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## Memo

**To** Measures B, J, and Y Independent Citizens’ School Facilities Bond Oversight Committee

**From** Michael Ezeh, Director Program Accounting

**Board Meeting Date** February 10, 2025

**Subject** Fiscal Year 20234/24 Annual Developer Fee Report.

**Action Requested** Acceptance

**Discussion** Government Code Sections 66001(d)(1) and 66006(b) requires that a local agency that imposes and collects fees in connection with the approval of a development project should within 180 days after the last day of each fiscal year, make available to the public information on the fees for the fiscal year. For the fifth year following the first deposit into the developer fee fund, and every five years thereafter, the local agency shall furnish a report with respect to that portion on the fund remaining unexpended, whether committed or uncommitted.

Staff have prepared a memo to present an annual report as required by the California statute.

**Recommendation** NA

**Fiscal Impact** None

**Attachments** Annual and Five-year Developer Report for 2023 - 2024

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# ***OAKLAND UNIFIED SCHOOL DISTRICT***

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***Annual and Five-Year Developer Fee  
Report for the 2023/2024 Fiscal Year***

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***December 5, 2024***

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## **INTRODUCTION**

In compliance with the reporting requirements of Sections 66001(d)(1) and 66006(b) of the Government Code, Oakland Unified School District hereby presents the following information for the 2023/2024 fiscal year.

Sections 66001(d)(1) and 66006(b) requires that a local agency that imposes and collects fees in connection with the approval of a development project should within 180 days after the last day of each fiscal year, make available to the public information on the fees for the fiscal year. For the fifth year following the first deposit into the developer fee fund, and every five years thereafter, the local agency shall furnish a report with respect to that portion on the fund remaining unexpended, whether committed or uncommitted.

The school district is required to provide under the Government code the following information on reportable fees for the prior fiscal year.

- a) The amount of the fees collected, and the interest earned
- b) The beginning and the ending balance of the capital facility fund.
- c) An identification of each public improvement on which fees were expended and the amount of the expenditure on each improvement, including the total percentage of the cost of the public improvement that that was funded with fees.
- d) With the recent passage of AB516, an LEA is required to inform entities paying the fee of (i) Their right to request an audit pursuant to GC 66023 and (ii) The entity's right to file a written request for a mailed notice of the school district's meeting to review the annual report.

### **I. ANNUAL ACCOUNTING FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

#### **A. Description of the Type of Fees**

The developer fees represent school impact fees, known as Level 1 fees, collected on behalf of the District by the City of Oakland, Planning & Building Department – Bureau of Building for construction development activity.

#### **B. The Amount of Fees**

Following the adoption of the District Board Resolution No. 2021-0253 on August 11, 2021, the level 1 fee imposed on new residential and commercial development projects was increased as follows:

- a. \$4.08 per square foot of assessable space for new residential construction, including new residential projects, manufactured homes and mobile homes as authorized under Education

Code Section 17625, and including residential construction or reconstruction other than new construction where such construction or reconstruction results in an increase of assessable space, as defined in Government Code Section 65995, in excess of five hundred (500) square feet.

- b. \$0.66 per square foot of assessable space, for new residential construction used exclusively for the housing of senior citizens, as described in Section 51.3 of the Civil Code or as described in subdivision (k) of Section 1596.2 of the Health and Safety Code or a multi-level facility as described in paragraph 9 of subdivision (d) of Government Code Section 15432, or any mobile home or manufactured home that is located within a mobile home park, subdivision, cooperative or condominium for mobile homes limited to older persons as defined by the Federal Fair Housing Amendments Act of 1988.

**C. Financial Summary**

Beginning Fund Balance as of July 1, 2023	\$ 20,233,439
Developer Fees	\$ 2,379,693
Interest Earned	\$ 897,718
Expenditures	(\$1,742,609)
Adjustments	\$ 0
Ending Fund Balance as of June 30, 2024	<b><u>\$ 21,768,241</u></b>

**D. Public Improvements on which fees were expended:**

<b>Public Improvement Project</b>	<b>Developer Fees Expenses</b>	<b>Other Funds Expenses</b>	<b>Total Fiscal Year Expenses</b>	<b>Percentage Funded with Developer Fees</b>
Various Fire & Intrusion Alarm	\$407,544	\$262,888	\$ 670,432	61 %
Madison Expansion	\$ 540,700	\$ 779,935	\$ 1,320,635	41 %

**E. Approximate Date by Which Incomplete Projects Will Commence**

At the close of fiscal year 2023/2024, the district has determined that it will have sufficient funds to supplement the financing of the following projects in fiscal year 2024/2025.

<b>Project</b>	<b>Estimated Commencement Date</b>
Various Fire & Intrusion Alarm	Ongoing
Madison Expansion	Ongoing

**E. Description of Inter-fund Transfers or Loans made from the Account.**

There were no loans made during this period.

**F. Refunds**

Pursuant to subdivision (e) of Section 66001, a refund of \$794,365 was made during this period. With AB816 and pursuant to GC 66006(d). The following individuals were reimbursed:

- 1) Carlos Arrigga \$ 1,23.84
- 2) MBO Developer LLC \$ 784,757.33
- 3) Gerald Williams \$ 7,984.41

**II. FIFTH YEAR ACCOUNTING FOR THE FISCAL YEAR ENDED - JUNE 30, 2024.**

Government Code 66001 requires that for the fifth fiscal year and following the first deposit into the account or fund, and every five years thereafter, the local agency shall make all the following findings with respect to that portion of the account or fund remaining unexpended, whether committed or uncommitted.

**A. Purpose for fee**

The fees were collected to provide adequate school facilities for the students generated because of residential and commercial/industrial development in the district. The fees are to be used to finance the construction and reconstruction of school facilities, or to purchase or lease interim school facilities pending the construction of permanent facilities or to purchase or lease land for school facilities.

**B. Relationship between the Fee and the Purpose for which it is Charged**

There is a reasonable relationship between the projects upon which the fees are charged and the need for the construction or reconstruction of school facilities. Future residential development will cause new families to move into the District and consequently will increase the student population in the District and consequently the District’s need to house them. Commercial/industrial development will also attract additional workers to the District. Because some of those workers will have school-age children, commercial development will generate additional students in the District. As explained in the 2021 School Facility Fee Justification Report, adequate school facilities do not exist for these students. In order to provide facilities for students from future developments, the District plans to direct sustainable and efficient use of resources in support of full service community schools, facility modernizations and seismic safety upgrades throughout the District.

**C. Sources and Amounts of Funding Anticipated to Complete Financing of Incomplete Improvements**

<b>Project</b>	<b>Reportable Fees</b>	<b>Bond Funds</b>
Madison Park Middle School Expansion	\$ 404,771	\$400,722
Glenview Elementary School Replacement	\$ 3,705	\$ 135,458
Fremont High School Replacement	\$ 70,313	\$ 4,316,731
Fire & Intrusion Alarm Projects	\$ 5,690,807	\$1,852,770
Ralph Bunche Culinary Kitchen	\$290,001	0

**D. Approximate Dates on Which the Funding Referred to in Section II(C) is Expected to be Available**

<b>Project</b>	<b>Reportable Fees</b>	<b>Bond Funds</b>
Madison Park Middle School Expansion	Funds Available	Funds Available
Glenview Elementary School Replacement	Funds Available	Funds Available
Fremont High School Replacement	Funds Available	Funds Available
Fire & Intrusion Alarm Projects	Funds Available	Funds Available
Ralph Bunche Culinary Kitchen	Funds Available	Funds Available

**OAKLAND UNIFIED SCHOOL DISTRICT CAPITAL IMPROVEMENT PROGRAM**  
**FUND 25 - DEVELOPER FEES & RE-DEVELOPMENT FEES.** 6/30/2024

	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24
Beginning Fund Balance	\$ 18,063,469	\$ 5,464,801	\$ 10,819,592	\$ 17,007,387	\$ 20,233,439
Total Revenue	\$ 3,878,241	\$ 5,919,350	\$ 6,743,263	\$ 3,546,695	\$ 3,277,411
Total Expense	\$ (16,476,910)	\$ (643,439)	\$ (76,526)	\$ (320,644)	\$ (1,742,609)
Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Fund Balance	\$ 5,464,801	\$ 10,740,713	\$ 17,486,329	\$ 20,233,439	\$ 21,768,241

Project	Project Number	FY 2019/2020 Expenditure	FY 2020/2021 Expenditure	FY 2021/2022 Expenditure	FY 2022/2023 Expenditure	FY 2023/2024 Expenditure	Cumulative Expenditure 6/30/2024
Bella Vista CDC Fire & Intrusion Alarm	21104	\$ -	\$ 2,475	\$ 16,335		\$ 60,066	\$ 78,876
Community School for Creative Education Fire Alarm	21101					\$ 43,648	\$ 43,648
Community School for Creative Education Intrusion Alarm	23131					\$ 20,200	\$ 20,200
East Oakland Pride Fire Alarm	15110					\$ 165,355	\$ 165,355
City of Oakland - Developer Fee Refund	N/A				\$ 1,444	\$ 794,365	\$ 795,810
Facilities & shops @955 High St. Fire & Intrusion alarm	21106					\$ 98,601	\$ 98,601
Fremont HS Replacement	13158	\$ 272,150		\$ 14,351	\$ 40,180		\$ 326,681
Glenview ES Renovation	13134	\$ 9,996,295					\$ 9,996,295
Hintil Kuu CDC Fire & Intrusion Alarm	21105					\$ 1,124	\$ 1,124
Madison Expansion	13124	\$ 6,197,544	\$ 639,074		\$ 750	\$ 540,700	\$ 7,378,068
MLK Fire & Intrusion Alarm	15111					\$ 18,550	\$ 18,550
Oakland Int'l Intrusion Alarm	21103			\$ 14,098	\$ 140,792		\$ 154,890
Ralph Bunche CTE Culinary Kitchen	17114	\$ 10,921					\$ 10,921
Westlake MS Intrusion Alarm	21102	\$ -	\$ 1,890	\$ 31,116	\$ 137,478		\$ 170,484
Facilities Operation Expense	N/A	\$ -		\$ 625			\$ 625
<b>Total</b>		\$ 16,476,910	\$ 643,439	\$ 76,526	\$ 320,644	\$ 1,742,609	\$ 19,260,127