



DUBLIN UNIFIED SCHOOL DISTRICT
SCHOOL FEE JUSTIFICATION STUDY

June 2, 2016

KOPPEL & GRUBER
PUBLIC FINANCE

334 VIA VERA CRUZ, SUITE 256
SAN MARCOS
CALIFORNIA 92078

T. 760.510.0290
F. 760.510.0288

TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
SECTION I. INTRODUCTION	4
A. PURPOSE OF THE STUDY	4
B. GENERAL DESCRIPTION OF THE SCHOOL DISTRICT	4
SECTION II. LEGISLATION AND LEGAL REQUIREMENTS.....	5
SECTION III. PROJECTED UNHOUSED STUDENTS AND FACILITY REQUIREMENTS	7
A. SCHOOL DISTRICT CAPACITY AND CURRENT STUDENT ENROLLMENT	7
B. PROJECTED UNHOUSED STUDENTS.....	8
C. NEW FACILITY COSTS AND ESTIMATED PER STUDENT COST	10
SECTION IV. PROJECTED IMPACT OF RESIDENTIAL DEVELOPMENT.....	12
SECTION V. COMMERCIAL/INDUSTRIAL SCHOOL IMPACT ANALYSIS	14
A. EMPLOYEE GENERATION	14
B. RESIDENTIAL IMPACT.....	15
C. NET IMPACT PER COMMERCIAL/INDUSTRIAL SQUARE FOOT	17
D. COMMERCIAL/INDUSTRIAL DEVELOPMENT NOT IN PRESCRIBED CATEGORIES	20
E. AGE-RESTRICTED (SENIOR) HOUSING	21
SECTION VI. REDEVELOPMENT.....	22
SECTION VII. GOVERNMENT CODE SECTION 66000	23

APPENDICES:

APPENDIX A – FACILITIES CAPACITY UPDATE	
APPENDIX B – ENROLLMENT SUMMARY	
APPENDIX C – BLENDED STUDENT GENERATION RATES	
APPENDIX D – ESTIMATED SCHOOL FACILITIES COSTS	
APPENDIX E – COMMERCIAL/INDUSTRIAL CATEGORY DESCRIPTIONS	

EXECUTIVE SUMMARY

Education Code Section 17620 authorizes the governing board of a school district to levy school fees to offset the impacts to school facilities from new residential and commercial/industrial construction and reconstruction. In order to levy Level I fees (statutory fees), a school district must prepare and adopt a school fee justification study pursuant to the provisions of Education Code Section 17620 and Sections 65995 and 66001 of the Government Code. The school fee justification study serves as the basis for justifying the levy of Level I fees and presents and documents the nexus findings required by State law.

This School Fee Justification Study (“Study”) has been prepared for the Dublin Unified School District (“School District”) to demonstrate the relationship between new residential and commercial/industrial development and the School District’s need for the construction of new school facilities, the cost of the school facilities and the per square foot amount of Level I fees (“School Fees”) that may be levied by the School District on residential and commercial/industrial development in accordance with applicable law.

The maximum School Fees authorized by Education Code Section 17620 are currently \$3.48 per square foot for residential construction/reconstruction and \$0.56 per square foot for commercial/industrial construction. The State Allocation Board (“SAB”) reviews and may adjust the maximum authorized School Fees biennially, in even-numbered years. Based on the findings presented in this Study, the School District is justified in collecting the amount equal to the maximum authorized Level I school fees or \$3.48 per square foot for residential construction/reconstruction and the maximum authorized or \$0.56 per square foot for categories of commercial/industrial development, except for new construction classified as Rental Self-Storage. The findings are summarized below:

RESIDENTIAL DEVELOPMENT

New residential development in the School District is projected over the next ten (10) years. Based on historical student generation rates, new residential development that is not under a mitigation agreement could generate an estimated 933 new students over the next ten (10) years. Based on the School District’s existing facilities capacity and enrollment, the projected student enrollment supports the need for the construction of additional school facilities and/or expansion of facilities at existing sites.

The cost impact per square foot shown in Table E-1 exceeds the current maximum authorized residential School Fee of \$3.48, therefore, the School District is reasonably justified in levying the Level I school fees in an amount up to but not exceeding \$3.48 per square for residential development (“Applicable Residential School Fee”).

**TABLE E-1
RESIDENTIAL SCHOOL FACILITIES COST IMPACTS/APPLICABLE SCHOOL FEE**

DESCRIPTION	IMPACT PER SQUARE FOOT	MAXIMUM APPLICABLE SCHOOL FEE PER SQUARE FOOT
Residential Construction	\$31.57	\$3.48

COMMERCIAL/INDUSTRIAL DEVELOPMENT

As commercial/industrial properties develop new jobs are created. Many of the employees working at the new jobs will move into the School District boundaries, thereby increasing the need for new residential development and further impacting the School District’s facilities. School Fees may be imposed on commercial/industrial development if the school fees collected on residential development are insufficient to provide adequate school facilities for students generated as a result of new development and nexus findings are presented that justify the imposition of the commercial/industrial school fee.

Section 17621(e)(1)(B) of the Education Code requires that the Study determine the impact of the increased number of employees anticipated to result from commercial/industrial development upon the cost of providing school facilities within the School District. This code section further adds that employee generation estimates shall be based on the applicable employee generation estimates set forth in the January 1990 edition of “San Diego Traffic Generator Study” (“Traffic Study”), a report by San Diego Association of Governments (“SANDAG”). The school facilities cost impacts per commercial/industrial square foot as determined in this Study are shown in Table E-2 by commercial/industrial land use type. The cost impacts per square foot for each category of commercial/industrial development are equal to or exceed the maximum authorized School Fee of \$0.56 per square foot except for Rental Self-Storage. Therefore the School District is justified in levying commercial/industrial School Fees on new commercial/industrial development in an amount up to but not exceeding the maximum authorized School Fee of \$0.56 per square foot (“Applicable Com/Ind. School Fees”) for all categories except Rental Self-Storage. The Applicable Com/Ind. School Fees may be imposed on new commercial/industrial construction or reconstruction classified as Rental Self-Storage up to the respective net cost impact per square foot determined herein.

TABLE E-2
COMMERCIAL/INDUSTRIAL SCHOOL FACILITIES COST IMPACTS/APPLICABLE SCHOOL FEES

COMMERCIAL/INDUSTRIAL CATEGORY	IMPACT PER SQUARE FOOT	MAXIMUM APPLICABLE SCHOOL FEE PER SQUARE FOOT
Banks	\$18.54	\$0.56
Community Shopping Centers	\$10.07	\$0.56
Neighborhood Shopping Centers	\$18.37	\$0.56
Industrial Business Parks	\$23.08	\$0.56
Industrial Parks/ Warehousing/ Manufacturing	\$8.84	\$0.56
Rental Self-Storage	\$0.43	\$0.43
Research & Development	\$19.95	\$0.56
Hospitality(Lodging)	\$7.43	\$0.56
Commercial Offices (Standard)	\$31.45	\$0.56
Commercial Offices (Large High Rise)	\$29.83	\$0.56
Corporate Offices	\$17.63	\$0.56
Medical Offices	\$28.00	\$0.56

SECTION I. INTRODUCTION

A. PURPOSE OF THE STUDY

The purpose of this Study is to determine if a reasonable relationship exists between new residential and commercial/industrial development and the School District's need for the construction and/or reconstruction of school facilities. The findings presented in this Study have been made pursuant to and in compliance with Education Code Section 17620 and Government Code Section 66001 *et seq.* and serve as a basis for determining such a relationship.

B. GENERAL DESCRIPTION OF THE SCHOOL DISTRICT

The School District currently educates a total student population of approximately 9,966 transitional-kindergarten/kindergarten through twelfth grade students. The School District currently operates seven (7) elementary schools, two (2) middle schools, one (1) high school and one (1) continuation high school.

SECTION II. LEGISLATION AND LEGAL REQUIREMENTS

This section discusses the legislative history of the Level I Fee.

Assembly Bill (“AB”) 2926 enacted by the State in 1986, also known as the “1986 School Facilities Legislation” granted school districts the right to levy fees in order to offset the impacts to school facilities from new residential and commercial development. Originally set forth in Sections 53080 and 65995 of the Government Code, AB 2926 authorized statutory school fees to be levied, commencing January 1, 1987, in the amount of \$1.50 per square foot of new residential assessable space and \$0.25 per square foot of enclosed commercial or industrial assessable space. AB 2926 also provided for an annual increase of the statutory fees based on the Statewide cost index for Class B construction, as determined by the SAB. The provisions of AB 2926 have since been amended and expanded.

AB 1600 was enacted by the State legislature in 1987 and created Government Code Sections 66000 *et seq.* These sections require a public agency to satisfy the following requirements when establishing, increasing or imposing a fee as a condition of approval for a development project:

1. Determine the purpose of the fee;
2. Identify the use to which the fee is to be put;
3. Determine how there is a reasonable relationship between the fee’s use and the type of development project on which the fee is imposed;
4. Determine that there is a reasonable relationship between the need for the public facilities and the type of development project on which the fee is imposed;
5. Determine that there is a reasonable relationship between the amount of the fee and the cost, or portion of the cost of the public facility attributable to the development on which the fee is imposed; and
6. Provide an annual accounting of any portion of the fee remaining unspent or held for projects for more than five (5) years after collection.

AB 181, enacted in 1989, established new requirements for school districts levying school fees and also re-codified Government Code Section 53080 *et seq.* as Education Code Section 17620 *et seq.* The additional provisions established by AB 181 imposed more stringent nexus requirements which must be satisfied by school districts prior to levying school fees, especially with respect to commercial/industrial school fees. Additionally, AB 181 provided that the maximum school fees for residential and commercial/industrial development be subject to an increase every two (2) years rather than annually.

In 1998, Governor Wilson signed into law Senate Bill 50 (“SB 50”), the Leroy F. Greene School Facilities Act of 1998, which reformed State’s School Building Program and developer school fee legislation. A significant provision of SB 50 provides school districts the option of adopting

alternative school fees (also known as Level II and Level III fees) in excess of the Level I fee upon meeting certain requirements. SB 50 also placed a \$9.2 billion State Bond measure on the November 3, 1998 ballot (Proposition 1A). With the passage of Proposition 1A in November 1998, SB 50 became operative.

SB 50 also limited the power of cities and counties to require mitigation of school facilities impacts as a condition of approving new development and suspended the court cases known as Mira-Hart-Murrieta. The Mira-Hart-Murrieta cases previously permitted school districts to collect mitigation fees in excess of school fees under certain circumstances.

On November 5, 2002, California voters passed Proposition 47, which authorized the issuance of \$13.05 billion in State bonds and also enacted AB 16, which provided for additional reformation of the School Building Program. AB 16, among other items, clarified that if the SAB is no longer approving apportionments for new construction due to the lack of funds available for new school facilities construction, a school district may increase its Level II Fee to the Level III Fee. With the issuance of the State bonds authorized by the passage of Proposition 47, this section of AB 16 became inoperable.

Furthermore, Proposition 55 was approved on March 2, 2004, which authorized the sale of \$12.3 billion in State bonds. Most recently, California voters approved Proposition 1D in the general election held on November 7, 2006. Proposition 1D authorized the issuance of \$10.4 billion in State bonds.

SECTION III. PROJECTED UNHOUSED STUDENTS AND FACILITY REQUIREMENTS

The objective of this Study is to determine if a nexus exists between future residential and commercial/industrial development and the need for school facilities. In addition, the Study aims to identify the costs of such required school facilities and determine the amount of School Fees that can be justifiably levied on residential and commercial/industrial development according to the estimated impacts caused by such development. This section evaluates whether existing school facilities can accommodate students generated from future residential development, projects student enrollment based on anticipated residential growth, and estimates the costs of school facilities required to accommodate new residential growth. The findings determined in this section are used in following sections to evaluate the cost impact per square foot for new residential and commercial/industrial property. Although many of the figures in this section are primarily derived from residential development projections and impacts, they are adjusted in Section V. to evaluate the impact of commercial/industrial development.

A. SCHOOL DISTRICT CAPACITY AND CURRENT STUDENT ENROLLMENT

The School District's existing school facilities capacity and student enrollment were evaluated in order to determine if there is excess capacity to house students generated by new residential and commercial/industrial development.

The School District currently operates seven (7) elementary schools, two (2) middle schools, one (1) high school and one (1) continuation high school. Pursuant to Education Code Section 17071.10, these facilities have a capacity to accommodate 9,143 students. This capacity was reported on SAB Form 50-02 and was updated to reflect new school facility construction projects approved for funding by the State. Appendix "A" provides a calculation of the updated facility capacity. Appendix "A" provides a calculation of the updated facility capacity.

Based on enrollment information as of October 2015, the total student enrollment of the School District is 9,966 students. A summary of the enrollment data is provided in Appendix "B". The School District currently operates elementary schools serving kindergarten through grade 5 students and middle schools serving grades 6 through 8 students. In order to be consistent with the SAB 50-02 reporting requirements, the enrollment school level configuration has been adjusted to represent grades kindergarten through grade 6 at the elementary level and grades 7 and 8 at the middle school level. Available facilities capacity is calculated by subtracting the October 2015 student enrollment from existing school facilities capacity for each school level. This operation results in deficit capacity at the elementary school and middle school levels and excess capacity at the high school level. The capacity calculation is shown in Table 1.

**TABLE 1
FACILITIES CAPACITY AND STUDENT ENROLLMENT**

SCHOOL LEVEL	EXISTING FACILITIES CAPACITY	STUDENT ENROLLMENT (OCTOBER 2015)	EXCESS/(DEFICIT) CAPACITY
Elementary School (K-6)	5,194	6,141	(947)
Middle School (7-8)	1,450	1,495	(45)
High School (9-12)	2,499	2,330	169
TOTAL	9,143	9,966	(823)

1. The School District currently operates K-5 and 6-8 schools, the figures above have been adjusted by school level to be consistent with SAB 50-02 capacity requirements.

B. PROJECTED UNHOUSED STUDENTS

1. Projected Residential Units

To estimate the Projected Units, Koppel & Gruber Public Finance (“K&G Public Finance”) obtained and compiled information from the City of Dublin (“City”) Planning Division and the City Building & Safety Division, including, but not limited to: (i) a list of residential projects planned, approved and under-construction and (ii) building permit records. Such information was used to project residential development for areas within each planning jurisdiction by housing type. Based on the information, it is estimated the School District could experience the development of an estimated 4,999 residential units over the next ten (10) years (“Total Projected Units”).

The School District has entered into mitigation agreements with certain property owners and/or developers, whereby the terms of the mitigation agreements require mitigation payments in lieu of paying School Fees. Many of the Projected Units are located within areas subject to mitigation agreements. Those mitigated Projected Units have been identified and/or estimated, and excluded from the calculation.

The determination of the Projected Unmitigated Units is summarized by residential category in Table 2. The types of residential units considered include (i) single family detached (“SFD”), (ii) single family attached (“SFA”), and (iii) multi-family units (“MF”). Units classified as SFD are those units with no common walls; SFA are those units sharing a common wall each on a single assessor’s parcel (e.g. townhouses, condominiums, etc.); and MF are those units which share a single assessor’s parcel and share a common wall (e.g. apartments, duplexes, etc.).

**TABLE 2
PROJECTED RESIDENTIAL UNITS**

RESIDENTIAL CATEGORY	TOTAL PROJECTED UNITS	PROJECTED MITIGATED UNITS	PROJECTED UNMITIGATED UNITS
SFD	2,501	1,708	793
SFA	1,867	1,389	478
MF	631	0	631
TOTAL	4,999	3,097	1,902

2. Student Generation Rates

Student Generation Rates (“SGRs”) determined by Davis Demographics & Planning, Inc. (“DDP”) were used for purposes of this Study. The SGRs determined by DDP are based on October 2015 student enrollment residing in development built over the previous five (5) years (years 2011 through 2015). A summary of the SGRs determined by DDP are shown in Table 3 by residential type.

**Table 3
Student Generation Rates**

SCHOOL LEVEL	SFD UNITS	SFA UNITS	MF UNITS
Elementary School (K-5)	0.4520	0.2220	0.1200
Middle School (6-8)	0.1740	0.1000	0.0680
High School (9-12)	0.1100	0.0620	0.0750
TOTAL	0.7360	0.3840	0.2630

3. Projected Student Enrollment

Projected student enrollment was determined by multiplying the SGRs in Table 3 by the number of Projected Unmitigated Units shown in Table 2. A total of 933 students are estimated to be generated from Projected Unmitigated Units. The projected student enrollment is summarized by school level in Table 4.

**TABLE 4
PROJECTED STUDENT ENROLLMENT BY SCHOOL LEVEL**

SCHOOL LEVEL	PROJECTED STUDENTS
Elementary School	540
Middle School	229
High School	164
Total	933

4. Projected Unhoused Students

As shown in Table 1, there is deficit capacity at the elementary and middle school levels and available capacity at the high school level. Available seats at the high school level are expected to be occupied as a result of student enrollment growth from existing housing and as kindergarten through grade 8 students matriculate through the grades over the next ten (10) years and therefore are not deemed available to house Projected Student Enrollment. As a result, the projected unhoused students generated by unmitigated Projected Units (“Projected Unhoused Students”) is equal to the Projected Student Enrollment.

**TABLE 5
PROJECTED UNHOUSED STUDENTS**

SCHOOL LEVEL	PROJECTED STUDENT ENROLLMENT	SURPLUS SEATS ADJUSTMENT	PROJECTED UNHOUSED STUDENTS
Elementary School	540	0	540
Middle School	229	0	229
High School	164	0	164
Total	933	0	933

C. NEW FACILITY COSTS AND ESTIMATED PER STUDENT COST

1. Facilities Costs

The estimated costs to provide new school facilities costs are based on cost estimates as shown in the Draft Facilities Master Plan (“FMP”) prepared by LPA, Inc for the construction of a new kindergarten through 8 (K-8) school and a new high school. It should be noted the FMP also addresses modernization and improvement needs at the School District’s existing facilities. The total estimated project costs for modernization and improvements projects combined with the estimated new facilities projects amount to approximately \$622,495,000 in 2016 dollars. The estimated project costs in the FMP

do not include costs for utility fees, off-site work and land acquisition. This Study focuses on the estimated costs of providing new school facilities and does not include those costs determined in the FMP for modernization and improvements planned at existing school sites. Costs for land acquisition have been estimated and added to the facilities costs used for purposes of this Study.

Table 6 summarizes the estimated cost to the School District of providing new school facilities per school level. The School District has determined that future school facilities will be designed to serve grades kindergarten through 8 (K-8 site) with a design capacity of 950 students. A new high school site is designed for an initial student capacity of 1,500 students with planned phasing up to a maximum capacity of 2,500 students. The calculations used to estimate the school facilities costs are also provided in Appendix “D” of this Study.

**TABLE 6
ESTIMATED FACILITIES COSTS PER SCHOOL**

SCHOOL LEVEL	ESTIMATED SITE COSTS	ESTIMATED FACILITIES CONSTRUCTION & SOFT COSTS	TOTAL ESTIMATED SCHOOL FACILITIES COSTS
K-8 Site ¹	\$49,997,852	\$64,928,750	\$114,926,602
High School	\$175,738,719	\$262,327,000	\$438,065,719

¹ The School District anticipates the next school site will accommodate grades K-8 students.

2. Estimated Cost Per Student

The estimated Cost per Student for each school level is determined by dividing the Total Estimated School Facilities Costs shown in Table 6 by the student capacity. The cost per student calculation is shown in Table 7.

**TABLE 7
FACILITIES COSTS PER STUDENT**

SCHOOL LEVEL	TOTAL ESTIMATED SCHOOL FACILITIES COST	STUDENT CAPACITY	COST PER STUDENT
K-8 Site ¹	\$114,926,602	950	\$120,975
High School	\$438,065,719	2,500	\$175,226

¹ The School District anticipates the next school site will accommodate grades K-8 students.

SECTION IV. PROJECTED IMPACT OF RESIDENTIAL DEVELOPMENT

The following section presents the school facility impact analysis for new residential development and provides a step-by-step calculation of the estimated per residential square foot cost impact.

To determine the school facilities cost impact per square foot of residential development, first the Projected Unhoused Students determined in Table 5 were multiplied by the Cost per Student determined in Table 7 for each school level. As discussed in the previous section, the School District has determined that future school facilities will be designed to serve grades kindergarten through 8 (K-8 site); therefore Projected Unhoused Students shown in Table 5 at the elementary (grades kindergarten through 5) and middle school (grades 6 through 8) levels are combined into a K-8 school level category. The computation shown in Table 8 reflects the estimated school facilities cost impact to house Projected Unhoused Students.

**TABLE 8
ADDITIONAL FACILITIES COST IMPACT**

SCHOOL LEVEL	PROJECTED UNHOUSED STUDENTS	COST PER STUDENT	FACILITIES IMPACT
K-8 Site ¹	769	\$120,975	\$93,029,775
High School	164	\$175,226	\$28,737,064
Total	933	NA	\$121,766,839

¹ The School District anticipates the next school site will accommodate grades K-8 students. Projected Unhoused Students at the elementary school level (K-5) and middle school level (6-8) are combined.

The Total Estimated School Facilities Cost shown in Table 8 above was then divided by the number of Projected Unmitigated Units shown in Table 2 to determine the school facilities cost per residential unit. The cost per residential unit is shown in Table 9.

**TABLE 9
SCHOOL FACILITIES COST PER RESIDENTIAL UNIT**

RESIDENTIAL CATEGORY	TOTAL FACILITIES COST	PROJECTED UNMITIGATED UNITS	FACILITIES COST PER RESIDENTIAL UNIT
Residential Units	\$121,766,839	1,902	\$64,020

The school facilities cost impact per residential square foot was calculated by dividing the school facilities cost per residential unit determined in Table 9 by the average square footage of each residential unit type. This calculation is shown in Table 10. A review of historical development records from the City, including parcel attribute data, building permit records and additional

detail as requested, along with a review of planned unit sizes for residential project anticipated to be used to estimate the average square footage of a residential unit.

TABLE 10
SCHOOL FACILITIES COST PER RESIDENTIAL SQUARE FOOT

RESIDENTIAL CATEGORY	FACILITIES COST PER RESIDENTIAL UNIT	AVERAGE SQUARE FOOTAGE	FACILITIES COST PER RESIDENTIAL SQUARE FOOT
Residential Units	\$64,020	2,028	\$31.57

The total school facilities impact per residential square foot determined in Table 10 is greater than the current maximum residential School Fees of \$3.48 per square foot; therefore the School District is justified in levying an amount up to the maximum authorized amount for all unmitigated residential development.

SECTION V. COMMERCIAL/INDUSTRIAL SCHOOL IMPACT ANALYSIS

The following section presents the school facilities impact analysis for new commercial/industrial development and provides a step-by-step calculation of the estimated per commercial/industrial square foot cost impact.

A. EMPLOYEE GENERATION

In the course of making the nexus findings to justify School Fees levied on commercial/industrial development, Education Code Section 17621(e)(1)(B) requires that the Study determine the impact of the increased number of employees anticipated to result from commercial/industrial development upon the cost of providing school facilities within the School District. As mentioned in the Executive Summary, for purposes of making such determination this code section further sets out that the employee generation estimates be based on the applicable estimates set forth in the Traffic Study published by SANDAG.

The employee generation estimates per 1,000 square feet of development derived from the Traffic Study are listed by commercial/industrial land use category in Table 11 below. The land use categories listed are based on those categories described in the Traffic Study and include land uses recommended by the provisions of Education Code Section 17621(e)(1)(B).

**TABLE 11
EMPLOYEE GENERATION PER 1,000 SQUARE FEET
OF COMMERCIAL/INDUSTRIAL DEVELOPMENT**

COMMERCIAL/INDUSTRIAL CATEGORY	AVERAGE SQUARE FOOTAGE PER EMPLOYEE	EMPLOYEES PER 1,000 SQUARE FEET
Banks	354	2.8253
Community Shopping Centers	652	1.5348
Neighborhood Shopping Center	357	2.7985
Industrial Business Parks	284	3.5156
Industrial/Warehousing/Manufacturing	742	1.3473
Rental Self-Storage	15,541	0.0643
Research & Development	329	3.0408
Hospitality(Lodging)	883	1.1325
Commercial Offices (Standard)	209	4.7897
Commercial Offices (Large High Rise)	220	4.5442
Corporate Offices	372	2.6848
Medical Offices	234	4.2654

Source: San Diego Traffic Generator Study, January 1990 Edition; SANDAG.

B. RESIDENTIAL IMPACT

1. Households

To evaluate the impact of commercial/industrial development on School District facilities, the employee generation estimates listed in Table 11 were first used to determine the impact of commercial/industrial development on a per household basis. Based on information obtained from the U.S. Census Bureau¹, there are approximately 1.37 employed persons per household on average for households located within the School District. Dividing the employee generation estimates listed in Table 11 by 1.37 results in the estimated number of households per 1,000 square feet of commercial/industrial development (“Total Household Impact”).

The Total Household Impact determined in the preceding paragraph takes into consideration all employees generated from commercial/industrial development. Since some of those employees will live outside the School District and therefore will have no impact on the School District, the figures are adjusted to reflect only those households within the School District occupied by employees generated from commercial/industrial development built within the School District. Based on information derived from U.S. Census Bureau data², it is estimated that approximately 21.2% of employees both live and work within the School District. Multiplying the Total Household Impact by 21.2% results in the households within the School District impacted per 1,000 square feet commercial/industrial development. The results of these computations are shown in Table 12.

¹ US Census Bureau: 2010-2014 American Community Survey 5-Year Estimates; DP04-Selected Housing; S0801-Commuting Characteristics (workers 16 years and over).

² US Census Bureau: 2010-2014 American Community Survey 5-Year Estimates; S0801-Commuting Characteristics (work in place of residence).

TABLE 12
IMPACT OF COMMERCIAL/INDUSTRIAL DEVELOPMENT ON
HOUSEHOLDS WITHIN THE SCHOOL DISTRICT

COMMERCIAL/INDUSTRIAL CATEGORY	SCHOOL DISTRICT HOUSEHOLDS PER 1,000 SQUARE FEET COM./IND.
Banks	0.4372
Community Shopping Centers	0.2375
Neighborhood Shopping Centers	0.4331
Industrial Business Parks	0.5440
Industrial/Warehousing/Manufacturing	0.2085
Rental Self-Storage	0.0100
Research & Development	0.4705
Hospitality(Lodging)	0.1753
Commercial Offices (Standard)	0.7412
Commercial Offices (Large High Rise)	0.7032
Corporate Offices	0.4155
Medical Offices	0.6600

2. Household Student Generation

The student generation impacts per 1,000 square feet of commercial/industrial development were calculated by multiplying the household impacts shown in Table 12 by blended student generation rates determined for each school level. Since the School District anticipates the next school site will accommodate grades K-8 students, the elementary school level (K-5) and middle school level (6-8) are combined into a singular K-8 school level. The determination of the blended student generation rates are shown and further described in Appendix “C” of this Study. Table 13 shows the student generation factors applicable to each commercial/industrial category.

**TABLE 13
STUDENT GENERATION PER 1,000 SQUARE FEET OF
COMMERCIAL/INDUSTRIAL DEVELOPMENT**

COMMERCIAL/INDUSTRIAL CATEGORY	K-8 SCHOOL STUDENT GENERATION¹	HIGH SCHOOL STUDENT GENERATION	TOTAL STUDENT GENERATION
Banks	0.1768	0.0377	0.2145
Community Shopping Centers	0.0960	0.0205	0.1165
Neighborhood Shopping Centers	0.1751	0.0374	0.2125
Industrial Business Parks	0.2199	0.0470	0.2669
Industrial/Warehousing/ Manufacturing	0.0843	0.0180	0.1023
Rental Self-Storage	0.0040	0.0009	0.0049
Research & Development	0.1902	0.0406	0.2308
Hospitality(Lodging)	0.0709	0.0151	0.0860
Commercial Offices (Standard)	0.2997	0.0640	0.3637
Commercial Offices (Large High Rise)	0.2843	0.0607	0.3450
Corporate Offices	0.1680	0.0359	0.2039
Medical Offices	0.2668	0.0570	0.3238

¹ The School District anticipates the next school site will accommodate grades K-8 students.

C. NET IMPACT PER COMMERCIAL/INDUSTRIAL SQUARE FOOT

1. Cost Impact

To estimate the school facilities costs required to house new students as a result of additional commercial/industrial development, the total school facilities cost per student was determined by multiplying the facilities costs per student summarized in Table 7 by the total student generation impacts calculated in Table 13. The school facilities cost impacts are shown in Table 14 by commercial/industrial development category and school level.

TABLE 14
SCHOOL FACILITIES COSTS PER 1,000 SQUARE FEET OF
COMMERCIAL/INDUSTRIAL DEVELOPMENT

COMMERCIAL/INDUSTRIAL CATEGORY	K-8 SCHOOL IMPACT ¹	HIGH SCHOOL IMPACT	TOTAL COST IMPACT
Banks	\$21,388	\$6,606	\$27,994
Community Shopping Centers	\$11,614	\$3,592	\$15,206
Neighborhood Shopping Centers	\$21,183	\$6,553	\$27,736
Industrial Business Parks	\$26,602	\$8,236	\$34,838
Industrial/Warehousing/Manufacturing	\$10,198	\$3,154	\$13,352
Rental Self-Storage	\$484	\$158	\$642
Research & Development	\$23,009	\$7,114	\$30,123
Hospitality(Lodging)	\$8,577	\$2,646	\$11,223
Commercial Offices (Standard)	\$36,256	\$11,214	\$47,470
Commercial Offices (Large High Rise)	\$34,393	\$10,636	\$45,029
Corporate Offices	\$20,324	\$6,291	\$26,615
Medical Offices	\$32,276	\$9,988	\$42,264

¹ The School District anticipates the next school site will accommodate grades K-8 students.

2. Residential Fee Offsets

New commercial/industrial development within the School District will generate new employees, thereby increasing the need for new residential development to house those employees living in the School District. Applicable residential school fees adopted by the School District under applicable law will also be imposed by the School District on such new residential development. To prevent new commercial/industrial development from paying the portion of impact that is mitigated by the applicable residential school fees, this amount has been calculated and deducted from the school facilities impact costs calculated in Table 16 above.

The residential fee offsets are first calculated by using the School District’s proposed Level II Fee of \$10.66 as determined and multiplying that amount by the weighted average square footage of a residential unit in the School District, which is 2,028 square feet. This calculation provides the average residential revenues from a residential unit of \$21,618 (\$10.66 x 2,028). The proposed Level II Fee is utilized for purposes of this analysis as a conservative approach to calculating the Net Cost Impacts. It should be noted that the maximum School Fee for Commercial/Industrial Development, \$0.56, would also be justified utilizing the maximum Level I School Fee for Residential Development of \$3.48 established herein or the current Level II School Fee for Residential Development of \$6.89, in calculating the Residential Fee Offset for all commercial categories other than Rental Self-Storage. The average residential revenues from a residential unit multiplied by New Household Impacts per 1,000 square feet of commercial/industrial development, as shown in Table 12, results in the residential school fee revenues per 1,000 square feet of commercial/industrial development (“Residential Fee Offset”). This computation is shown in Table 15.

**TABLE 15
RESIDENTIAL FEE OFFSET**

CATEGORY	HOUSEHOLDS PER 1,000 SQUARE FEET COM./IND.	RESIDENTIAL FEE OFFSET PER 1,000 SQUARE FEET COM./IND.
Banks	0.4372	\$9,452
Community Shopping Centers	0.2375	\$5,134
Neighborhood Shopping Centers	0.4331	\$9,363
Industrial Business Parks	0.5440	\$11,760
Industrial/Warehousing/Manufacturing	0.2085	\$4,507
Rental Self-Storage	0.0100	\$216
Research & Development	0.4705	\$10,171
Hospitality(Lodging)	0.1753	\$3,790
Commercial Offices (Standard)	0.7412	\$16,024
Commercial Offices (Large High Rise)	0.7032	\$15,202
Corporate Offices	0.4155	\$8,982
Medical Offices	0.6600	\$14,268

3. Net School Facilities Costs

Subtracting the Residential Fee Offset determined in Table 15 from the total school facilities costs listed in Table 14 results in the net school facilities costs per 1,000 square feet of commercial/industrial development (“Net School Facilities Costs”). The Net School Facilities Costs are listed in Table 16.

**TABLE 16
NET SCHOOL FACILITIES COSTS
PER 1,000 SQUARE FEET COMMERCIAL/INDUSTRIAL DEVELOPMENT**

CATEGORY	TOTAL SCHOOL FACILITIES COSTS	RESIDENTIAL FEE OFFSET	NET SCHOOL FACILITIES COSTS
Banks	\$27,994	\$9,452	\$18,542
Community Shopping Centers	\$15,206	\$5,134	\$10,072
Neighborhood Shopping Centers	\$27,736	\$9,363	\$18,373
Industrial Business Parks	\$34,838	\$11,760	\$23,078
Industrial/Warehousing/Manufacturing	\$13,352	\$4,507	\$8,845
Rental Self-Storage	\$642	\$216	\$426
Research & Development	\$30,123	\$10,171	\$19,952
Hospitality(Lodging)	\$11,223	\$3,790	\$7,433
Commercial Offices (Standard)	\$47,470	\$16,024	\$31,446
Commercial Offices (Large High Rise)	\$45,029	\$15,202	\$29,827
Corporate Offices	\$26,615	\$8,982	\$17,633
Medical Offices	\$42,276	\$14,268	\$27,996

The Net School Facilities Costs determined in Table 16 were then divided by 1,000 square feet³ to provide the cost impact on a square foot basis. These cost impacts are listed in Table 17.

TABLE 17
NET COST IMPACTS
PER SQUARE FOOT OF COMMERCIAL/INDUSTRIAL DEVELOPMENT

CATEGORY	NET COST IMPACTS
Banks	\$18.54
Community Shopping Centers	\$10.07
Neighborhood Shopping Centers	\$18.37
Industrial Business Parks	\$23.08
Industrial/Warehousing/Manufacturing	\$8.84
Rental Self-Storage	\$0.43
Research & Development	\$19.95
Hospitality(Lodging)	\$7.43
Commercial Offices (Standard)	\$31.45
Commercial Offices (Large High Rise)	\$29.83
Corporate Offices	\$17.63
Medical Offices	\$28.00

The net cost impacts shown in Table 17 are equal to or exceed the maximum authorized statutory school fee for commercial/industrial development of \$0.56 per square foot, except for the Rental Self-Storage category. Therefore, the School District is justified in levying school fees on commercial/industrial in amount up to but not exceeding the maximum authorized statutory fee, or the net cost impacts determined for the Rental Self-Storage category.

D. COMMERCIAL/INDUSTRIAL DEVELOPMENT NOT IN PRESCRIBED CATEGORIES

In cases where new commercial/industrial development does not fit within the prescribed categories shown in Table 11, the School District shall evaluate such development on a case-by-case basis to determine if the imposition of the School Fees on the development meets the nexus requirements set forth under Government Code Section 66000 et seq. The School District may levy School Fees on such development in an amount up to but not exceeding the cost per square foot impact determined through such evaluation.

³ The Employee Generation Rates derived from the SANDAG Traffic Study are estimated per 1,000 square feet of development.

E. AGE-RESTRICTED (SENIOR) HOUSING

Government Code Sections 65995.1 and 65995.2 provides school districts may only charge the fees applicable for commercial/industrial development for qualified age-restricted (senior citizen) housing. Qualified age-restricted housing generates employees resulting in school facility impacts similar to those impacts from other commercial/industrial categories specified herein.

SECTION VI. REDEVELOPMENT

Government Code Section 66001, subdivision (a)(3) and (4) requires that a school district, in imposing school-impact fees, establish a reasonable relationship between the fee's use, the need for the public facility and the type of development project on which the fee is imposed. This section addresses and sets forth general policy when considering the levy of school fees on new construction resulting from redevelopment projects within the School District.

Redevelopment means voluntarily demolishing existing residential, commercial, and/or industrial structures and subsequently replacing them with new construction (“Redevelopment”). The School District is aware of Redevelopment projects completed within the School District boundaries, and anticipates similar Redevelopment projects may be completed in the next ten (10) years and beyond. School fees authorized pursuant to Education Code Section 17620 and Government Code Sections 65995 et seq. shall be levied by the School District on new construction resulting from Redevelopment projects, if there is a nexus between the School Fees being imposed and the impact of new construction on school facilities, after the impact of pre-existing development has been taken into consideration. In determining such nexus, the School District shall review, evaluate and determine on a case-by-case basis, the additional impact of the proposed new development by comparing the projected square footage, student generation and cost impacts of the proposed new units and the pre-existing residential, commercial and/or industrial development. Such analysis shall utilize the student generation rates identified in Table 5 of this Study, as applicable.

Redevelopment projects featuring a transition in commercial/industrial categorical classification (e.g. a project redeveloping a Hospitality (lodging) space into Commercial office (standard) space) should be assessed based on the Applicable School Fee for the new commercial/industrial category multiplied by the total assessable space of the new commercial/industrial project in the case of a complete site redevelopment. In the case where there is a partial redevelopment, or an addition to an existing development, the Applicable School Fee should be calculated on a basis of the marginal assessable space increase multiplied by the maximum Applicable School Fee for the for the assessable space.

The School District may levy school fees, authorized under applicable law, on new units resulting from construction projects in an amount up to the additional impact cost per square foot as determined in accordance with the preceding paragraphs, but not exceeding the applicable school fees.

SECTION VII. GOVERNMENT CODE SECTION 66000

Government Code Sections 66000 *et seq.* were enacted by State Legislature in 1987. In any action establishing, increasing, or imposing a fee as a condition of approval of a development project, such as the Applicable Residential School Fee and Applicable Com/Ind. School Fees described herein (collectively referred to as the “Applicable School Fees”), these Government Code sections require the public agency to satisfy the following requirements:

1. Determine the purpose of the fee;
2. Identify the use to which the fee is to be put;
3. Determine how there is a reasonable relationship between the fee’s use and the type of development project on which the fee is imposed;
4. Determine that there is a reasonable relationship between the need for the public facilities and the type of development project on which the fee is imposed;
5. Determine that there is a reasonable relationship between the amount of the fee and the cost, or portion of the cost of the public facility attributable to the development on which the fee is imposed; and
6. Provide an annual accounting of any portion of the fee remaining unspent or held for projects for more than five (5) years after collection.

The information set forth herein, including the information contained in the Appendices attached hereto, provide factual evidence establishing a nexus between the type of development projected to be built within the School District and the amount of Applicable School Fees levied upon such development based on the need for such Applicable School Fees. The determinations made in this Study meet the requirements of Government Code Section 66000. The findings are summarized as follows:

PURPOSE OF THE SCHOOL FEE

The Board of the School District will levy and collect school fees on new residential and commercial/industrial development to obtain funds for the construction and/or reconstruction of school facilities to accommodate students generated as a result of such development. In accordance with Education Code Section 17620, “construction or reconstruction of school facilities” **does not** include any item of expenditure for any of the following:

- (i). Regular maintenance or routine repair of school buildings and facilities;
- (ii). Inspection, sampling, analysis, encapsulation or removal of asbestos-containing material, except where incidental to school facilities construction or reconstruction for which the expenditure of fees or other consideration collected pursuant to Education Code Section 17620 is not prohibited; and,
- (iii). Deferred maintenance as described in Education Code Section 17582.

IDENTIFY THE USE OF THE SCHOOL FEE

The School District has determined that revenues collected from Applicable School Fees imposed on residential and commercial/industrial developments will be used for the following purposes:

- (i). Construction or reconstruction of school facilities required to accommodate students generated by new residential and commercial/industrial development in areas of the School District where school facilities are needed;
- (ii). Construction or reconstruction of administrative and operations facilities required in response to new student growth from new development;
- (iii). Acquisition or lease of property for unhoused students generated from new development;
- (iv). Purchase or lease of interim and/or temporary school facilities in order to accommodate student capacity demands;
- (v). Furniture for use in new school facilities;
- (vi). Costs associated with the administration, collection, and justification for the Applicable School Fees;
- (vii). Provide local funding that may be required if the School District applies for State funding through SB 50.

RELATIONSHIP BETWEEN THE USE OF THE FEE, THE NEED FOR SCHOOL FACILITIES AND THE TYPE OF DEVELOPMENT ON WHICH THE FEE IS IMPOSED

As determined in the preceding sections, adequate school facilities do not exist to accommodate students generated from new residential and commercial/industrial development in the areas of the School District where new development is anticipated. The fees imposed on such new development will be used to finance the acquisition of property and the construction and/or reconstruction of school facilities required to accommodate student enrollment growth generated by new residential and commercial/industrial development.

DETERMINATION OF THE RELATIONSHIP BETWEEN THE FEE AMOUNT AND THE SCHOOL FACILITIES COSTS ATTRIBUTABLE TO TYPE OF DEVELOPMENT ON WHICH THE FEE IS IMPOSED

The imposition of the Applicable Residential School Fee of \$3.48 per square foot of residential development is justified, as this fee is below the per square foot cost impact to provide adequate school facilities required as a result of such new residential development.

Similarly, the imposition of the Applicable Com/Ind. School Fees of \$0.56 per square foot of commercial/industrial development are justified as the fees are equal to or below the estimated per square foot net cost impact to provide adequate school facilities required as a result of such new commercial/industrial development, except for Rental Self-Storage. For the listed commercial/industrial categories, the net cost impacts determined herein are below the applicable maximum outlined fee of \$0.56 per square foot. Therefore, the applicable commercial/industrial School Fees imposed on new commercial/industrial development classified under these categories shall not exceed the Net Cost Impacts.

ACCOUNTING PROCEDURES FOR THE FEES

The School District will deposit, invest, and expend the school fees imposed and collected on residential and commercial/industrial development in accordance with the provision of Government Code Section 66006.

APPENDIX A - FACILITIES CAPACITY UPDATE

**DUBLIN UNIFIED SCHOOL DISTRICT
FACILITIES CAPACITY UPDATE
APPENDIX A**

Item	School	Elementary School Seats (K-6)	Middle School Seats (7-8)	High School Seats (9-12)
SAB Form 50-02 (Revised June 24, 2009)	NA	2,998	753	1,618
50/7509300001*	DOUGHERTY ELEMENTARY	375	0	0
50/7509300004*	DOUGHERTY ELEMENTARY	150	0	0
50/7509300005*	FALLON MIDDLE	421	697	0
50/7509300006*	JOHN GREEN ELEMENTARY	610	0	0
50/7509300008*	DUBLIN HIGH	0	0	881
50/7509300009*	H.W. KOLB ELEMENTARY	640	0	0
Total		5,194	1,450	2,499
	Grand Total			9,143

*Based on information provided on SAB 50-04 Applications for New Construction Funding

APPENDIX B – ENROLLMENT SUMMARY

**DUBLIN UNIFIED SCHOOL DISTRICT
2015/16 ENROLLMENT SUMMARY
APPENDIX B**

Name/Pr TK/K	Elementary						Middle			High			Other-SDC	Grand Total		
	1	2	3	4	5	6	7	8	9	10	11	12				
COMMUN	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
AMADOR	183	126	118	115	114	85	-	-	-	-	-	-	-	741		
DOUGHER	169	142	153	132	157	121	-	-	-	-	-	-	-	874		
DUBLIN E	164	126	148	128	139	106	-	-	-	-	-	-	-	811		
DUBLIN H	-	-	-	-	-	-	-	-	-	676	571	490	21	2,274		
FALLON M	-	-	-	-	-	-	479	481	428	-	-	-	-	1,388		
FREDERIK	167	125	127	125	116	110	-	-	-	-	-	-	-	770		
GREEN EL	126	131	164	155	148	167	-	-	-	-	-	-	-	891		
KOLB ELE	151	146	131	131	121	156	-	-	-	-	-	-	-	836		
MURRAY T	112	67	70	65	73	66	-	-	-	-	-	-	-	453		
VALLEY C	-	-	-	-	-	-	-	-	-	-	2	20	-	56		
WELLS MI	-	-	-	-	-	-	286	291	295	-	-	-	-	872		
SAN JACIN	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
GRAND T	1,072	863	911	851	868	811	765	772	723	676	573	536	524	9,966		
GRAND T	1,072	863	911	851	868	811	765	772	723	676	573	536	524	9,966		
TOTAL B					5,376			2,260						2,330		
ADJUSTED FOR CAPACITY ANALYSIS [1]													6,141	1,495	2,330	9,966

[1] Capacity is determined based on K-6, 7-8 and 9-12 school level configurations pursuant to Education Code Section 17071.10.

*Source: School District.

APPENDIX C – BLENDED STUDENT GENERATION RATES

In order to evaluate students generated from future households by school level, the student generation rates determined in Table 3 of this Study were used. These student generation rates are listed by residential category and by school level.

**TABLE C-1
STUDENT GENERATION RATES**

SCHOOL LEVEL	SFD UNITS	SFA UNITS	MF UNITS
Elementary School (K-5)	0.4520	0.2220	0.1200
Middle School (6-8)	0.1740	0.1000	0.0680
High School (9-12)	0.1100	0.0620	0.0750
TOTAL	0.7360	0.3840	0.2630

The student generation rates for each residential category listed in Table C-1 were blended into a single student generation rate for each school level based on the percentage allocation residential categories of unmitigated Projected Units. The percentage allocations are shown in Table C-2.

**TABLE C-2
ALLOCATION OF UNMITIGATED PROJECTED UNITS BY RESIDENTIAL CATEGORY**

RESIDENTIAL CATEGORY	UNMITIGATED PROJECTED UNITS	PERCENTAGE ALLOCATION
SFD	793	41.7%
SFA	478	25.1%
MF	631	33.2%
TOTAL	1,902	100.0%

The Blended Student Generation Rates were determined by applying the percentage allocations, the results of which are shown in Table C-3.

**TABLE C-3
BLENDED STUDENT GENERATION RATES**

SCHOOL LEVEL	BLENDED STUDENT GENERATION RATE ¹
Elementary School (K-5)	0.2841
Middle School (6-8)	0.1202
High School (9-12)	0.0863
TOTAL	0.4906

¹ Numbers may not compute due to rounding

The School District has determined that future school facilities will be designed to serve grades kindergarten through 8 (K-8 site), the Blended Student Generation Rates at the elementary school (grades kindergarten through 5) and middle school (grades 6 through 8) levels are combined into a singular K-8 school level category. The Adjusted Blended Student Generation Rates are shown in Table C-4.

TABLE C-4
ADJUSTED BLENDED STUDENT GENERATION RATES

SCHOOL LEVEL	BLENDED STUDENT GENERATION RATE ¹
K-8 Site ²	0.4043
High School	0.0863
TOTAL	0.4906

¹ Numbers may not compute due to rounding
² The School District anticipates the next school site will accommodate grades K-8 students.

APPENDIX D—ESTIMATED SCHOOL FACILITIES COSTS

**DUBLIN UNIFIED SCHOOL DISTRICT
ESTIMATED ACTUAL COST PER SQUARE FOOT CALCULATION
SUMMARY OF ESTIMATED COSTS
APPENDIX D**

K-8 School

I. Site Costs		\$49,997,852
Land Acquisition Cost		\$49,997,852
Acres	13.40	
Cost per Acre ¹	\$3,731,183	

II. Development/Construction Costs² **64,928,750**

TOTAL ESTIMATED COST **\$114,926,602**

¹ Based on the Land Appraisal dated May 5, 2014 for the JM Amador Elementary site and adjusted by the percentage change in the Lincoln Institute of Land Policy Land Cost Index for the Oakland Metropolitan Area (2nd Quarter 2014 to 3rd Quarter 2015). Citation: Davis, Morris A. and Michael G. Palumbo, 2007, "The Price of Residential Land in Large US Cities," Journal of Urban Economics, vol. 63 (1), p. 352-384; data located at Land and Property Values in the U.S., Lincoln Institute of Land Policy. <http://www.lincolnst.edu/resources/>

² Estimated by LPA, Inc.; Draft Facilities Master Plan, Master Plan Total Cost Matrix, New E-6 Dublin Crossing School. Costs are in 2016 dollars. Does not include costs for utility hook-up and City connection fees, off-site work and traffic signals, hazardous material surveys, abatement and disposal and EDCC new construction.

HIGH SCHOOL

I. Site Costs		\$175,738,719
Land Acquisition Cost		\$175,738,719
Acres	47.10	
Cost per Acre ¹	\$3,731,183	

II. Development/Construction Costs² **262,327,000**

TOTAL ESTIMATED COST **\$438,065,719**

¹ Based on the Land Appraisal dated May 5, 2014 for the JM Amador Elementary site and adjusted by the percentage change in the Lincoln Institute of Land Policy Land Cost Index for the Oakland Metropolitan Area (2nd Quarter 2014 to 3rd Quarter 2015). Citation: Davis, Morris A. and Michael G. Palumbo, 2007, "The Price of Residential Land in Large US Cities," Journal of Urban Economics, vol. 63 (1), p. 352-384; data located at Land and Property Values in the U.S., Lincoln Institute of Land Policy. <http://www.lincolnst.edu/resources/>

² Estimated by LPA, Inc.; Draft Facilities Master Plan, Master Plan Total Cost Matrix, New 2nd High School. Costs are in 2016 dollars. Does not include costs for utility hook-up and City connection fees, off-site work and traffic signals, hazardous material surveys, abatement and disposal and EDCC new construction.

APPENDIX E—COMMERCIAL/INDUSTRIAL CATEGORY
DESCRIPTIONS

Banks	Include small branch offices to regional offices used for banking. Properties under this category allow customers to conduct banking on-site.
Shopping Center	Broadly include regional, community and neighborhood shopping centers which sell merchandise and services to consumers. Include grocery stores, restaurants, retail centers, automotive sales.
Industrial Business Parks	Include any combination of facilities engaged in manufacturing/assembly, warehousing, and/or storage with 15% or more of the total area designated for commercial use.
Industrial Parks/Warehousing	Include any combination of facilities engaged in manufacturing/assembly, warehousing, and/or storage with limited or no commercial use (less than 15% of the total area designated for commercial use).
Rental Self-Storage	Include warehouse developments which rent small storage vaults and often termed "mini-storage".
Research & Development	Include scientific research and development laboratories, office and/or their supporting facilities.
Hospitality(Lodging)	Include establishments which provide lodging to the general public. Lodging types include hotels, motels, resort hotels and inns. The maximum term of occupancy for establishment within this category shall not exceed 30 days.
Commercial Offices (Standard)*	Include general office space occupying less than 100,000 square feet with multiple tenants.
Commercial Offices (Large High Rise)*	Include general office space occupying 100,000 square feet and greater with multiple tenants.
Corporate Offices	An office or office building with a single tenant.
Medical Offices	Include medical offices that serve a wide range of medical needs and may include a pharmacy. Medical offices are generally operated by one or more physicians.

*Office space used for activities described under banks, research and development, or medical offices should be classified under those categories.