is reasonably related to the need for school facilities caused by residential and commercial development.

**BE IT FURTHER RESOLVED** that based upon the findings and evidence contained in the Board's earlier Resolutions on this subject, as well as evidence presented to the Board at this hearing, this Board reaffirms its earlier Resolution and modifies the prior Resolution to levy fees upon any development project within the boundaries of the District for the purpose of funding the construction of school facilities in the following amount:

1. \$4.08 per square foot of assessable space for all new residential construction; and
2. \$4.08 per square foot of assessable space for all other residential construction if the resulting increase in assessable space exceeds 500 square feet.
3. \$0.66 per square foot of assessable space for all new commercial construction.

**BE IT FURTHER RESOLVED** that this Board determines that the fees to be levied will be collected for public improvements of facilities for which an account has been established and funds appropriated and for which this Board has adopted a proposed construction schedule or plan and this Board directs its Superintendent to give notice to the agencies responsible for issuance of permits of this Board's action and requesting that no building or similar permits for residential development be issued without certification from the District that either (1) the fees specified herein have been paid, or (2) the development for which the permit is sought is exempt from these fees.

**BE IT FURTHER RESOLVED** that the effective date of this Resolution shall be sixty days following the date of its adoption by the Board.

PASSED AND ADOPTED by the Board of Trustees of the Rocklin Unified School District at its regular meeting held on March 4, 2020.

AYES: Miller, Stevens, Counter, Maben, Price

NOES:

ABSENT:

ABSTAIN:

Dated: Mar 4, 2020



President of the Board of Trustees

CERTIFIED AS TRUE AND CORRECT COPY:



Clerk of the Board

In the Matter of: RESOLUTION AUTHORIZING INCREASE  
IN SCHOOL FACILITIES IMPACT FEES ON RESIDENTAL  
AND COMMERCIAL DEVELOPMENT EFFECTIVE MAY 4, 2020