

TAHOE TRUCKEE UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 18-2024-2025

**RESOLUTION OF THE BOARD OF EDUCATION
REGARDING ACCOUNTING OF DEVELOPER FEES FOR FISCAL YEAR 2023-2024
PURSUANT TO GOV. CODE SECTIONS 66001(d) AND 66006(b)**

WHEREAS, pursuant to Government Code section 65995(b)(3), the State Allocation Board, at its meeting in January 2022, and subsequently at its meeting in January 2024, adjusted the maximum amount of statutory school impact fees that may be imposed on new development based on the RS Means Construction Cost Index, which is independently published and referenced in the statute establishing school impact fees.

WHEREAS, the Tahoe Truckee Unified School District ("District"), under the authority of Education Code section 17620, *et seq.* and Government Code section 65995, *et seq.*, levies and collects statutory and/or other fees imposed on new construction and development ("Developer Fees") pursuant to the resolutions adopted by this Board of Education (the "School Facilities Fee Resolutions") and as justified by the information and findings in the following justification studies establishing the nexus between new construction in the District and the need for school facilities (the "Nexus Studies"):

- *Developer Fee Justification Study*, dated October 2015, and adopted via Resolution No. 10-2015/16 to Adopt Developer Fee Justification Study and to Increase Level 1 Residential & Commercial/Industrial Developer Fees for School Facilities, at the regular meeting on November 18, 2015.
- Resolution No. 21-2016-2017 To Increase Level 1 Residential & Commercial/Industrial Developer Fees for School Facilities, adopted at the regular meeting on April 19, 2017.
- Resolution No. 21-2017-2018 To Increase Level 1 Residential & Commercial/Industrial Developer Fees for School Facilities, adopted at the regular meeting on March 7, 2018.

WHEREAS, the Nexus Studies and adopting the School Facilities Fee Resolutions establish the requisite reasonable relationship (essential nexus) and rough proportionality between the purpose, need for, and use of the Developer Fees and the impact of development constructed within the District's boundaries in accordance with applicable law.

WHEREAS, the collection of the Developer Fees is essential to provide necessary public school facilities to serve residential and commercial/industrial development projects, and is necessary to avoid, substantially lessen, or otherwise mitigate impacts of such projects on school facilities under the California Environmental Quality Act (Public Resources Code, section 21000, *et seq.*).

WHEREAS, the District has received and expended Developer Fees in fiscal year 2023-2024 in connection with the construction, reconstruction, rehabilitation, and/or refurbishment of school facilities necessary to address student growth resulting from development ("School Facilities") to cover costs attributable to the increased demand for School Facilities reasonably related to new development and necessary to maintain existing levels of service, to reimburse the District for expenditures previously made on School Facilities, to reduce overcrowding caused by development on which the fees were imposed, to reimburse the District for expenditures previously made on School Facilities and/or for indirect and support services

and other school-related considerations relating to the District's ability to accommodate enrollment growth generated from new development as permitted by law, which may include administrative costs in connection with the collection of fees, and legal fees and other costs connected with the establishment of the fee and the required reporting.

WHEREAS, such School Facilities projects (and other school-related considerations) include, without limitation, projects listed in the 2023-2024 Annual Developer Fee Report and Five-Year Developer Fee Findings, prior Annual Developer Fee Reports and Five-Year Findings, the Nexus Studies, and the District's Long-Range Facilities Master Plan, approved on March 20, 2024 ("Master Plan"), which are each incorporated herein by reference.

WHEREAS, in accordance with California Government Code section 66006(a), the District has established a separate capital facilities account or fund, more specifically identified as Fund 25, Capital Facilities Account Fund ("Fund"), deposited these Developer Fees in the Fund (including interest income earned thereon), maintained the Fund in a manner to avoid any commingling of the Developer Fees with other revenues and funds of District, except for temporary investments, as applicable, and expended the Developer Fees solely for the purposes for which they were collected.

WHEREAS, Government Code section 66006(b)(1) requires the District to make an annual accounting of the Fund ("Annual Developer Fee Report"), which shall contain the following information for relevant the fiscal year:

- a) A brief description of the type of Developer Fees in the Fund;
- b) The amount(s) of the Developer Fee(s);
- c) The beginning and ending balance of the Fund;
- d) The amount of the Developer Fees collected and the interest earned;
- e) An identification of each District public improvement ("Project") that Developer Fees were expended on, and the amount of the expenditures on each Project, including the total percentage of the cost of the Project that was funded with Developer Fees;
- f) An identification of an approximate date by which the construction of a Project will commence if the District determines that sufficient funds have been collected to complete financing on an incomplete Project, as identified in Government Code section 66001(a)(2), and the Project remains incomplete;
- g) An identification of each Project identified in a previous Annual Developer Fee Report, and whether construction began on the approximate date noted in the previous Report. If construction did not commence by the approximate date provided in the previous Report, the reason for the delay and a revised approximate date that construction will commence;
- h) A description of each interfund transfer or loan made from the Fund, including the Project on which the transferred or loaned Developer Fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the Fund will receive on the loan; and
- i) The amount of refunds made pursuant to Government Code section 66001(e), the number of persons or entities identified to receive those refunds, and any allocations made pursuant to Government Code section 66001(f), if any.

WHEREAS, Government Code section 66001(d) provides that for the fifth fiscal year following the first deposit of Developer Fees into the Fund, and every five years thereafter, the District shall make all of the following "Findings" with respect to that portion of the Fund remaining unexpended, whether committed or uncommitted, if there are any funds remaining in the Fund at the end of the relevant fiscal year:¹

- a) Identification of the purposes to which the Developer Fees are to be put;
- b) Demonstration of a reasonable relationship between the Developer Fees and the purposes for which they are charged;
- c) Identification of all sources and amounts of funding anticipated to complete financing of the District's incomplete Projects ("Anticipated Funding"); and
- d) Designation of the approximate dates on which the Anticipated Funding is expected to be deposited into the Fund.

When the Findings are required by Government Code section 66001(d), they shall be made in connection with the Annual Developer Fee Report required by Government Code section 66006, above. Accordingly, the District has combined its Annual Developer Fee Report and the Five-Year Findings into one report to correspond with the information and findings required by statute and in this Resolution.

WHEREAS, Government Code sections 66001(d) and 66006(b)(2) further require that the Annual Developer Fee Report and the proposed Five-Year Findings be made available to the public no later than 180 days after the end of the relevant fiscal year, that the Annual Developer Fee Report information and proposed Findings be reviewed by this Board at its next regularly scheduled board meeting held no earlier than 15 days after such information becomes available to the public, and that notice of the time and place of this meeting (as well as the address and website where the Annual Developer Fee Report and Five Year Findings may be reviewed) be mailed at least 15 days prior to this meeting to anyone who has requested it. Any person may file a written request for mailed notice of the District's Board Meeting to review the Annual Developer Fee Report pursuant to Government Code section 66006(b).

WHEREAS, the Annual Developer Fee Report for the 2023-2024 fiscal year and proposed Five-Year Findings are attached to and supports this Resolution as **Exhibit A** and incorporated by this reference. The Superintendent has informed this Board that the Annual Developer Fee Report and proposed Five Year Findings were made available to the public on **December 20, 2024**, and may be found on the District's website at the following link: <https://www.ttusd.org/departments/facilities-maintenance-operations/developer-fees>. Further, the Superintendent has informed this Board that notice of the time and place of this meeting (as well as the address and website at which this information has been available for review) was posted on the District's website and mailed at least 15 days prior to this meeting to anyone who had requested it.

WHEREAS, pursuant to Government Code section 66006(d), any person may request an audit of the District's Developer Fees pursuant to Government Code section 66023.

¹ Although the Five Year Findings under Section 66001 are only required every five years, in the interest of transparency and consistency, the District strives to provide the information set forth under subpart (d) on an annual basis. The District's legal obligation to provide the information set forth in Government Code section 66001 is only mandated every five years from the date of first deposit into Fund 25 after it was established.

WHEREAS, the District has substantially complied with all of the foregoing provisions, and the Superintendent has informed this Board that there is no new information which would adversely affect the validity of any of the findings made by this Board in its applicable School Facilities Fee Resolutions or the relevant Nexus Studies.

NOW, THEREFORE, BASED ON ALL FINDINGS AND EVIDENCE CONTAINED IN, REFERRED TO, OR INCORPORATED INTO THIS RESOLUTION, THE TAHOE TRUCKEE UNIFIED SCHOOL DISTRICT'S BOARD OF EDUCATION HEREBY, FINDS, RESOLVES, AND DETERMINES:

Section 1. That the foregoing recitals are true, and the Board hereby acknowledges receipt of the Annual Developer Fee Report and Five-Year Findings for the fiscal period ending June 30, 2024, attached here as **Exhibit A** and incorporated by this reference.

Section 2. That, pursuant to Government Code sections 66001(d)(2) and 66006(b)(1) and (2), the District has made available to the public the requisite information and proposed findings concerning collection and expenditure of Developer Fees related to School Facilities for students resulting from new construction or development within the District. Furthermore, pursuant to Government Code sections 66001(d)(2) and 66006(b)(2), the Board has reviewed the combined Report and Findings at a public meeting not less than 15 days after the they were made available to the public and notice was posted on the District's website and mailed as required.

Section 3. That, in accordance with Government Code section 66006(b)(2), this Board has reviewed the Annual Developer Fees Report as set forth in **Exhibit A** and determined that it meets the requirements set forth in Government Code section 66006(b)(1).

Section 4. That, together in conjunction of its review and consideration of the combined Report and Findings, the Board has reviewed and considered the District's School Facilities Fee Resolutions, the current and past Nexus Studies, the prior Annual Developer Fee Reports and Five-Year Findings, including the Report & Findings from fiscal year 2022-2023 and its approval by the Board on January 17, 2024 ("Prior Report"), the Master Plan, and the findings set forth therein, respectively, and hereby reasserts said findings. The School Facilities Fee Resolutions, the Nexus Studies, the Prior Report, and the Master Plan are incorporated herein by reference.

Section 5. That the collection of the Developer Fees is essential to provide necessary public school facilities to serve residential and commercial/industrial development projects, and is necessary to avoid, substantially lessen, or otherwise mitigate impacts of such projects under the California Environmental Quality Act (Pub. Res. Code, section 21000, et seq.). Moreover, the Board reaffirms its findings that the fee studies and adopting School Facilities Fee Resolutions establish the requisite reasonable relationship (essential nexus) and rough proportionality between the purpose, need for, and use of the Developer Fees and the impact of development constructed within the District's boundaries in accordance with applicable law as more specifically set forth therein, and as set forth in the combined Report and Findings.

Section 6. That, in accordance with Government Code section 66001(d), the District's proposed Five-Year Findings as set forth in **Exhibit A** contain the requisite findings and are made in connection with the public information set forth in the Annual Developer Fees Report, and are based upon the requisite information and findings provided in the School Facilities Fee Resolutions and the relevant Nexus Studies.

Section 7. That the Board hereby determines that all Developer Fees, collections, and expenditures have been received, deposited, invested, expended, and reported in compliance with the relevant sections of the Government Code and all other applicable laws.

Section 8. That the unexpended amounts currently held in the Fund are either encumbered for projects and debt service payments already approved by the Board or will be needed for projects already identified in the District’s budget, Annual Reports and Findings, and/or long range facilities master planning documents (including, without limitation, the Master Plan) and as otherwise justified by the Nexus Studies and adopted by the School Facilities Fee Resolutions.

Section 9. The Board hereby determines that, because all of the findings required by Government Code section 66001(d) have been made with respect to the Developer Fees that were levied as more specifically set forth in **Exhibit A**, the District is not required to refund any monies in the Fund as provided in Government Code section 66001(e).

Section 10. That the Board hereby determines that the District is in compliance with Government Code section 66000, *et seq.*, relative to receipt, deposit, investment, expenditure, reporting, or refund of Developer Fees received and expended relative to School Facilities for students generated from new development and as otherwise justified by the Nexus Studies.

Section 11. That the Board hereby approves and adopts the attached Annual Developer Fees Report and Five-Year Findings for the fiscal year ending June 30, 2024.

Section 12. That the Board further directs and authorizes the Superintendent or designee to take on its behalf such further action as may be necessary and appropriate to effectuate this Resolution.

Section 13. That the findings and information adopted via this Resolution shall take effect immediately upon such adoption.

APPROVED, ADOPTED, AND SIGNED, this 8th day of January, 2025, with the following votes:

AYES:
NOES:
ABSTAIN:
ABSENT:

President of the Board of Education
Tahoe Truckee Unified School District

ATTEST:

Clerk of the Board of Education
Tahoe Truckee Unified School District

EXHIBIT A

Proposed Annual Developer Fee Report and Five-Year Findings

[Behind this Cover Sheet]

TAHOE TRUCKEE UNIFIED SCHOOL DISTRICT

ANNUAL DEVELOPER FEE REPORT AND FIVE-YEAR DEVELOPER FEE FINDINGS FOR THE 2023 – 2024 FISCAL YEAR

Government Code Sections 66006 and 66001 provide that the District shall make available to the public certain information and adopt prescribed findings relative to school facility fees adopted pursuant to Education Code Section 17620 and Government Code Sections 65995 (“Level 1 Fees” and “Commercial/Industrial Fees” are collectively, “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 for the Tahoe Truckee Unified School District (“District”) 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.

I. Annual Accounting of Developer Fees for Fiscal Year 2023 - 2024 Pursuant to Government Code Section 66006

A. Brief description of the type of fee in account or fund.

Fees collected during Fiscal Year 2023-24 were Statutory School Facility Fees, authorized by Government Code Sections 65995 et seq. and Education Code Sections 17620 et seq.. This does not include fees levied on residential construction pursuant to Mutual Benefit Agreements (“MBA”) established between the District and developers. MBA fees are covered in Section II of this report.

B. Amount of fee.

Statutory School Facility Fees were assessed at a Level 1 fee rate of \$3.69 per square foot for each new residential development and up to \$0.61 per square foot for new commercial industrial development, except for the following commercial/industrial development categories: 1) The lodging category is charged a rate of \$0.26 per square foot, 2) The industrial parks category is charged a rate of \$0.38 per square foot, 3) The community shopping centers category is charged a rate of \$0.40 per square foot, 4) The restaurant category is charged a rate of \$0.59 per square foot and 4) the rental self-storage category is charged a rate of \$0.01 per square foot.¹

¹ Effective 60 days after March 7, 2018, when these Level 1 fee rates were adopted by the Board pursuant to the findings and information in the “Developer Fee Justification Study,” via Resolution No. 21-2017-2018 To Increase Level 1 Residential & Commercial/Industrial Developer Fees for School Facilities.

C. Beginning and ending balance of the account or fund, 2023 - 2024.

<u>Account Number</u>	<u>Beginning Balance</u>	<u>Ending Balance</u>
#25 – Developer Fees	\$2,981,267.75	\$2,639,430.91

D. Amount of fees collected, interest earned, and expenditures, 2023 - 2024.

Fund #25: Developer Fee Fund 2023 - 2024

Statutory Fees Collected	\$1,651,273.81
Interest Accrued	\$168,197.72
FMV Adjustment:	\$119,266
Transfers In	\$0.00
Expenditures ²	(\$2,280,574.37)
Annual Balance	(\$341,836.84)

E. Identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement.

2023 – 2024 DEVELOPER FEE EXPENDITURES

Project Expenditures	2023 - 2024 Expenditures	% of Project Funded with Reportable Fees
Developer Fee Administration (3%)	\$49,538.21	100%
2019 COP Debt Service	\$1,814,458.97	100%
State School Facility Program Management	\$17,230.00	100%
Bond Administration-Continuing Disclosure	\$8,975.00	100%
Facilities Master Planning/Project Planning	\$385,928.26	100%
Kings Beach Lot Lease	\$4,443.93	100%
Total	\$2,280,574.37	NA

In September 2019, the District issued \$40 million in Certificates of Participation (“COPs”) to supplement funding for capital improvements associated with the Measure E and Measure U Bond Programs for the construction/reconstruction of school facilities to accommodate new

² See Detailed list of developer fee expenditures on next page.

student enrollment. Funding will support improvements at: Tahoe Lake Elementary School, Kings Beach Elementary School, Truckee Elementary School, Truckee High School, and North Tahoe School/High School. Developer Fees will be used to finance the annual debt service for the COPs.

In 2021 – 2022 the District conducted a formal Request for Qualifications/Proposal process to select a consultant to update the Tahoe Truckee Unified School District Facilities Master Plan. Lionakis, an architectural firm in Sacramento, was selected to prepare this update. Over the course of 2022 – 2023 and 2023 - 2024, Lionakis conducted internal and community meetings, evaluated existing facilities and made recommendations for future facility needs in the District, which will inform the District’s construction/reconstruction projects to accommodate new student enrollment. The Facilities Master Plan was adopted by the District’s Board of Education on March 20, 2024.

F. Approximate and Actual Construction Commencement Dates:

- (i) Identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement,**

The District has not collected sufficient funds to complete financing on an incomplete public improvement including projects identified in the Facilities Master Plan.

- (ii) An identification of each public improvement identified in a previous report, pursuant to paragraph (a) above, and whether construction began on the approximate date noted in the previous report.**

The District’s Report for FY 22-23 did not identify any public improvements for which it had completed financing pursuant to clause (i) above.

- (iii) For a project identified in a previous report, pursuant to paragraph (b) above, for which construction did not commence by the approximate date provided in the previous report, the reason for the delay and a revised approximate date that the local agency will commence construction.**

The District’s Report for FY 22-23 did not identify any public improvements for which it had completed financing pursuant to clause (i) above.

G. Description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.

There were no interfund transfers or loans made this past fiscal year.

H. Amount of refunds made pursuant to subdivision (e) of Section 66001, the number of persons or entities identified to receive those refunds, and any allocations pursuant to subdivision (f) of Section 66001.

There were no refunds or allocations made pursuant to these statutes.

II. Annual Accounting of MBA Fees for Fiscal Year 2023 - 2024

MBA fees are collected in lieu of statutory fees and are not considered reportable fees under Government Code Section 66006. The District collects and accounts for MBA fees separately from the statutory fees. Although the District is not required to report these fees, we have included an annual summary of MBA fees below.

2023 - 2024 MUTUAL BENEFIT AGREEMENT FEES SUMMARY

Beginning Balance	\$	1,911,822.22
Revenues		
2023 - 2024 MBA Fees Collected	\$	90,377.53
Project Expenditures		
	\$	(275,696.90)
Ending Balance	\$	1,726,502.85

[FIVE-YEAR FINDINGS ON NEXT PAGE.]

III. Five (5) Year Findings

As required by Government Code section 66001(d), this portion of the report makes the required five (5)-year findings with respect to developer fees in Fund 25 that remain unexpended, whether committed or uncommitted:

A. **Identify the purpose to which the fee is to be put:**

See Five-Year Findings Table, Column A, below.

B. **Demonstrate a reasonable relationship between the fee and the purpose for which it is charged:**

See Five-Year Findings Table, Column B, below.

C. **Identify all sources and amounts of funding anticipated to complete financing in incomplete public improvements identified, if any:**

See Five-Year Findings Table, Columns C1 and C2, below.

D. **Designate the approximate dates on which the funding referred to in subparagraph (C), above, is expected to be deposited into the appropriate account or fund:**

See Five-Year Findings Table, Column D, below.

[FIVE-YEAR FINDINGS CONTINUE ON NEXT PAGE.]

FIVE-YEAR FINDINGS TABLE

COLUMN A:	COLUMN B:	COLUMN C1:	COLUMN C2:	COLUMN D:
PROJECTS	REASONABLE RELATIONSHIP TO FEE	SOURCES OF FUNDING	AMOUNTS OF FUNDING	APPROXIMATE DATE(S) FUNDS WILL BE DEPOSITED
<p>2019 COP Debt Service In 2019 the District issued COPS for the Modernization and New Construction of Kings Beach Elementary School, Tahoe Lake Elementary School and North Tahoe Middle/High School.</p>	<p>To accommodate student growth generated from construction and development within the District, to address the increased demand on facilities from construction and new developments, and is necessary to maintain existing levels of service; See relevant nexus studies for additional findings and information.</p>	<p>Developer Fees 100%</p>	<p>Developer Fees \$33,410,600</p>	<p>Developer Fees 06/01/2043</p>
<p>Portable Removal and Classroom Addition at Glenshire Elementary School</p>	<p>To accommodate student growth generated from construction and development within the District, to address the increased demand on facilities from construction and new developments, and is necessary to maintain existing levels of service; See relevant nexus studies for additional findings and information.</p>	<p>Developer Fees 5% Future GO Bond Measure 95%</p>	<p>Developer Fees \$1,856,878 Future Bond \$35,280,679 Approximate Project Total: \$37,137,557</p>	<p>Developer Fees 06/01/2030 Future Bond 06/01/2029</p>
<p>Portable Removal and Classroom Addition at Alder Creek Middle School</p>	<p>To accommodate student growth generated from construction and development within the District, to address the increased demand on facilities from construction and new developments, and is necessary to maintain existing levels of service; See relevant nexus studies for additional findings and information.</p>	<p>Developer Fees 1% Future GO Bond Measure 99%</p>	<p>Developer Fees \$500,000 Future Bond \$55,951,063 Approximate Project Total: \$56,451,063</p>	<p>Developer Fees 06/01/2030 Future Bond 06/01/2029</p>