



DUBLIN SCHOOLS

DUBLIN UNIFIED SCHOOL DISTRICT

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*All Dublin Students Will
Become Lifelong Learners*

January 27, 2016

SUPERINTENDENT

Stephen Hanke, Ed.D.
(925) 828-2551

Eraina Ortega, Chairperson
State Allocation Board
State Capitol, Room 1146
Sacramento, CA 95816

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RE: Request for the State Allocation Board to Discuss Level 3 Developer Fees

Dear Ms. Ortega:

The purpose of this letter is to formally request that you place an item on the agenda of the State Allocation Board (Board) at the earliest date possible to address an issue of vital importance to the Dublin Unified School District (District). We request that the item be written to provide an opportunity for discussion and action addressing the Board's authority to make a determination that conditions exist that allows school districts to increase developer fees as established in Government Code 65995.7. Under the provisions of that code section, if the Board is no longer approving apportionments for new construction due to a lack of funds, and upon making a determination that state funds are no longer available, the Board shall notify the legislature in writing of that circumstance. That action will allow the District to levy the additional Level 3 developer fees.

This request to the Board is being made due to the circumstances of the Dublin Unified School District wherein substantial growth has occurred and the District has levied the impact fees to the extent allowable by law; the developer fees collected and available to the District were to be matched by state bond funds. The District has eligibility for new construction funding and has made application for state bond funds. The state bond funds have however been depleted. The Board has no funds to make an apportionment to the District. The resulting circumstance is dire for the District. The residential development progresses, new homes are built and sold, the student population continues to grow, the impact fees available are capped by law and a substantial deficiency totaling in excess of \$475 million in capital funds exists. The immediate action of the Board is vital to the District.

Please recognize further the overall impact of the large deficits of the impact fees and how that wide funding gap will add to the ongoing capital needs of the District. These include modernization, as the older schools will be used by the new students as well as the existing population; and modernization funding however may not legally be covered by impact fees. Also, capital funding to meet costs of facilities required to support program innovation, technology or career technical education cannot be factored into the fees legally assessed.

In short, the policy expectation of State Legislature and the Governor at this time is apparently that the District subsidize its capital needs through a local bond; such however cannot be accomplished within the limitations of a local bond. We need Level 3 immediately and a state bond in November 2016 as dual sources of capital funding.

We respectfully request that you assist the District in placing the requested item on the agenda of the Board at the earliest date.

Sincerely,

Dan Cunningham
President, Board of Trustees
Dublin Unified School District

cc: Senator Loni Hancock
Senator Ted Lieu
Senator Sharon Runner
Assemblymember Susan Bonilla
Assemblymember Rocky Chavez
Assemblymember Adrin Nazarian
Tom Torlakson, State Superintendent of Instruction
Daniel Kim, Department of General Services Director
Governor's Representative Diaz