

**RESOLUTION NO. 23-016 OF THE GOVERNING BOARD OF THE  
BERKELEY UNIFIED SCHOOL DISTRICT  
REGARDING ACCOUNTING OF DEVELOPMENT FEES  
(ANNUAL DEVELOPER FEE REPORT & FIVE-YEAR FINDINGS)  
FOR 2021-2022 FISCAL YEAR  
IN THE FOLLOWING FUND OR ACCOUNT:**

Fund 25, Capital Facilities Fund  
(Government Code sections 66001(d) & 66006(b))

1. **Authority and Reasons for Adopting this Resolution.**

- A. Berkeley Unified School District (“District”) has levied statutory and/or other fees imposed on new development (“Developer Fees”) pursuant to various resolutions, including, without limitation, Resolution No. 21-016, dated December 9, 2020, Resolution No.22-021, dated November 30, 2021, which are collectively referred to herein as the “School Facilities Fee Resolutions” and are hereby incorporated by reference into this Resolution. These resolutions were adopted under the authority of Education Code section 17620, *et seq.* and Government Code section 65995, *et seq.*
- B. The District has received and expended Developer Fees in fiscal year 2021-2022 in connection with school facilities (“School Facilities”) of the District.
- C. 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 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.
- D. 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 the fiscal year:
  - (i) A brief description of the type of Developer Fees in the Fund;
  - (ii) The amount(s) of the Developer Fee(s);
  - (iii) The beginning and ending balance of the Fund;
  - (iv) The amount of the Developer Fees collected and the interest earned;
  - (v) 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;

- (vi) 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;
- (vii) 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
- (viii) The amount of refunds made pursuant to Government Code section 66001(e) and any allocations made pursuant to Government Code section 66001(f).

E. Furthermore, 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 2021-2022 fiscal year:

- (i) Identification of the purposes to which the Developer Fees are to be put;
- (ii) Demonstration of a reasonable relationship between the Developer Fees and the purposes for which they are charged;
- (iii) Identification of all sources and amounts of funding anticipated to complete financing of the District’s incomplete Projects (“Anticipated Funding”); and
- (iv) 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.

F. Government Code sections 66001(d) and 66006(b)(2) further require that the Annual Developer Fee Report and the proposed Five-Year Developer Fee Findings be made available to the public no later than December 28, 2022, 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 where the Annual Developer Fee Report and proposed Findings may be reviewed) be mailed at least 15 days prior to this meeting to anyone who has requested it.

- G. The Annual Developer Fee Report for the 2021-2022 fiscal year and proposed Five-Year Developer Fee Findings are attached hereto as **Exhibit "A"** and incorporated herein. The Superintendent has informed this Board that the Annual Developer Fee Report and proposed Findings, along with a draft copy of this Resolution, were made available to the public on December 21, 2022. The Superintendent has further informed this Board that notice of the time and place of this meeting (as well as the address at which this information has been available for review) was mailed at least 15 days prior to this meeting to anyone who had requested it.
- H. The District has substantially complied with all of the foregoing provisions.
- I. The Superintendent has also 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.

## 2. **What This Resolution Does.**

This Resolution makes various findings and takes various actions regarding the Fund, including the approval and adoption of the 2021-2022 Annual Developer Fee Report and Five-Year Developer Fee Findings, as required by and in accordance with Government Code sections 66001(d) and 66006(b).

NOW, THEREFORE, BASED ON ALL FINDINGS AND EVIDENCE CONTAINED IN, REFERRED TO, OR INCORPORATED INTO THIS RESOLUTION, AS WELL AS THE EVIDENCE PRESENTED TO THIS BOARD AT THIS MEETING, THE BERKELEY UNIFIED SCHOOL DISTRICT'S BOARD OF EDUCATION HEREBY, FINDS, RESOLVES, DETERMINES, AND ORDERS AS FOLLOWS:

Section 1: That the foregoing recitals are true.

Section 2: That, pursuant to Government Code sections 66001(d) 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 development within the District. Furthermore, pursuant to Government Code sections 66001(d)(2) and 66006(b)(2), the Board has reviewed the Developer Fees Report and proposed Findings at a public meeting not less than 15 days after the Developer Fees Report and proposed Findings were made available to the public and notice was mailed as required.

Section 3: That, in accordance with Government Code section 66006(b)(2), this Board has reviewed the 2021-2022 Annual Developer Fees Report as contained in Exhibit A (attached hereto and incorporated herein) and determined that it meets the requirements set forth in Government Code section 66006(b)(1).

Section 4: That, in accordance with Government Code section 66001(d), the District's proposed Five-Year Developer Fee Findings as set forth in Exhibit A (attached hereto and incorporated herein) contain the requisite findings and are made in connection with the public information set forth in the Annual Developer Fees Report.

Section 5: 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 6: The Board hereby determines that, because all of the findings required by Government Code section 66001(d) have been made with respect to the fees that were levied as more specifically set forth in Exhibit A, the District is not required to refund any moneys in the Fund as provided in Government Code section 66001(e).

Section 7: 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.

Section 9: That the Board hereby approves and adopts the attached 2021-2022 Annual Developer Fees Report and Five-Year Developer Fee Findings.

Section 10: The Board further directs and authorizes the Superintendent to take on its behalf such further action as may be necessary and appropriate to effectuate this Resolution.

**Certificate of Resolution.**

I, \_\_\_\_\_, \_\_\_\_\_ of the Governing Board of the Berkeley Unified School District of Contra Costa County, State of California, certify that this Resolution proposed by \_\_\_\_\_, seconded by \_\_\_\_\_, was duly passed, approved, and adopted by the Board, at an official and public meeting this \_\_\_\_\_ day of \_\_\_\_\_, 2023, by the following vote:

AYES:

NOES:

ABSENT:



***EXHIBIT A***

**BERKELEY UNIFIED SCHOOL DISTRICT'S 2021-2022  
ANNUAL DEVELOPER FEE REPORT AND FIVE –YEAR  
DEVELOPER FEE FINDINGS  
(Government Code §§ 66001 & 66006)  
2021-22 FISCAL YEAR**

**I. Annual Developer Fee Report**

The fee amounts reported were authorized by the District's Board of Education.<sup>1</sup> The fees partially mitigate the impact caused by residential and commercial/industrial development and do not adequately fund the school facilities necessary to accommodate student growth.

Each of the capitalized letters A-H below, correspond to the specific letter and portion of Government Code section 66006(b)(1):

A. FEES COLLECTED IN FUND 25 (CAPITAL FACILITIES FUND) - A brief description of the types of Developer Fees in the Fund:

- (1) Level 1 Developer Fees
  - Commercial/industrial development
  - Senior Housing
  
  - new residential development
  - residential additions, remodels, expansions, reconstruction

B. AMOUNT OF FEE – The amount of the Developer Fees for the 2021-2022 fiscal year:

<b>Type of Fee Collected</b>	<b>Amount of Fee (\$3.48/sf) for Residential and .56/sf for Commercial and Senior Housing</b>
<i>Effective Date:</i>	June 8, 2017
Level 1 – Residential	\$1,627,214.85
Level 1 – Commercial/Industrial	\$ 1,043.84
Level 1 – Senior Housing	\$43,261.88

C. BEGINNING & ENDING FUND BALANCE FOR FISCAL YEAR 2021-2022:

July 1, 2021 Beginning Fund Balance:	\$3,638,992.78
June 30, 2022 Ending Fund Balance:	\$5,150,076.89

<sup>1</sup> See Resolution No, 17-081, dated February 8, 2017.

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D. REVENUE – The amount of the Developer Fees collected and the interest earned for the 2021-2022 fiscal year:

Amount of fees collected (gross):	\$1,671,520.27
Interest earned:	\$31,380.55
<b>TOTAL REVENUE (GROSS):</b>	<b>\$1,702,900.82</b>

E. EXPENDITURES – Projects on which Developer Fees were expended during the 2021-2022 fiscal year 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:

<b>Project</b>	<b>Amount Expended in 2021-2022 Fiscal Year</b>	<b>% Funded with Developer Fees</b>
Other Indirect & Support Services: Developer Fee and Legal Support	\$4,201.93	100%
Outdoor Learning Project: Outdoor learning area construction to accommodate additional classroom space, facilitate outdoor learning, and maintain existing levels of service	\$37,614.78	100%
Berkeley High School Community Theater	\$150,000	5%
<b>TOTAL EXPENDITURES:</b>	<b>\$191,816.71</b>	<b>100%</b>

\*(Ed. Code, §17620(a)(5))

F. **INCOMPLETE PROJECTS FUNDED WITH DEVELOPER FEE REVENUES**– Incomplete Projects for which sufficient funds have been collected (as of the end of the 2021-2022 Fiscal Year) to complete financing of the Project, and the approximate date by which construction of the Project will commence:

Developer Fees are utilized for new classroom spaces created in the Berkeley Community Theater. The District expects to utilize fund 25 for the future classroom spaces added with the modernization of Sylvia Mendez Elementary School.

In approximately 2022, the District also intends to gather all relevant data and contract with a consultant to prepare an updated Developer Fee Justification Study that coincides with the State Allocation Board’s 2023 biennial adjustment to the amount of Level 1 residential and commercial/industrial Developer Fees, which typically occurs every other year at the SAB’s January meeting.

G. **INTERFUND TRANSFERS & LOANS** – Description of each interfund transfer or loan made to and/or from the Fund for the 2021-2022 fiscal year:

<b>Amount of Interfund Transfer or Loan</b>	<b>Project that Transferred or Loaned Fees Expended on</b>	<b>Date Loan to be Repaid on (Loans Only)</b>	<b>Rate of Interest on Loan (Loans Only)</b>
No Interfund Transfers or Loans were made			

H. **REFUNDS & ALLOCATIONS** – The amount of refunds made pursuant to Government Code section 66001(e) and allocations made pursuant to Government Code section 66001(f) for the 2021-2022 fiscal year:

Refunds Made:	“N/A”
Allocations Made: Berkeley Community Theater	\$3,000,000

## II. Five-Year Developer Fee Findings

The following findings are made in connection with the public information set forth in the District’s 2021-2022 Annual Developer Fee Report.

A. **PURPOSE TO WHICH DEVELOPER FEE IS TO BE PUT (Gov. Code, §66001(d)(1)(A)):** With respect to only that portion of the Developer Fees Fund remaining unexpended at the end of the 2021-2022 fiscal year, the purpose of the Developer Fees is to finance the construction or reconstruction, including refurbishment, of School Facilities necessary to accommodate student population growth resulting from development, cover costs attributable to the increased demand for School Facilities reasonably related to new development and necessary to maintain existing levels of service, and reduce overcrowding caused by the development on which the fees were levied. As necessary, the fees will be used to provide interim housing for children generated by new development and for other school-related considerations relating to the District’s ability to accommodate enrollment growth generated from new development as permitted by law. Likewise, fees will also be used for other indirect and support services related to construction and reconstruction of School Facilities necessitated by growth resulting from new development. Projects (and other school-related considerations) include, without limitation, the following:

<b>Project</b>	<b>Estimated Cost</b>
1. Berkeley Community Theater	\$2,850,000

Note: The District has commissioned site facility condition assessments, site master planning, and a district-wide, comprehensive master facilities plan, which will also include a plan for funding the District’s long-term facility needs. These documents will include lists of recommended projects, in order of need and priority.

**B. REASONABLE RELATIONSHIP BETWEEN DEVELOPER FEE & PURPOSE (Gov. Code, §66001(d)(1)(B)):** There is a reasonable relationship between the Developer Fees charged for residential and commercial/industrial development and the purposes for which they will be expended, as described in Paragraph A, in that the students that are generated by residential and commercial/industrial development will be accommodated by the School Facilities for which the Developer Fees are expended. The District is currently over capacity and does not have any excess capacity to house students in its current facilities, does not have adequate facilities to accommodate students from new development, and thus there is a reasonable relationship between the Developer Fees charged and the need for construction and reconstruction, including refurbishment, of School Facilities. The Developer Fees collected do not exceed the cost of accommodating students generated by development. Rather, the Developer Fees only partially mitigate the impact caused by residential and commercial/industrial development and do not adequately fund the School Facilities necessary to accommodate student growth.

**C. ANTICIPATED SOURCES & AMOUNTS OF FUNDING TO COMPLETE FINANCING OF INCOMPLETE PROJECTS (Gov. Code, §66001(d)(1)(C)):** With respect to only that portion of the Developer Fees Fund remaining unexpended at the end of the 2021-2022 fiscal year, the sources and amounts of Anticipated Funding to complete financing of any incomplete improvements identified in Paragraph A are as follows:

<b>Anticipated Source of Funding</b>	<b>Anticipated Amount of Funding</b>
1. State Funding Program Funds	\$27,999,580
2. Measure G General Obligation Bond Proceeds (\$ in Possession of District)	\$70,000,000
3. Developer Fees	\$1,000,000
Total Anticipated Funding:	\$98,999,580

**D. APPROXIMATE DATE THAT ANTICIPATED FUNDING IS EXPECTED (Gov. Code, §66001(d)(1)(D)):** With respect to only that portion of the Developer Fees Fund remaining unexpended at the end of the 2021-2022 fiscal year, the following are the approximate dates on which the Anticipated Funding referred to in Paragraph C above is expected to be deposited into the Fund:

<b>Anticipated Source of Funding</b>	<b>Approximate Dates Funding Expected</b>
1. State Eligibility Funding Received	July 2022
2. Measure G General Obligation Bond Proceeds (\$ in Possession of District)	November 2020
3. Developer Fees	June 2023