

CLIENT NEWS BRIEF

State Allocation Board Adopts Developer Fee Increases For 2020

The State Allocation Board (SAB) has increased the amount of "Level 1" developer fees that school districts are authorized to collect to \$4.08 per square foot of residential development and \$0.66 per square foot of commercial development. The increase takes effect immediately, and may now be implemented by school districts through local action.

The new rates, which the SAB approved on January 22, 2020, represent a 7.64 percent increase over the maximum amounts authorized as of February 2018. The SAB based its increase on the RS Means cost index for Class B construction.

Government Code section 65995 authorizes the SAB to increase the amount of Level 1 developer fees that school districts are authorized to collect at the SAB's January meeting in every even-numbered year. The SAB increase does not affect "Level 2" developer fees, which a school district must adopt annually based on its own school facilities needs analysis. The change also does not affect "Level 3" fees, which school districts may only collect when the SAB certifies that state funds for new school facility construction are no longer available.

Assembly Bill (AB) 48, adopted last year, includes provisions that would result in reduction of certain developer fees for school districts. AB 48 is entirely conditioned on voter approval of Proposition 13, a statewide school bond measure on the March 2020 ballot. Thus, passage of Proposition 13 may change the above fee amounts for multifamily housing development. Lozano Smith's Client News Brief on Assembly Bill 48 can be found [here](#).

Based on this and other legal developments, Lozano Smith is preparing an update for the firm's publication, **Developer Fee Handbook for School Facilities: A User's Guide to Qualifying for, Imposing, Increasing, Collecting, Using and Accounting for School Impact Fees in California** and current subscribers can purchase these updates for a nominal fee. The handbook is intended to help school districts reduce their legal costs by providing comprehensive information regarding California law and process for school impact fees. The handbook contains procedures, timelines, checklists, and forms to be used when adopting and implementing fees and/or increases.

Lozano Smith is making the handbook available at a cost of \$100 to public school districts that are also clients of Lozano Smith. The handbook will be available to non-client public school districts at a cost of \$200. Non-public agencies can purchase the handbook at the full price of \$300. Districts wanting a second or replacement copy may request one for \$75. School districts may order the

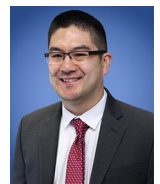
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handbook [here](#). For more information on the Developer Fee Handbook, or to order a copy, you may also contact our Client Services department at clientservices@lozanosmith.com or call (800) 445-9430.

If you have any questions regarding the adoption or implementation of fee increases or any other developer fee issue, please contact an attorney at one of our [eight offices](#) located statewide. You can also subscribe to our [podcast](#), follow us on [Facebook](#), [Twitter](#) and [LinkedIn](#) or download our [mobile app](#).

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