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Chula Vista Elementary School

FEE JUSTIFICATION REPORT

For Residential & Commercial/Industrial Development

MAY 2022



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EXECUTIVE SUMMARY

This Fee Justification Report (“Report”) for Residential and Commercial/Industrial Development has been prepared by Special District Financing & Administration (“SDFA”) for the purpose of identifying the impact of projected future development on the school facilities of the Chula Vista Elementary School District (“CVESD” or “District”), the ability of the District’s current facilities to accommodate the impact, and the extent to which projected demand exceeds the District’s current facilities capacity as well as quantify the costs associated with meeting the increased demand.

Specifically, this Report is intended to provide the Board of Education of the District with the required information to make the necessary findings set forth in Government Code Section 66001 et seq. and in accordance with Government Code Section 65995 et. seq, to support the District’s collection of its fair share of the statutory fees allowed by the State of California, which for unified districts (K-12) is currently \$4.79 per square foot of new residential development and \$0.78 per square foot of new commercial/industrial development. The CVESD is an elementary school district providing elementary school facilities to students living within the cities of Chula Vista, National City and San Diego as well as small portions of unincorporated areas within the County of San Diego. The CVESD share of the currently authorized statutory fee would be \$2.11 per square foot of new residential construction and \$0.34 per square foot of new commercial/industrial construction pursuant to its developer fee agreement with the Sweetwater Union High School District.

The findings contained in this Report include the following:

- *After taking into account the additional capacity provided by its most recently constructed school (Muraoka) the District has capacity to house approximately 28,569 students in Kindergarten through Sixth Grade.*
- *As of October 6, 2021, K-6 enrollment, including Special Day Class students, was approximately 25,797, and after reserving approximately 725 seats for future “Mitigated Development”, the District currently has approximately 2,047 seats available to serve future unmitigated development.*
- *Approximately 24,081 new dwelling units are anticipated to be constructed within the District by the year 2050. Of these units, approximately twenty-three percent (23%) have mitigated the impact of their development through participation in a community facilities district, a negotiated fee payment or some other mitigation measure (“Mitigated Developments”).*
- *Historical data indicates that approximately three elementary school students are generated from every ten residential dwelling units constructed.*

- *Additional classroom capacity equal to almost five (4.93) additional elementary schools will need to be constructed in order to provide adequate facilities to house students to be generated solely from currently unmitigated developments which lie within the boundaries of CVESD. The estimated cost of these school facilities (i.e., classrooms and ancillary facilities for approximately 2,957 future pupils), excluding interim housing requirements and central administrative support, is over \$276 million dollars.*
- *Taking into account the cost of interim housing and central administrative support, the total cost of school facilities results in a cost of approximately \$97,742 per elementary school student. Thus, based on a net unmitigated student generation rate of .1598 the estimated school facilities cost per dwelling unit is approximately \$15,619.*
- *Based on the District's current estimate of 1,700 square feet as the average size of future dwelling units, the District would need to collect approximately \$9.19 per square foot of new residential development to mitigate the school facilities impacts from new residential construction. This amount is well in excess of the amount that may be collected by the District assuming adoption of this report (i.e., the District's maximum fee amount will be \$2.11 per square foot) and permitted by state statute. Thus, the District is justified in collecting the statutory fees for residential development as permitted by state law.*
- *Utilizing estimates regarding employee generation and associated residential household generation provided by the San Diego Association of Governments, it was determined that the District would need to collect between \$3.36 and \$26.99 per square foot of commercial/industrial development to mitigate the gross school facilities impacts resulting from new non-residential development. These amounts are well in excess of the amount that may be collected by the District assuming adoption of this report (i.e., the District's maximum fee amount will be \$0.34 per square foot) and permitted by state statute. Thus, the District is justified in collecting the statutory fees for commercial/industrial development as permitted by state law.*
- *Absent additional state or local funding, the District will not be able to provide adequate school facilities for new residential, commercial or industrial developments within the boundaries of the District that are currently unmitigated.*

Section

One

INTRODUCTION

This Section of the Report sets forth the legislative requirements as well as the methodology and the data sources utilized in the analysis of the District's school facilities impact. Also included in this Section is a brief description of the CVESD, its current student enrollment and its current capacity.

The Chula Vista Elementary School District

The CVESD is a political subdivision of the State of California and is represented by more than one hundred square miles. Its western boundary includes the southeastern shore of San Diego Bay and the Pacific Ocean Shoreline. Its southern boundary includes a portion of the border between the United States and Mexico. The eastern portion of the District includes largely undeveloped areas within the County of San Diego ("County") and is represented by future master planned developments within the Chula Vista eastern territories. The northern portion of the District's boundary lies within several developed communities. Within the boundaries of the District lie the cities of Chula Vista, National City and San Diego as well as unincorporated areas within the County.

As the largest elementary (K-6) school district in the state, the Chula Vista Elementary School District has a student population of almost 30,000 students housed in forty-six schools, including five dependent charter schools. Additionally, the District oversees three independent charter schools. The District serves a diverse population that includes more than 280,000 people in the areas of Chula Vista, Bonita, Eastlake, Sunnyside, and South San Diego.

Synopsis of District Growth & Student Capacity

During the past thirty-six years, the District has experienced significant student growth as well as accompanying demographic changes both in terms of ethnicity and economic diversity. With the development of the Eastlake, Rancho Del Rey and Otay Ranch master-planned communities as well as other projects, the two decades has seen continuous growth at a rapid rate. During the twenty-year period from 2001 to 2020, the District's K-6 enrollment went up by 4,360 students, an increase of over twenty-one percent (21%).

Student enrollment for 2021-22 is as follows:

FY 2021/22 Student Enrollment

Pupil Description	Current Enrollment ⁽¹⁾⁽²⁾
Kindergarten thru Grade 6 – Regular and SDC	25,797

(1) Reflects California Student Information Services Data (CSIS) enrollment as contained in the District’s 2021/22 enrollment data file.

(2) Figure shown excludes pre-school, transitional kindergarten, middle and high school pupils.

According to the District’s current enrollment figures, the total K-6 student population is almost 26,000 students. For purposes of calculating current capacity under the School Facilities Program the District relies on capacity computations as summarized on its School Capacity & Enrollment worksheet, included as Appendix “A”. This worksheet indicates that the District’s current school facilities are sufficient to house 28,569 students (Grades K-6). A comparison of current student enrollment to current capacity demonstrates that the District’s currently has facilities to adequately house its current enrollment and even has excess capacity. But as discussed below, current excess capacity is attributable to the construction of new schools within Mitigated Developments and will be partially used to provide facilities for future mitigated dwelling units.

Based upon the most recent population and housing estimates of the San Diego Association of Governments (SANDAG) and corroborated by the City of Chula Vista, it is anticipated that the growth experienced by the District during the past two decades is not likely to continue in the near term at a pace that is similar to the past decade. However, long-term expectations regarding the quantity of housing expected at build-out of the District remains largely unchanged. Thus, as the District’s current facilities are inadequate to house a significant number of additional students beyond its current enrollment and the future dwelling units to be constructed within Mitigated Developments, additional facilities must be added to provide capacity for students that will be generated from new non-mitigated development.

During the past thirty-six years the District and the development community have entered into various mitigation agreements in order to ensure the timely construction of school facilities to house students from new development (Mitigated Development). The primary financing mechanism authorized in the mitigation agreements is the formation of a community facilities district (CFD). The District can then issue bonds to construct school facilities with repayment of the bonds being accomplished through the levy of a special tax on properties within the CFDs. These developments that are subject to the special tax are considered Mitigated Developments as they have provided significant funding and support to the CVESD facilities program since 1986. Nevertheless, increased student generation within existing developments as well as new residential construction for which a mitigation agreement does not exist continues to cause the District to operate with inadequate school facilities.

Legislative History

School districts have historically relied upon state funds and local bond measures to provide funding for the acquisition and construction of new school facilities. Prior to the passage of Proposition 13 in 1978, a school district's share of local property taxes was typically sufficient to build necessary schools to accommodate new development. The rapid increase in real estate prices within California during the 1970's and 1980's ensured that revenues would expand as the "ad valorem" tax base grew. However, limitations on the growth of this funding source were significantly constrained by the passage of Proposition 13, which limited annual increases in real estate values, except in the case of ownership transfers, to two percent (2%). This action, combined with a compounding need for new construction monies, caused significant hardships in many school districts during the early 1980's.

In 1986 the state legislature attempted to address this funding shortfall through the enactment of Assembly Bill 2926 ("School Fee Legislation"), which provided for the imposition of development fees on new residential and commercial/industrial construction. The School Fee Legislation provides that development fees are to be collected prior to the issuance of a building permit. Furthermore, no city or county is authorized to issue a building permit for new residential or commercial/industrial projects unless it first certifies with the appropriate school districts that the developer of the project has complied with the development fee requirement.

Shortly thereafter, AB 1600 ("Mitigation Fee Act") was enacted by the state legislature and took effect on January 1, 1989. Government Code Section 66001 et seq. sets forth the requirements for establishing, imposing and increasing development fees initially authorized under AB 2926. Specifically, the Mitigation Fee Act requires that a reasonable relationship or "nexus" exist between the type and the amount of a development fee imposed and the cost of the benefit to be derived from the fee. Specifically, Section 66001 of the Government Code with respect to the imposition of development fees provides, in pertinent part, that any action establishing, increasing, or imposing a fee on new development shall do all of the following:

- *Identify the purpose of the fee.*
- *Identify the use to which the fee is to be put.*
- *Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.*
- *Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.*

The development fees are currently authorized under Education Code Section 17620 and are \$4.79 per square foot of new residential construction and \$0.78 per square foot of new commercial/industrial development (for K-12 school districts). These development fees will next be increased by the SAB in 2024 and every two years thereafter.

Methodology

In order to determine the impact of new construction on CVESD facilities the relationship between the new construction and its impact on the demand for school facilities must be identified. For residential development, this determination includes the following:

- *Projecting the number of future residential dwelling units to be constructed within CVESD boundaries.*
- *Calculating a student generation rate (i.e., students expected to be generated from each new dwelling unit type).*
- *Determining the number of students to be generated from new development.*
- *Identifying the “per student cost” for new elementary school facilities.*
- *Multiplying the per student costs for elementary school facilities by the student generation rate for each dwelling unit type.*

The methodology for determining the impact of new commercial/industrial development is similar. However, instead of determining the number of students to be generated per new dwelling unit, the focus is on the number of students generated per employee.

This Report utilizes in part, employee generation factors derived from the Traffic Generator’s Guide prepared by the San Diego Association of Governments (SANDAG), last updated in April of 2002, as well as certain census data compiled by the U.S. Census Bureau.

Data Sources

The primary information required to establish a nexus between new development and school facilities impacts includes residential housing projections, employment impacts from new commercial/industrial development, historical student generation rates and facilities cost estimates. Primary information sources regarding future housing projections include SANDAG’s Populations and Housing Estimates for the Chula Vista Elementary School District. Data for determining commercial/industrial impacts was derived from the Traffic Generators Guide prepared by SANDAG as well as 2010 Census Data for the City of Chula Vista. Student generation rates and school facilities cost estimates for this Report were calculated by the District’s Facilities Department.

Section
Two

RESIDENTIAL DEVELOPMENT

This Section of the Report identifies the school facilities impact from new residential construction.

Existing Facilities Capacity and Current Enrollment

Prior to examining the school facilities impacts from new development, the District’s current capacity and enrollment were reviewed to identify existing facilities that may be available to house future students. As shown in Appendix “A” (School Capacity & Actual Enrollment worksheet), the District has determined that its existing school building capacity to house Kindergarten through Sixth grade pupils is approximately 28,569 school seats. As previously indicated in Table I, enrollment figures for 2021/22 indicate a current K-6 student population of 25,797.

The current capacity surplus of 2,772 seats is largely attributable to recent declines in student enrollment which have primarily occurred on the west side of the District. The resulting gross school capacity surplus is shown in Table II.

*Table II
Existing Gross School Facilities Capacity Surplus*

2021/22 Capacity ⁽¹⁾	2021/22 Enrollment	Gross Seat Surplus/(Deficit)
28,569	25,797	2,772

(1) Includes Permanent Facilities & Interim Facilities.

In recent years, annual increases in costs to construct new school facilities has outpaced other measures of inflation by a significant margin. For example, the estimated per pupil costs associated with constructing its most recent school to be located in Village 3 of the Otay Ranch are more than twice what it cost to build Camarena Elementary a decade ago. Both of these schools are located within CFDs and primarily serve these mitigated developments. The CFD tax rates and escalation provisions established for these areas do not fully provide a funding mechanism to absorb these significant cost increases. Additionally, state-funding is a presumed funding for source new schools has that funding source not been available for several years. For these reasons, the District’s CFDs are now experiencing a funding deficit.

Since these Mitigated Developments do not pay statutory school fees as determined in this report, it is necessary to set aside and reserve some of the District’s current capacity so that sufficient housing will be available to serve these future Mitigated Developments. A computation of the District’s Mitigated Development Deficit is set forth in Appendix “B”. This computation indicates

that the average facilities funding per dwelling unit to be received from the remaining development expected to occur within the CFDs is approximately \$12,949. This is approximately \$13,189 or 50.46% less than the current estimated cost of \$26,138 per dwelling unit to fund new school facilities necessary to serve new development. Thus, of the 1,438 students expected to be generated from the construction of 5,578 future dwelling units located within the District's CFDs, the CFDs financing mechanisms will only produce funds sufficient to fund 713 of these seats (approximately 49.54%) with the remaining 725 necessary seats unable to be locally funded. Therefore, of the 2,680 surplus seats currently within the District, 725 of these seats will necessarily be reserved for Mitigated Development and are not available to house future Unmitigated Development. Table II identifies the portion of the District's current capacity surplus which is available to house future students from Unmitigated Developments.

*Table III
Existing Net School Facilities Capacity Surplus*

Current Gross Capacity Surplus (Available Seats)	Less Seats Reserved for Future Mitigated Development	Net Existing Capacity Surplus For Unmitigated Development ⁽¹⁾
2,772	(725)	2,047

(1) Reflects the capacity available after setting aside 725 of the current 2,772 surplus seats for future mitigated students. The set aside assumes that for the estimated 1,438 students anticipated to be generated from future mitigated development (i.e., 5,578 mitigated dwelling units as identified in Appendix "F" multiplied by the respective student generation rates identified in Appendix "C", only 49.54% of the current costs to house these students will be derived from future CFD bond issues and special taxes imposed on Mitigated Development.

After the set-aside of 725 surplus seats necessary to supplement the CFD funding capacity in order to house the current estimate of future students from the CFDs, the remaining surplus capacity is available to house a portion of the students expected to be generated from the future unmitigated dwelling units for which statutory school fees will be collected. Thus, even though the following development projections incorporate both Mitigated and Unmitigated Development only the **net** remaining impacts resulting from future Unmitigated Development are considered in the balance of this Report.

Future Residential Unit Projections

The District relied on SANDAG's Series 13 Regional Growth Forecast in order to project future dwelling units to be constructed within the District. This Series 13 estimates reflects population, housing and employment projections for nineteen local jurisdictions and for several spheres of influence. These forecasts were based, in part, on land use alternatives and "smart-growth" policies contained in the County of San Diego's general plan.

A copy of SANDAG's Series 13 Regional Forecast for the Chula Vista Elementary School District as well as a worksheet prepared by SDFA are included in Appendix "D". Using these estimates as well as information contained in the City of Chula Vista's Five-Year Forecast as approved by its Growth Management and Oversight Committee (see Appendix 'E'), SDFA has determined that there will be over 24,000 additional residential units to be constructed within the boundaries of the District by 2050. This estimate is summarized in Table IV.

*Table IV
Projected Future Residential Units within CVESD*

Residential Housing	FY 2022 ⁽¹⁾ Residential Units	FY 2050 ⁽²⁾ Residential Units	Net Increase in Dwelling Units	Pct Increase in Dwelling Units
SFDs, SFA and MF Apartments ⁽³⁾	95,500	119,581	24,081	25.22%

- (1) For purposes of estimating future dwelling units to be constructed by 2050, the District relied on SANDAGs 2013 Data Forecast and its Series 2020 housing estimate and supplemented it with the average annual increase in housing units expected from 2020 to 2050 for the two-year period from 2020 to 2022.
- (2) Reflects the number of existing single-family and multi-family housing units within the boundaries of the District as set forth in SANDAG’s Housing and Population Profile for CVESD as shown in Appendix “D”.
- (3) Reflects only those dwelling units identified in by SANDAG as SFD, SFA and Apartments. For purposes of projecting future dwelling units, housing identified as mobile homes was ignored as there is anticipated to be a net decrease in such housing over the next three decades.

As previously indicated, a considerable number of future single-family detached (SFD), single-family attached (SFA) and multifamily apartment (MFA) units will be constructed within master-planned communities and other in-fill areas which are considered Mitigated Developments because they have already mitigated their school impacts through the formation of a community facilities district or some other ‘in-lieu-of’ consideration. A summary of these projects is shown below:

*Table V
Mitigated Developments ⁽¹⁾*

Development Area	CFD / Mitigation	Future SFDs	Future SFAs & MFAs	Total Future D/Us
OR-(Villages 2, 3, 8W,10 & P.A. 12)	CFD #17,18, 19, 20 & 21	982	4,436	5,418
Western Chula Vista – El Dorado Ridge	CFD 10	0	104	104
COCV Projects (Gates, RDR Est, Lofts)	CFD 1, 3 & 14	13	43	56
Totals		995	4,583	5,578

- (1) Future Planned Residential Projects with Existing Mitigation. For further information regarding these projects please see Appendix “E” for the City of Chula Vista’s 2020 Residential Forecast and Appendix “F” for SDFAs’s tabulation of these units.

The estimated number of future dwelling units currently classified as Unmitigated Developments and subject to the developer fee set forth in this report is shown in the following table:

*Table VI
Unmitigated Developments ⁽¹⁾*

Development Area	Jurisdiction	Future SFDs	Future SFAs & MFAs	Total Future Dwelling Units
Otay Ranch (Villages 4, 8E, 9 & 10)	Chula Vista	1,743	7,613	9,356
Western Chula Vista	Chula Vista	200	815	1,015
Unidentified Projects ⁽²⁾	CVESD	4,066	4,066	8,132
Totals		6,009	12,494	18,503

- (1) Future Planned Residential Projects without Mitigation. For further information regarding the Identified portion of the projects listed above please see Appendix “E” for the City of Chula Vista’s 2020 Residential Forecast and Appendix “F” for SDFAs’s tabulation of these units.
- (2) Represents the difference between the projected increase in dwelling units to be developed by 2050 as shown in Table VI (24,081) less the sum of the future mitigated units identified in Table V (5,578), the future identified unmitigated units in the Otay Ranch (9,356) and the identified future units in Western Chula Vista (1,015). The future unidentified future units have been allocated 50% to SFDs and the remaining 50% to SFAs and MFAs.

Thus, a summary of future residential SFD and MF units to be built within the CVESD by 2050 is shown in Table VII.

*Table VII
Projected Total Future Residential Units*

Development Area	Future SFDs	Future SFDs & Apts	Estimated Future Dwelling Units
Mitigated Development	995	4,583	5,578
Unmitigated Development	6,009	12,494	18,503
Totals	7,004	17,077	24,081

Student Generation Rates

To establish a nexus between anticipated future residential development and a corresponding need for additional school facilities, the number of future students anticipated to be generated from the new residential development must be determined. This calculation often results in student generation rates or factors, which represents the number of students, or portion thereof, expected to attend District schools from each new dwelling unit constructed.

The most recent calculation of student generation rates for each dwelling unit type (i.e., SFD, SFA and Apartments) was determined by the District’s CFD Administrator by dividing the number of elementary students that both attend and reside within the boundaries of the Districts CFDs (i.e., CFD Nos. 1-20) by the number of dwelling units currently located within these same CFDs. The District believes that these CFDs which consist of over 40,936 dwelling units, represent a significant sample size and that the dwelling units located within these CFDs have all been constructed within the past thirty-five years and will most accurately reflect the student yields expected to come from future residential units to be constructed by 2050. The student generation rates for the District are included in Appendix “C” and are also reflected in Table VIII.

*Table VIII
Student Generation Rates by Dwelling Type*

Dwelling Types within CFD Nos. 1 - 20	Elementary Students ⁽¹⁾	Dwelling Units ⁽²⁾	Student Generation Rates ⁽³⁾
Single-Family Detached (SFD)	8,215	25,049	0.3280
Single-Family Attached (SFA)	2,566	9,467	0.2710
Multi-Family Apartments	1,285	6,420	0.2002
Weighted Average (All CFD D/U Types) ⁽⁴⁾	12,066	40,936	0.2948

(1) Figures shown includes only K-6 students.

(2) The dwelling units shown are for those units for which a building permit was issued as of January 1, 2021.

(3) Rounded to the nearest ten-thousandth.

(4) While the District believes that the SGRs identified above will produce the most reasonable estimate of additional students when applied to the District’s development projections, the District does acknowledge that the student generation rate derived on a district-wide basis is approximately 0.2761 (i.e., current K-6 enrollment of 25,889 / divided by 93,780 housing units) and if multiplied by the 18,053 future unmitigated dwelling units, would currently produce slightly more students than what is indicated in Table IV when applied to each of the estimated dwelling type estimates resulting in an average SGR of 0.2704.

Students Generated by New Development

The number of students estimated to be generated from future Unmitigated Development is determined by multiplying the projected number of future unmitigated SFD and MF units (Table VI) by the corresponding generation rate (Table VIII). This computation is reflected in Table IX:

*Table IX
Student Generation from Future Unmitigated Development*

Dwelling Type	Gross Unmitigated Dwelling Units ⁽¹⁾	Student Generation Rate ⁽²⁾	Total Students ⁽³⁾
Single-Family Detached (SFD)	6,009	0.3280	1,971
Single-Family Attached (SFA)	7,496	0.2710	2,032
Multi-Family Apartments (APT)	4,998	0.2002	1,001
All Dwelling types	18,503		5,004

(1) Neither the SANDAG forecast nor the GMOC forecast make a distinction between attached condominium units or townhomes and multi-family apartment units, collectively "MF" or Multi-Family Units, for purposes of projecting future students, it was assumed that sixty percent (60%) will develop as SFAs and forty percent (40%) will develop as apartment units.

(2) Rounded to the nearest ten-thousandth.

(3) Rounded to the nearest integer.

School Facilities Required to Serve New Development

In order to determine the number of schools, or portions thereof, required to serve students generated from new unmitigated development, the aggregate student generation shown in Table IX is divided by the school capacity (i.e., design population). Table X shows the number of new elementary schools required to serve new unmitigated development:

*Table X
School Facilities Required for Net Unhoused & Unmitigated Development*

Gross Unmitigated Students ⁽¹⁾	Net Capacity Available for Unmitigated Development ⁽²⁾	Net Unhoused Unmitigated Students ⁽³⁾	Design Capacity for New Schools	Net Facilities Required ⁽⁴⁾
5,004	2,047	2,957	600	4.93

(1) Gross Future Unmitigated Students as shown in Table IX.

(2) Reflects the capacity available after setting aside 725 of the current 2,772 surplus seats for future mitigated students. The set aside assumes that for the estimated 1,438 students anticipated to be generated from future mitigated development, approximately 49.54% of the costs to house these students will be derived from future CFD bond issues and special taxes imposed on Mitigated Development.

(3) Reflects net remaining capacity deficit for future unmitigated development.

(4) Reflects an elementary school design capacity of 600 pupils and is rounded to two significant digits.

Estimated School Facilities Costs

To calculate the cost for elementary school facilities, the District utilized, in part, the estimated construction cost associated with the elementary school to be located in Village No. 3 of the Otay Ranch. Certain costs associated with site mitigation were excluded from the estimate. Additionally, a land cost of \$1,000,000 per acre was used as it reflects the District’s current estimate to acquire land for future schools to serve unmitigated development. The estimated costs for elementary school facilities are contained in Appendix “G”. The resulting facilities costs per school site, including acquisition and site development are shown in Table XI.

*Table XI
Estimated Facilities Costs per School Site*

Site Acquisition ⁽¹⁾	Site Development ⁽²⁾	Construction ⁽³⁾	Total Cost
\$8,340,000	\$10,414,278	\$37,352,067	\$56,106,345

(1) Assumes a master plan of 8.34 gross acres, Site acquisition costs shown in Appendix “G-1” are based on an 8.34-acre site.

(2) Includes geotechnical tests and certain utility costs.

(3) Includes hard and soft construction costs, inspections, engineering, furniture, and equipment.

The aggregate facilities cost impact from new, Unmitigated Development is determined by multiplying the per site costs shown in Table XI by the required number of sites reflected in Table X. This resulting impact is shown in Table XII.

*Table XII
Estimated Facilities Costs (Excluding Interim Housing & Admin. Facilities)*

Required Schools ⁽¹⁾	Site Acquisition	Site Development ⁽²⁾	Facilities Construction ⁽³⁾	Total Cost
4.93	\$41,116,200	\$51,342,389	\$184,145,690	\$276,604,279

(1) Rounded to the nearest hundredth.

(2) Includes geotechnical tests and certain utility costs.

(3) Includes hard and soft construction costs, inspections, engineering, furniture, and equipment.

Interim Housing and Administrative Support

In addition to elementary school facilities, new development imposes additional facilities impacts on school districts. Because development fees are collected at the time a building permit is issued, funds to provide facilities accumulate over a period of time and revenues, particularly when other local or state funds are not available, are not sufficient to build a school when development so warrants. The solution to this problem is most often addressed through “interim housing” in which the District purchases or leases relocatable classrooms that are used to temporarily alleviate overcrowding at existing school sites. As detailed in Appendix ‘G’ the District’s estimate of interim housing costs is \$3,500 per pupil.

However, additional central administrative facilities and support is also required as new students place incremental demands on school administration. The District has determined that \$700 for each new student is necessary to provide for corresponding central administrative facilities. The estimated total cost of interim housing and central administrative facilities is shown in Table XIII.

*Table XIII
Costs for Interim Housing & Administrative Support Facilities*

Net Unhoused Students ⁽¹⁾	Per Pupil Costs		Total Cost Total
	Interim Housing ⁽²⁾	Administrative Support ⁽²⁾	
2,957	\$3,500	\$700	\$12,419,400

(1) From Table X.

(2) Rounded to the nearest dollar.

Thus, the estimated total cost of school facilities (Table XII) and ancillary facilities (Table XIII) necessary to accommodate students generated from new residential development is shown in Table XIV:

*Table XIV
Total Estimated Facilities Costs*

School Facilities	Interim Housing	Administrative Support	Total Cost
\$276,604,279	\$10,349,500	\$2,069,900	\$289,023,679

Total Estimated Cost per Student

The estimated facilities cost for each elementary school student is derived by dividing the school facilities costs by the respective number of students expected to be generated from new residential development. The “per pupil” costs for interim housing and administrative support (Table XIII) are added to the “per pupil” school facilities cost to determine the total per student facilities costs for elementary school facilities. The total estimated per pupil facilities cost is shown below:

*Table XV
Total Facilities Costs per Pupil*

School Facilities Cost	Net Future Unmitigated Students	Per Pupil Costs ⁽¹⁾			
		School Facilities	Interim Housing	Administrative Support	Total Cost
\$276,604,279	2,957	\$93,542	\$3,500	\$700	\$97,742

(1) Rounded to the nearest dollar.

School Facilities Impact per Dwelling Unit

The total estimated facilities cost for each new residential SFD and MF unit is determined by multiplying the facilities costs per student (Table XV) by the Net Unmitigated Student Generation Rate as shown below:

*Table XVI
Total Facilities Costs per Residential Unit*

Per Pupil Cost	Future Unmitigated Dwelling Units ⁽¹⁾	Net Unhoused Unmitigated Students ⁽²⁾	Net Unmitigated Student Generation Rate ⁽³⁾	Facilities Cost Per Dwelling Unit ⁽⁴⁾
\$97,742	5,004	2,957	0.1598	\$15,619

(1) Future Unmitigated Dwelling Units as shown in Table VI.

(2) As shown in Table X.

(3) Rounded to the nearest ten-thousandth and represents the net resulting SGR after allocating surplus capacity to house future students.

(4) Rounded to the nearest dollar.

Utilizing habitable square footage information tabulated for the District’s most recently developed CFDs, the average square footage across all dwelling types was approximately 1,700 square feet. The District expects that much of the future unmitigated development will occur in the remaining unmitigated villages (Villages 8 East, 9 & 10) of the Otay Ranch and current planning information indicates that the densities for these residential communities will be at least equal to the densities experienced in the newest mitigated developments within the District. Thus, the District estimates that the size of future dwelling units to be constructed in Unmitigated Developments will average approximately 1,700 square feet. Dividing the net facilities cost per dwelling unit by the estimated average size of a future dwelling units (1,700 square feet) yields a school facility cost of \$9.19 per square foot.

As previously indicated, the current statutory development fee authorized by Government Code Section 65995 (b)(1) for new residential construction is \$4.79 per square foot of which the District will receive \$2.11 per square foot if this report is adopted. Based on the District’s student generation rates, actual costs to provide school facilities and the average square footage for new dwelling units, the District, as outlined above, would need to levy approximately \$9.19 per square foot to actually provide the school facilities necessitated by new residential development.

This Report demonstrates that the net school facilities impact amount per square foot equals \$9.19 for all new residential development within the boundaries of the District. Thus, there is full justification for collecting the District’s share of the maximum statutory developer fee allowed of \$4.79 per square foot (K-12), or \$2.11 per square foot of new residential development. Since the District’s school facilities impact per square foot is greater than the maximum statutory fee allowed under Government Code Section 65995 (b)(1), the District actually suffers unmitigated impacts from new residential development, which not only supports the collection of the statutory development fee for residential developments, but also those fees for new commercial/industrial development as provided for in Section Three of this Report.

Education Code Section 17623 provides that non-unified school districts having a common jurisdiction, such as a high school district and feeder elementary schools, must determine how to distribute the development fee among the school districts if the combined fees to be collected exceed the maximum amount authorized under Government Code Section 65995 (b)(1), currently \$4.79 per square foot.

In this instance, CVESD is justified in levying \$4.79 per square foot. However, as previously indicated the Sweetwater Union High School District is similarly justified in collecting a portion of the maximum development fee. Therefore, CVESD has entered into an agreement with the Sweetwater Union High School District specifying the amount of the development fee it will collect from new residential developments as follows:

*Table XVII
Jurisdictional Fee Allocation -- Residential Development*

Fees Collected by CVESD ⁽¹⁾	Fees Authorized to be Collected by SUHSD	Total Statutory Fee Collected per Gov't Code Section 65995
\$2.11 per square foot	\$2.68 per square foot	\$4.79 per square foot

(1) Assuming adoption of this Report on May 18, 2022, Fees to be collected by CVESD effective July 18, 2022.

Table XVIII identifies the facilities costs per dwelling unit and on a square foot basis -- the facilities cost per square foot, the amount currently being collected by CVESD and the net fee deficit for new development. As can be seen, the amount required is over four times the amount that will be collected (\$1.80) by the CVESD:

*Table XVIII
Comparison of Facilities Cost to Currently Authorized Fee ⁽¹⁾*

Facilities Cost Per D/U	Average SqFt Per Dwelling Unit	Facilities Cost Per Sqft	Current Fee Per Sqft	Fee Deficit Per Sqft
\$15,619	1,700	\$9.19	\$2.11	(\$7.08)

(1) Fees collected by CVESD effective July 18, 2022, assuming adoption by the Board of Education on May 18, 2022.

Section

Three

COMMERCIAL/INDUSTRIAL DEVELOPMENT

This Section of the Report identifies the school facilities impact from new commercial and industrial development.

School Facilities Impacts from Commercial/Industrial

Just as the District is required to establish the impact of new residential development on student enrollment and a corresponding need for additional school facilities, a similar nexus must be established between new commercial/industrial development and the corresponding need for additional school facilities. The four-step methodology used to quantify the impact of commercial/industrial development on student enrollment is discussed in the report and is summarized as follows:

1. *Determine the number of employees required per square foot for specific types of commercial and industrial development (i.e., new jobs created within the school district).*
2. *Determine the number of new employees that would both live and work within the school district.*
3. *Determine the number of occupied housing units that would be associated with new employees.*
4. *Determine the number of new students generated from these employees utilizing the estimated student generation rates.*

Estimated Number of Employees per Square Foot

Because the utilization of commercial and industrial buildings varies significantly, in order to estimate the number of employees and hence, the number of school age children generated by employees, it is important that the relationship between the size of any commercial/industrial development and its associated employee base, be established for various development or land use types. To do this, the CVESD relied on survey results published in SANDAGs report entitled Traffic Generators Guide. This Traffic Generators Guide reflects data gleaned from a site-specific employment inventory of diverse developments throughout San Diego County. Multiple sites for seventeen different development types are included in the survey data and the square footage and number of employees has been averaged for each development type yielding the average number of employees per thousand square feet as shown in the following table:

Table XIX
Region-wide Employment Per 1000 Square Feet by Development Type ⁽¹⁾

Development Type	Square Feet of Dev. Type	Total Employees	Employees per 1,000 Sqft. ⁽²⁾
Lodging- Hotel/Motel	162,313	184	1.133
Discount Retail Club	128,629	215	1.671
Industrial Parks (No Commercial)	412,498	733	1.777
Commercial Strip Center	27,677	50	1.807
Regional Shopping Center	1,496,927	2,778	1.856
Car Dealers	28,433	57	2.005
Community Shopping Center	200,442	432	2.155
Neighborhood Shopping Center	70,721	178	2.517
Industrial Plants (Multiple Shifts)	443,000	1,121	2.530
Corporate Office (Single User)	127,331	342	2.686
Banks	9,203	26	2.825
Scientific Research & Development	221,184	673	3.043
Industrial/Business Parks	276,218	972	3.519
Medical Offices	22,507	96	4.265
Commercial Offices (>100,000 sqft)	144,800	625	4.316
Commercial Offices (<100,000 sqft)	27,100	130	4.797
Restaurants	5,267	48	9.113

(1) Source: SANDAG Publication, Traffic Generators Guide (last updated in 2002).

(2) Employees/1000 Square Feet = Total Employment/Square Feet of Each Type

Estimated Number of Employees Living & Working within the School District

In order to determine the minimum number of students that will be generated as a result of new commercial/industrial development, an estimate of the number of employees (i.e., parents of the children expected to attend schools within the District) that will both work and live within the District must be determined. To make this determination, SDFA relied on census data and worksite information provided by the Equal Employment Opportunity Commission (EEOC). Specifically, SDFA obtained employment and population estimates for the City of Chula Vista. (EEOC worksite data is only available for cities or other statistical areas with populations that exceed 50,000). Tabulations of the worksite and population estimates are contained in Appendix 'H'.

The US Census Bureau estimated that based on the 2005-2010 American Community Survey there were a total of 59,575 employees working within the City of Chula Vista. The census data also contains "place of residence" information for these employees. The following table identifies the residential employee generation rate (REGR) for the Worksite Census Area or WSA, which is determined by dividing the total number of employees within the WCA Census Area by the total number of employees that *both live and work* within the boundaries of WCA Census Area.

Table XX
Estimated Resident Employees within the Worksite Census Area ⁽¹⁾

Jurisdiction	Total Employees ⁽¹⁾	Place of Residence ⁽¹⁾	Pct of Employees Working and Residing in Chula Vista
City of Chula Vista	59,575	29,570	49.63%

(1) Source: 2005-2010 American Community Survey; US Census

Although the census data does not identify a place of residence which corresponds solely to the jurisdictional boundaries of the CVESD, it was assumed that the REGR for the Worksite Census Area would produce a close approximation of the actual REGR for the entire CVESD. This assumption is reasonable because the commercial and industrial development characteristics of areas outside of the CVESD but within the jurisdictional boundaries of the Worksite Census Area are similar to those of commercial and industrial developments within the boundaries of the CVESD.

It should be noted that by considering only those employees that both live and work within the CVESD (as expressed by the REGR), the District is being conservative in its estimate of the impact of commercial/industrial development on student enrollment because the methodology identified herein does not take into account any students who may attend schools within the District as a result of Education Code Section 48204 (i.e., inter-district transfers). Section 48204 of the Education Code permits employees working within the school district who do not reside within the boundaries of the school district to request that their children be permitted to attend a school within the boundaries of the District in which they work. The census data suggests that approximately fifty percent (50.37%) of WCA workers commute from outside of the WCA to their jobs. Many of these workers living outside of but working within the WCA could request that their children be transferred into the CVESD on the basis of employment.

Nevertheless, by multiplying the number of employees per thousand square feet as shown in Table XIX by the REGR computed for the WCA, one can derive a REGR for the various commercial/industrial development types. The following table indicates that for every 1,000 square feet of new commercial or industrial development, expected residential employee generation ranges from a low of 0.563 employees for *Lodging* to a high of 4.523 employees for *Restaurants*.

Table XXI
Resident Employee Generation Factors by Development Type

Development Type	Average Employees per 1,000 Sqft.	Residential Employment Generation Rate	Resident Employees Per 1,000 Sqft.
Lodging- Hotel/Motel	1.133	.4963	0.563
Discount Retail Club	1.671	.4963	0.830
Industrial Parks (No Commercial)	1.777	.4963	0.882
Commercial Strip Center	1.807	.4963	0.897
Regional Shopping Center	1.856	.4963	0.921
Car Dealers	2.005	.4963	0.995
Community Shopping Center	2.155	.4963	1.070
Neighborhood Shopping Center	2.517	.4963	1.249
Industrial Plants (Multiple Shifts)	2.530	.4963	1.256
Corporate Office (Single User)	2.686	.4963	1.333
Banks	2.825	.4963	1.402
Scientific Research & Development	3.043	.4963	1.510
Industrial/Business Parks	3.519	.4963	1.747
Medical Offices	4.265	.4963	2.117
Commercial Offices (>100,000 sqft)	4.316	.4963	2.142
Commercial Offices (<100,000 sqft)	4.797	.4963	2.381
Restaurants	9.113	.4963	4.523

Estimated Household Rate per Resident Worker

In order to quantify the impact of these residential workers on the District, two additional relationships must be established. The first of these is the number of households per resident worker. Utilizing census data of occupied housing within the Worksite Census Area, SDFA identified the household rate (i.e., the number of occupied housing units per residential worker) to be .3820.

Table XXII
Household Rate for Worksite Census Area

WCA Geographic Boundary	Resident Workers (COVC)	Occupied Housing Units in 2010 ⁽¹⁾	Household Rate ⁽²⁾
Worksite Census Area (City of Chula Vista)	29,570	77,413	38.20%

1) Source: 2005-2010 American Community Survey; US Census; current occupied housing units are estimated to be 88,143 but for purposes of estimating a household rate, the 2010 estimate must be utilized.

2) Household Rate = Occupied Housing Units / Resident Workers

By applying the household generation rate for the WSA of .3820 to the Resident Employee Generation Factors shown in Table XXI, housing units required per employee for each commercial/industrial land use category can then be determined. Expected household generation per 1,000 square feet of commercial/industrial development appears in the following Table:

Table XXIII
Household Generation for Commercial/Industrial Land Uses

Development Type	Residential Employees per 1,000 Sqft.	Household Generation Rate	District Households Per 1,000 Sqft
Lodging- Hotel/Motel	0.563	.3820	0.215
Discount Retail Club	0.830	.3820	0.317
Industrial Parks (No Commercial)	0.882	.3820	0.396
Commercial Strip Center*	0.897	.3820	0.343
Regional Shopping Center	0.921	.3820	0.352
Car Dealers*	0.995	.3820	0.380
Community Shopping Center	1.070	.3820	0.409
Neighborhood Shopping Center	1.249	.3820	0.477
Industrial Plants (Multiple Shifts)	1.256	.3820	0.480
Corporate Office (Single User)	1.333	.3820	0.509
Banks	1.402	.3820	0.536
Scientific Research & Development	1.510	.3820	0.577
Industrial/Business Parks	1.747	.3820	0.667
Medical Offices	2.117	.3820	0.809
Commercial Offices (>100,000 sqft)	2.142	.3820	0.818
Commercial Offices (<100,000 sqft)	2.381	.3820	0.909
Restaurants*	4.523	.3820	1.728

School Facilities Cost from Commercial/Industrial Development

Since the school facilities cost per new dwelling unit was already identified in Table XVI, by applying the total cost per dwelling unit to the district household generation shown in Table XXIII, the gross school facilities impact of commercial/industrial development can be determined. The resulting facilities cost per square foot is shown in Table XXIV and ranges from \$3.36 to \$26.99 per square foot of development.

Table XXIV
Gross School Facilities Impact for Commercial/Industrial Land Uses

Development Type	District Households Per Sqft of Non-Res. Dev.	School Facilities Cost Per Dwelling Unit	Gross Facilities Cost Per Sqft OF Commercial/Industrial Development
Lodging- Hotel/Motel	0.0002149	\$15,619	\$3.36
Discount Retail Club	0.0003169	\$15,619	\$4.95
Industrial Parks (No Commercial)	0.0003369	\$15,619	\$5.26
Commercial Strip Center*	0.0003425	\$15,619	\$5.35
Regional Shopping Center	0.0003518	\$15,619	\$5.50
Car Dealers*	0.0003801	\$15,619	\$5.94
Community Shopping Center	0.0004086	\$15,619	\$6.38
Neighborhood Shopping Center	0.0004772	\$15,619	\$7.45
Industrial Plants (Multiple Shifts)	0.0004798	\$15,619	\$7.49
Corporate Office (Single User)	0.0005092	\$15,619	\$7.95
Banks	0.0005356	\$15,619	\$8.37
Scientific Research & Development	0.0005769	\$15,619	\$9.01
Industrial/Business Parks	0.0006672	\$15,619	\$10.42
Medical Offices	0.0008087	\$15,619	\$12.63
Commercial Offices (>100,000 sqft)	0.0008183	\$15,619	\$12.78
Commercial Offices (<100,000 sqft)	0.0009095	\$15,619	\$14.21
Restaurants*	0.0017278	\$15,619	\$26.99

Commercial/Industrial Development Impact

As noted, the school facilities impact shown above represents the total cost to provide school facilities required to serve new students resulting from the construction of new commercial/industrial development. This amount reflects the gross impact of such development and does not take into account the impact fees already collected from new residential construction. Nor does it consider that as new commercial/industrial development occurs, some portion of the new employees will be housed in existing housing (from which no additional residential impact fee may be collected).

The following table shows the *net facilities* impact remaining assuming that the currently authorized maximum statutory fee (Level I Fee) was collected from all new residential development. By multiplying the "Fee Deficit per D/U" of \$12,032 derived from Table XVI (i.e., Cost Per D/U of \$15,619 less the Fee Collection Per D/U of \$3,587 (i.e., 1,700 Average Square Feet x \$2.11 Statutory School Fee)) by the household rates per square foot of development to each of the non-residential development types, we can then see the net facilities cost remaining after collection of the statutory residential fee:

Table XXV
Net Facilities Deficit After Collection of Residential Impact Fee

Development Type	District Households Per Square Foot of Non-Residential Development	Net Deficit Per D/U After Collecting Statutory Fee from Residential Development	Unfunded Impact Per Square Foot After Collection of Statutory Fee
Lodging- Hotel/Motel	0.0002149	\$12,032	\$2.59
Discount Retail Club	0.0003169	\$12,032	\$3.81
Industrial Parks (No Commercial)	0.0003369	\$12,032	\$4.05
Commercial Strip Center*	0.0003425	\$12,032	\$4.12
Regional Shopping Center	0.0003518	\$12,032	\$4.23
Car Dealers*	0.0003801	\$12,032	\$4.57
Community Shopping Center	0.0004086	\$12,032	\$4.92
Neighborhood Shopping Center	0.0004772	\$12,032	\$5.74
Industrial Plants (Mult. Shift)*	0.0004798	\$12,032	\$5.77
Corporate Office (Single User)	0.0005092	\$12,032	\$6.13
Banks	0.0005356	\$12,032	\$6.44
Scientific Research & Development	0.0005769	\$12,032	\$6.94
Industrial/Business Parks	0.0006672	\$12,032	\$8.03
Medical Offices	0.0008087	\$12,032	\$9.73
Commercial Offices (>100,000 sqft)	0.0008183	\$12,032	\$9.85
Commercial Offices (<100,000 sqft)	0.0009095	\$12,032	\$10.94
Restaurants*	0.0017278	\$12,032	\$20.79

Thus, assuming that *all* employees working in new non-residential developments within the District also reside in new housing within the District and the District was collecting the District's share of the current statutory fee (Level I) of \$2.11 per square foot from each home, a fee deficit *after collecting the maximum statutory fee for residential development* would still range between \$2.59 (Lodging) and \$20.79 (Restaurants) per square foot of new non-residential development.

Thus, *based on CVESD's currently authorized share of the non-residential fee (i.e., \$0.34 per square foot of non-residential development), assuming that every employee within the CVESD also resided within the CVESD and was housed in a dwelling unit for which the statutory fee (Level I Fee) for residential and the statutory non-residential fee was collected, a net facilities funding deficit would still remain.*

And as previously mentioned this analysis does not consider inter-district transfers pursuant to Education Code Section 48204. Section 48204 of the Education Code permits employees working within the school district who do not reside within the boundaries of the school district to request that their children be permitted to attend a school within the boundaries of the District in which they work. For any of these pupils, the District will have collected no corresponding residential development impact fees.

Pursuant to Government Code Section 65995(b)(2), a unified school district is authorized to collect \$0.78 per square foot of for new commercial/industrial development. As previously indicated, Education Code Section 17623 provides that non-unified school districts having a common jurisdiction, such as a high school district and feeder elementary schools, must

determine how to distribute the development fee among the school districts if the combined fees that could be independently justified exceeds the maximum amount authorized under Government Code Section 65995(b)(2), currently \$0.78 per square foot for new commercial/industrial development. For all development types shown in Table XXV, the District is justified in collecting its share pursuant to its fee sharing agreement with the Sweetwater Unified School District as shown in the following table:

Table XXVI
Jurisdictional Fee Allocation -- Commercial/Industrial Development

Fees Collected by CVESD ⁽¹⁾	Authorized Fee to be Collected by SUHSD	Total Statutory Fee Collected per Government Code 65995
\$0.34 per square foot	\$0.44 per square foot	\$0.78 per square foot

(1) Assuming adoption of this Report, fees collected by CVESD effective July 18, 2022.

Impacts from Senior Housing

As it relates to the imposition of developer fees upon senior citizen housing projects, Section 65995.1(a) of the Government Code reads as follows:

Notwithstanding any other provision of law, as to any development project for the construction of senior citizen housing, as described in Section 51.3 of the Civil Code, a residential care facility for the elderly as described in subdivision (k) of Section 1569.2 of the Health and Safety Code^[1], or a multilevel facility for the elderly as described in paragraph (9) of subdivision (d) of Section 15432, any fee charge, dedication or other requirement that is levied under Section 53080^[2] may be applied only to new construction and is subject to the limits and conditions under subdivision (b) of Section 65995 in the case of commercial or industrial development.

[1] Although described in subdivision (k), the definition is found under subdivision (o) and (p).

[2] Government Code Section 53080 was revised to Education Code Section 17620.

The District acknowledges that students will not reside in senior citizen housing units. However, the development of such housing generates jobs for facilities maintenance and administration, and in the case of assisted care living situations, health professionals. These jobs may be filled by persons living either within the boundaries of the District or outside the boundaries of the District. In either case, the employees may enroll their students in the District. As, a result students may be generated as a result of the development of new senior citizen housing.

SDFA conducted a survey of senior citizen housing projects located within the boundaries of another elementary school district located in the Inland Empire. That survey included both assisted-care and independent-living facilities and as a result of applying the methodology used to quantify the impacts of commercial and industrial development as set forth in this report, determined that the expected facilities cost per square foot of senior housing is \$1.59. Thus, the District acknowledges Section 65995.1 and will levy its share of developer fees on any senior citizen housing projects at the current commercial/industrial rate of \$0.34 per square foot.

Redevelopment

Redevelopment means the voluntary demolition of existing residential dwelling units or commercial or industrial construction and the subsequent construction of new residential dwelling units or commercial/industrial construction (“Redevelopment”).

The District acknowledges that Redevelopment projects, more specifically, the demolishing of existing development replaced with new construction, may occur within the next five-year period. In such a situation, the District shall levy school fees authorized pursuant to Education Code Section 17620 and Government Code Sections 65995 et seq. ("School Fees") if there is a nexus established between the impact of the new construction in terms of a net increase in students generated and the fee to be imposed. In other words, the School Fees must bear a nexus to the burden caused by the Redevelopment project.

The purpose of this section is to set forth a general policy for the levy of Statutory School Fees on future Redevelopment projects within the District. The District may levy the applicable Statutory School Fees if an unmitigated impact exists once an analysis has been done on the impact on school facilities from such construction and consideration has been given as to the applicability of a “credit” for previously existing impacts, if any.

The analysis will identify if the Redevelopment project results in any additional impact to the District by comparing the potential students to be generated from the new construction to the potential students generated from the existing construction to be demolished. Statutory School Fees will be assessed only to the extent of the net school facilities impact from the new construction as noted above, but in no event will the School Fees assessed be greater than the applicable Statutory School Fees.

The District will perform an analysis utilizing the above-mentioned criteria to determine the applicability of Statutory School Fees to each Redevelopment project presented to the District.

Section

Four

CONCLUSIONS & STATEMENT OF FINDINGS

Based upon the data gathered by SDFEA regarding future development within the boundaries of the CVESD, student generation, school facilities costs, and the methodology employed to determine the school facilities impact from new residential and commercial development, CVESD makes the following findings pursuant to Section 66001 of the California Government Code:

- *The purpose of the fee is to pay for the construction and/or acquisition of new school facilities necessary to serve students expected to be generated from new residential and commercial/industrial development.*
- *The fees will be collected and may be used to repay debt service on bonds issued for the purpose of providing new school facilities or to pay directly for the acquisition and/or construction of such facilities. The fees may also be used to pay for the leasing or acquisition of portable classrooms to meet the temporary needs of students generated from new development.*
- *There is a reasonable relationship between the expected use of the fee (i.e., new school facilities) and the development on which the fee is imposed (i.e., new residential, commercial and industrial development) because additional students will be generated by new residential and commercial/industrial development.*
- *There is a reasonable relationship between the number of new residential units constructed and the number of elementary school students expected to be generated from the construction of such units. There is also a reasonable relationship between the construction of new commercial and industrial development and the number of students expected to be generated from the construction of such commercial/industrial development, as the parents of students will be employed by new businesses occupying the new commercial or industrial development and a portion of the students' parents will also choose to live within the boundaries of the District.*
- *There is a reasonable relationship between the amount of the fee identified in this Report and the cost of the school facilities to be constructed and deemed necessary to serve new residential, commercial and industrial developments.*

Section

Five

APPENDICES

- Appendix A: Current School Capacity & Enrollment
- Appendix B: Mitigated Development Deficit Computation
- Appendix C: Summary of Student Generation Rates
- Appendix D: SANDAG Series 13 Growth Forecast for CVESD
- Appendix E: GMOC - Residential Forecast
- Appendix F: Projection of Future Residential Development
- Appendix G: School Facilities Cost Estimates
- Appendix H: American Community Survey Worksite Data

Appendix A: Current School Capacity & Enrollment

Appendix "A"
Chula Vista Elementary School District

Current School Capacity & Enrollment Worksheet for Fiscal Year 2021/22

(Reflects Student Enrollment Data as of October 6, 2021)

School	State Loading Standards:				25	13	9	K-6 ⁽³⁾ Enrollment	
	Classroom Counts ⁽¹⁾			Classroom Capacity ⁽²⁾					
	Regular K-6	Special Day Class Non-Severe	Severe	Total Classrooms	Regular K-6	Special Day Class Non-Severe	Severe		Total Capacity
Elementary Schools/Programs:									
Allen	14			14	350			350	340
Arroyo Vista Charter	31			31	775			775	709
Camarena	40			40	1,000			1,000	944
Casillas	21	3		24	525	39		564	490
Castle Park	16	3		19	400	39		439	376
Chula Vista Hills	22			22	550			550	450
Clear View	22		3	25	550		27	577	461
Cook	14	2		16	350	26		376	330
Chula Vista Learning Comm. Charter	34			34	850			850	791 (4)
Discovery Charter	33	1		34	825	13		838	832
Eastlake	23	4		27	575	52		627	525
Feaster Charter	42			42	1,050			1,050	921
Finney, Myrtle	15		3	18	375		27	402	375
Halecrest	19	3		22	475	39		514	403
Harborside	25	3		28	625	39		664	561
Hedenkamp	36			36	900			900	894
Heritage	32	1		33	800	13		813	704
Hilltop Drive	21	2		23	525	26		551	508
Juarez-Lincoln	18	3		21	450	39		489	457
Kellogg	11	4		15	275	52		327	296
Lauderbach	32	4		36	800	52		852	708
Liberty	25	3		28	625	39		664	626
Loma Verde	22			22	550			550	455
Los Altos	14	2		16	350	26		376	279
Marshall	21		2	23	525		18	543	479
McMillin, Corky	31	0	3	34	775	0	27	802	733
Montgomery	14		2	16	350		18	368	289
Mueller Charter	41	1		42	1,025	13		1,038	820
Muraoka	39	3		42	975	39		1,014	995
Olympic View	28			28	700			700	626
Otay	20	1		21	500	13		513	456
Palomar	12		3	15	300		27	327	274
Parkview	15		3	18	375		27	402	446
Rice	25	0	4	29	625	0	36	661	581
Rogers	13	0	10	23	325	0	90	415	338
Rohr	10	3		13	250	39		289	530
Rosebank	19	3		22	475	39		514	471
Salt Creek	35			35	875			875	844
Silver Wing	16			16	400			400	352
Sunnyside	18	3		21	450	39		489	419
Tiffany	19	3		22	475	39		514	465
Valle Lindo	19	3		22	475	39		514	415
Valley Vista	26			26	650			650	561
Veterans	34	0	3	37	850	0	27	877	810
Vista Square	25	4		29	625	52		677	573
Wolf Canyon	34	3		37	850	39		889	885
Total Student Enrollment	1,096	65	36	1,197	27,400	845	324	28,569	25,797

(1) Excludes classrooms housing both special education and regular pre-school students, Transitional Kindergarten students, middle and high school pupils attending charter schools as well as classrooms designated for other uses such as libraries and YMCA daycare.

(2) Special Day classrooms have been allocated to fully house Severe and Non-Severe pupils based on state-loading stands of 9:1 and 13:1 respectively.

(3) Excludes preschool, Transitional Kindergarten, middle and high school pupils.

(4) Includes 58 enrolled pupils receiving specialized educational services from the District but which have not been assigned to a specified school location.

Appendix B: Mitigated Development Deficit Computation

Chula Vista Elementary School District

Computation of Future Mitigated Dwelling Units Facilities Deficit Based on Current Cost Assumptions

CVESD CFD with Future Residential D/Us	<u>1</u>	<u>3</u>	<u>10</u>	<u>14</u>	<u>17</u>	<u>18</u>	<u>19</u>	<u>20</u>	<u>Aggregate</u>
FY 2021/22 Maximum Tax Rate	\$0.1369 ⁽¹⁾	\$0.4220	\$0.6250	\$0.5276	\$0.6910	\$0.4395	\$0.6883	\$1.1185 ⁽²⁾	
Future Mitigated Dwelling Units: ⁽³⁾									
Future SFDs	6	7	0	0	124	0	297	0	434
Future SFAs & Apartments	<u>0</u>	<u>0</u>	<u>104</u>	<u>43</u>	<u>56</u>	<u>836</u>	<u>1,619</u>	<u>152</u>	<u>2,810</u>
Total Future Mitigated D/Us	6	7	104	43	180	836	1,916	152	3,244
Estimated Avg Sqft of Future D/Us:									
Future SFDs Sqft ⁽⁴⁾	5,000	4,000	0	0	2,303	2,012	2,820	2,516	
Future SFAs MFAs Sqft ⁽⁵⁾	0	0	1,160	1,000	1,391	1,111	1,849	1,000	
Wtd. Average Sqft of all Future D/Us	5,000	4,000	1,160	1,000	2,019	1,111	2,000	1,000	
Average Annual Tax Per Future Dwelling Unit	\$685	\$1,688	\$725	\$528	\$1,395	\$488	\$1,377	\$1,119	
Bonding Capacity Per Dwelling Unit ⁽⁶⁾	\$10,579	\$26,069	\$11,197	\$8,154	\$21,544	\$7,536	\$23,568	\$19,152	
Less Estimated Financing Factor ⁽⁷⁾ 30.00%	(\$3,174)	(\$7,821)	(\$3,359)	(\$2,446)	(\$6,463)	(\$2,261)	(\$7,070)	(\$5,746)	
Net Facilities Funding Per Dwelling Unit	\$7,405	\$18,248	\$7,838	\$5,708	\$15,081	\$5,275	\$16,498	\$13,406	\$12,949 ⁽⁸⁾
Facilities Funding Per CFD	\$44,430	\$127,736	\$815,152	\$245,444	\$2,714,580	\$4,409,900	\$31,610,168	\$2,037,712	
									Less Gross Facilities Cost Per Future Dwelling Unit from Appendix G-2: (\$26,138) ⁽⁹⁾
									Net Facilities Deficit Per Dwelling Unit from Future Mitigated Dwelling Units: (\$13,189)
									Facilities Deficit Percentage from Future Mitigated Dwelling Units: 50.46% ⁽¹⁰⁾

(1) The rate shown for CFD No. 1 was computed by dividing the assumed square footage for future dwelling units by the FY 2019/20 maximum annual tax per dwelling unit of \$684.45 (Base Tax x 180%).

(2) The rate per square foot shown for CFD No. 20 incorporates the FY 19/20 maximum tax per square foot (\$0.6317) and per dwelling unit (\$319.29) based on the average size of future dwelling units.

(3) Future Mitigated Units as identified in Appendix "F".

(4) For Future SFDs, square footage shown is based on District's estimate of future units in CFDs Nos. 1, 3, & 10 and on average size of existing dwelling units in CFD Nos. 17, 18, 19 & 20.

(5) For Future SFAs & Apts, square footage shown is based on District's estimate of future units in CFDs Nos. 10, & 20 and on average size of existing dwelling units in CFD Nos. 14, 17, 18, and 19.

(6) Bonding capacity reflects the net present value of the annual tax per dwelling unit escalated 2% annually using a discount rate of 6% for the authorized term of the tax which is 25 years for CFD Nos. 1, 3, 10, 14, 17 & 18 and 30 years for CFD Nos. 19 & 20.

(7) The Financing Factor of 30% incorporates the District's estimate of bond financing costs, general obligation bond offsets and required debt service coverage.

(8) Reflects the weighted average of net facilities funding expected to be received from each of the future mitigated dwelling units identified in Appendix "F".

(9) Reflects the average cost per dwelling unit for all future dwelling units (mitigated and unmitigated) based on a blended student generation rate of .3541.

(10) Facilities Deficit Percentage from Mitigated Units is applied to the total number of future mitigated students to determine the number of current excess seats required to reserve for Mitigated Development.

Appendix C: Summary of Student Generation Rates

Chula Vista Elementary School District

CFD Student Generation Rates Computed as of February 15, 2022

(Reflects Enrollment from October 2021 and Dwelling Units permitted as of January 1, 2020)

Residential Dwelling Type	Pct of Dwelling Type in CFD 1-20	Developed Dwelling Units within CFD 1-20	K-6 Pupils Matched to Dwelling Units CFD 1-20	Student Generation Rates CFD 1-20
Single-Family Detached (SFD)	61.19%	25,049	8,215	0.3280
Single-Family Attached (SFA)	23.13%	9,467	2,566	0.2710
Multi-Family Units (Apartments)	<u>15.68%</u>	<u>6,420</u>	<u>1,285</u>	0.2002
Totals & Average Weighted SGRs	100.00%	40,936	12,066	0.2948

(1) Only dwelling units located within the District's CFDs (i.e., CFD Nos. 1-20) were utilized to compute Student Generation Rates (SGRs) as the District believes that both the size, type and mix of dwelling units constructed within these CFDs are, in the aggregate, most similar to the type and mix of dwelling units to be constructed in the future. Thus, the District believes that the SGRs from these CFDs will most closely resemble the student yields expected from future development.

Appendix D: SANDAG Series 2013 Growth Forecast for CVESD

Appendix "D"
Chula Vista Elementary School District

Series 13 Regional Growth Forecast - & 2020 Population and Housing Estimate

Interpolated Values for 2022 and Resulting Change by 2050

Year	Area	Population	Household Population	Housing Units	Housing Units - Single Family	Housing Units - Multi-Family (SFAs & Apts)	Occupied House Holds	Occupied - Single Family	Occupied - Multi-Family	Average House Hold Size
2020	CVESD 2020 Estimate ⁽¹⁾	308,554	306,770	97,718	50,731	43,049	94,645	49,100	41,717	3.24
2022	CVESD - Interpolated ⁽²⁾	314,047	312,227	99,340	51,618	43,882	96,207	49,976	42,501	3.25
2035	CVESD 2050 Forecast ⁽³⁾	369,502	367,384	113,953	63,759	47,050	110,890	62,286	45,585	3.31
2050	CVESD 2050 Forecast ⁽³⁾	390,950	388,622	122,052	64,043	55,538	118,079	62,244	53,470	3.29
Change from 2022 to 2050		76,903	76,395	22,712	12,425	11,656	21,872	12,268	10,969	
					Total:	24,081				

(1) As identified in SANDAG's 2020 Demographic and Socioeconomic Estimate for CVESD, dated July 23, 2021.

(2) The Interpolated values shown for 2022 are equal to the estimated annual change multiplied by two to represent the period between 2020 and 2022.

(3) Estimates for 2050 are from the Series 13 Regional Forecast prepared by SANDAG in October of 2013.

Appendix E: GMOC – Residential Forecast



ANNUAL RESIDENTIAL GROWTH FORECAST

2021 through 2025

October 2020

INTRODUCTION

As a component of the City of Chula Vista's ("City") Growth Management Program, the City's Development Services Department provides annual residential growth forecasts looking out five years. This year's Growth Forecast covers the period from January 2021 through December 2025.

The Growth Forecast is provided to assist City departments and other service providers in assessing potential impacts that growth may have on maintaining compliance with threshold standards for each of the quality of life threshold topics established in Chula Vista Municipal Code Chapter 19.09, Growth Management, as listed below:

1. Air Quality and Climate Protection
2. Drainage
3. Fire and Emergency Medical Services
4. Fiscal
5. Libraries
6. Parks and Recreation
7. Police
8. Schools
9. Sewer
10. Traffic
11. Water

The Chula Vista Growth Management Oversight Commission (GMOC) annually sends out the Growth Forecast and threshold compliance questionnaires to City departments and service providers, soliciting information regarding past, current, and projected compliance with the quality of life threshold standards for the facilities and services listed above. The responses to the questionnaires form a basis for the GMOC's annual report, which includes a set of recommendations to the City Council regarding threshold compliance and/or revisions to any of the City's threshold standards. Recommendations may include such actions as adding or accelerating capital projects, hiring personnel, or changing management practices. The City Council ultimately decides what course of action to take.

To prepare the Growth Forecast, the City requests that developers and builders provide residential projections for projects that have been entitled or are undergoing the entitlement process, and that could potentially be approved and permitted for construction within the next five years. The numbers reflect consideration of the City's standard entitlement process and permitting time frames, but do not reflect market or other economic conditions outside the City's control. Therefore, the Growth Forecast is characterized as follows:

- It does not represent a goal or desired growth rate;
- It represents what may occur given a set of assumptions listed below under “Forecast Methods”;
- It is produced by the City and is not necessarily endorsed by home builders; and
- It assumes that market and economic conditions, as well as developer funding and resources, will consistently be synchronized to support the projections. This is a more liberal estimate to assess possible effects to the Growth Management Program’s threshold standards.

As shown in Table A, below, last year’s Growth Forecast estimated that 678 residential building permits would be issued in 2020. However, actual permits issued may exceed projections for both single-family and multi-family units. Overall, permits to date, plus current fourth quarter projected permits are approximately 63% higher than the projections in last year’s Growth Forecast. A majority of building activity in 2020 is occurring in the master planned communities east of Interstate 805.

Table A

Residential Land Use Type	2020 Projections from 2019 Growth Forecast	2020 Actual and Updated Projections			Difference %
		Actual Permits Issued 1.1.20 Through 8.28.20	Fourth Quarter 2020 Projections	Total	
Single-family	192	174	127	301	57%
Multi-family	486	229	576	805	66%
TOTAL	678	403	703	1,106	63%

FORECAST SUMMARY

In the forecast period covering calendar year 2021 through calendar year 2025, **7,133** residential units are projected to be permitted **citywide**, with an annual average of 1,427 housing units permitted per year (see Figure 1 and Tables 1 and 2). Building activity will continue to be concentrated in the master planned communities east of Interstate 805, where 91% of residential permits are projected to be issued. Refer to Figure 2 for a map of the anticipated development sites in the City during the forecast period.

Table B

Description	Residential Unit Forecast		
	Five-Year (2021-2025)		Per Year
	No. of Units	% of Units	No. of Units
Western Chula Vista	651	9%	130
Eastern Chula Vista	6,482	91%	1,296
TOTAL	7,133	100%	1,427

These above developer-provided projections were averaged with the projected 10-year moving average of permits issued to present a growth forecast that “smooths out” annual fluctuations (Tables 3 and 4). Averaging the citywide developer projections and the 10-year moving average results in a blended projection of approximately 1,324 permits to be issued in **2021**, dropping to about 1,104 in **2025**. The data presented in Table 3 provides a historical context for assessing and validating the developer-generated projections contained in Tables 1 and 2.

The following discussion and figures describe the context, conditions and assumptions behind the forecast. It should be noted that this forecast is a planning tool and not a prediction or specific expectation.

FORECAST METHODS

With input from developers, projections are derived by reviewing the status of project entitlements, including estimated project processing schedules for plan reviews, subdivision maps, and building plans.

The forecast is predicated upon the following three assumptions:

1. Public policy regarding development remains unchanged;
2. The housing market remains stable; and
3. Projects follow normal project regulatory processing schedules.

To provide context for the forecasted units to be constructed, the City uses several analyses that illustrate the range of possibilities in which development in the City could proceed. These methods are a combination of simple statistics and market absorption estimates provided by developers with consideration for typical permit progression through the City’s entitlement process.

Table C

Methodology	Five-Year (2021-2025) Residential Unit Forecast Citywide
Developer Estimates and Permit Process Projection	7,133
Statistical (10-Year Simple Moving Average) Projection	4,867
Blended Projection (Average of Developer and Statistical Projections)	6,000

Developer Estimates and Permit Process Projection

As part of the Growth Forecast preparation process, the City solicits estimates from developers in the City based on their permitting and construction schedules, coupled with their understanding of market absorption conditions. The City then incorporates the status and progression of the units in the entitlement process into the anticipated schedule. In doing so, any unanticipated regulatory impacts to the schedules of planned projects can be accounted for. Typically, this results in some minimal

deviations from the developers' projected schedules. This projection indicates the permitting of a total of **7,133** residential units **citywide** between **2021 and 2025**.

Statistical (10-Year Simple Moving Average) Projection

As discussed above, the statistical method for projecting permitted units provides a readily available estimate for future development, accounting for the dynamics of approximately a full market cycle. Each future year's citywide projected completed units are the average of the citywide completed units for the ten prior years, representing a 10-year simple moving average for completed dwelling units. This projection indicates the permitting of approximately 4,867 residential units between **2021 and 2025**.

As shown on Table 4, the moving average includes data from the preceding 10 years, which includes a period when development was significantly slowed by the national financial crisis and its aftermath. Therefore, although there are some variations year-by-year, the overall five-year projection based on the moving average is approximately 32% lower than developer projections.

Blended Projection

As previously discussed, the statistical and developer projections form the lower and upper bounds of future trends, respectively. For the purposes of this analysis, the mean of these projections (the Blended Projection) is interpreted as the most likely outcome and is used as the forecasted permit activity and population growth. As discussed in the "Statistical (10-Year Simple Moving Average) Projection" section above, approximately 4,867 total permitted units are projected between 2021 and 2025 based on the moving average, while 7,133 would be permitted based on developer projections. **The average between the 10-year moving average and developer projections is 6,000 units between 2021 and 2025.**

Additional details can be found in Tables 3 and 4, and the light blue lines on Figure 3. Information regarding projected growth in the eastern and western portions of the City is presented in the paragraphs that follow.

Eastern Chula Vista

Most of the City's growth has been and will continue to be in eastern Chula Vista (see Figure 2) for the next several years. Development is projected to be most active in Otay Ranch Villages 2, 3, 8 West and 8 East, Planning Area 12, and Millenia through 2025 (see Table 1).

Starting in **January 2021**, the **remaining capacity** for residential units projected to be permitted in eastern Chula Vista is approximately 15,796. If 7,133 units were to be permitted over the next five-year period, then **approximately 8,663 units** would remain. Assuming the continuation of the annual developer projection of 1,427 permits per year, the City's residential capacity would be fully built out in approximately six years after the analysis period of this growth forecast (i.e., 2031). However, this is a projection of long-term future growth based on a five-year-projection; this buildout estimate is subject to revision resulting from changes in economic conditions, updated vacancy and occupancy estimates, and/or future revisions to development plans.

Western Chula Vista

Table D, below, lists several projects in western Chula Vista that are pending but not yet permitted for construction. Other than the initial phase of the Bayfront–Pacifica project, which is projected to begin in 2022, there is no clear indication when the projects on the table will move forward.

Table D

Project Name/Address	Number of Units Pending but Not Permitted for Construction
MULTI-FAMILY	
1262 Third Avenue Apartments	6
201 Third Avenue	23
268 I Street Apartments	6
577 Fourth Avenue Residences	10
Bayfront–Pacifica	450
The Colony Condominiums	162
Flower Street Apartments	18
Fourth Avenue 4-Plex	4
Industrial Townhomes	42
Limon Apartments	3
Villas Nuevos Apartments	4
Vistas Chulitas	9
Vistas Del Mar	71
Woodlawn Avenue Apartments	6
SUBTOTAL	814 (97%)
SINGLE-FAMILY	
264-276 Palm Avenue Homes	4
635-641 E. Naples Homes	4
Date Street Residences	5
Villas Del Mar	12
SUBTOTAL	25 (3%)
TOTAL	839

From January 1 through August 28, 2020, 32 building permits were issued for accessory dwelling units (ADUs). Approximately 35 ADUs are expected to be permitted each year between 2021 and 2025.

CONSTRUCTION HISTORY

Residential

Several market cycles, including recessions, have contributed to a broad range in the number of building permits issued each decade since 1980, as indicated in Table E, below:

Table E

Decade	Average Number of Building Permits Issued per Year
1980-1989	990
1990-1999	973
2000-2009	1,885
2010-2019	894
2020*	1,106
* Existing permits through August 28, 20120 plus projections for fourth quarter of 2020	

The following are notable characteristics of residential construction since the 1980s:

- On an annual basis, the number of building permits issued for housing units in Chula Vista has fluctuated from a low of 195 in 1981 to a high of 3,525 in 2001.
- The average number between 1980 and 2019 was 1,185 (see Table 3 and Figure 3).
- Between 1984 and 1989, the average number of permits issued each year was 1,431.
- There was a ten-year period of at least 1,000 permits issued annually between 1997 and 2006, averaging 2,254 units per year.
- In 2001, 2003 and 2004, the annual permits issued exceeded 3,000.
- Between 2007 and 2015, the number of building permits issued each year never exceeded 1,000 per year, due to the lingering effects of the housing and financial crisis.
- Between 2016 and 2018, annual permits issued exceeded 1,000 and increased with each successive year.
- The annual permits issued in 2019 (840) was less than half the annual permits issued in 2018 (1,777).

A significant cause of Chula Vista's growth was, and continues to be, development of the master planned communities in eastern Chula Vista, including Rancho del Rey, Eastlake, Rolling Hills Ranch, San Miguel Ranch, and Bella Lago, which are mostly built out; and Otay Ranch, which has several thousand more units to be constructed.

Commercial and Industrial

Commercial and industrial development in the City has been significantly outpaced by residential development but characterized by periodic upticks, typically due to the opening of retail centers. Commercial development in the City began to accelerate with the development of Millenia and Freeway Commercial. However, since the first quarter of 2020 and the presence of COVID-19, commercial and industrial development has slowed down.

FORECASTED POPULATION

This forecast focuses on the projected number of residential units as the primary indicator to measure future population increases. Western Chula Vista (as evidenced by U.S. Census data) has experienced growth in the form of demographic changes as the average household size increases. However, such growth is difficult to track on a year-to-year basis and is not reflected in this report's future population forecast.

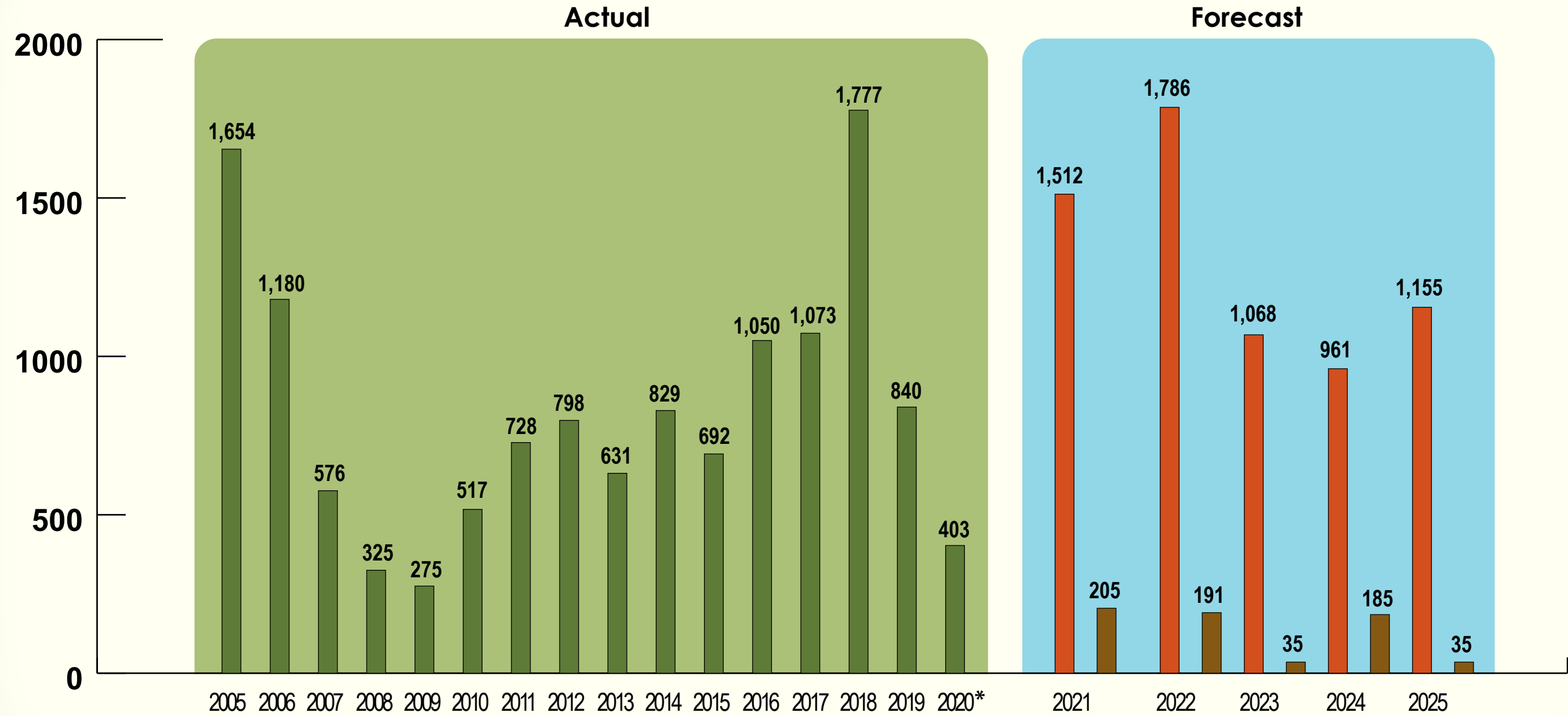
The California State Department of Finance (DOF) estimated that Chula Vista had an average of 3.25 persons per household in 2020. Applying this rate to the residential units projected over the next five years using the City's 10-year moving average, and assuming a 2020 year-end population of 275,321 and the 2020 DOF vacancy rate of 4%, Chula Vista can expect a total population of approximately **290,176** persons by the end of 2025 (see Figure 3, solid red line). Applying the developer's projections to the same assumptions would result in a projected 2025 population of **297,908**. Assuming the Blended Projection, the City's population would be **294,042** by 2025. This represents an increase of approximately 18,721 residents, as compared to the estimated year-end population of **275,321** for 2020.

This is only a rough estimate for planning purposes, as the vacancy rate, persons per unit factors, and the number of actual units completed will vary over time.

Figure 1 - Residential Building Permits

Actual Issued 2005 - 2020* and Forecast 2021 - 2025

Number of Units



* Thru 8/28/2020

■ Eastern Chula Vista
■ Western Chula Vista

Figure 2 - Residential Development Forecast Map

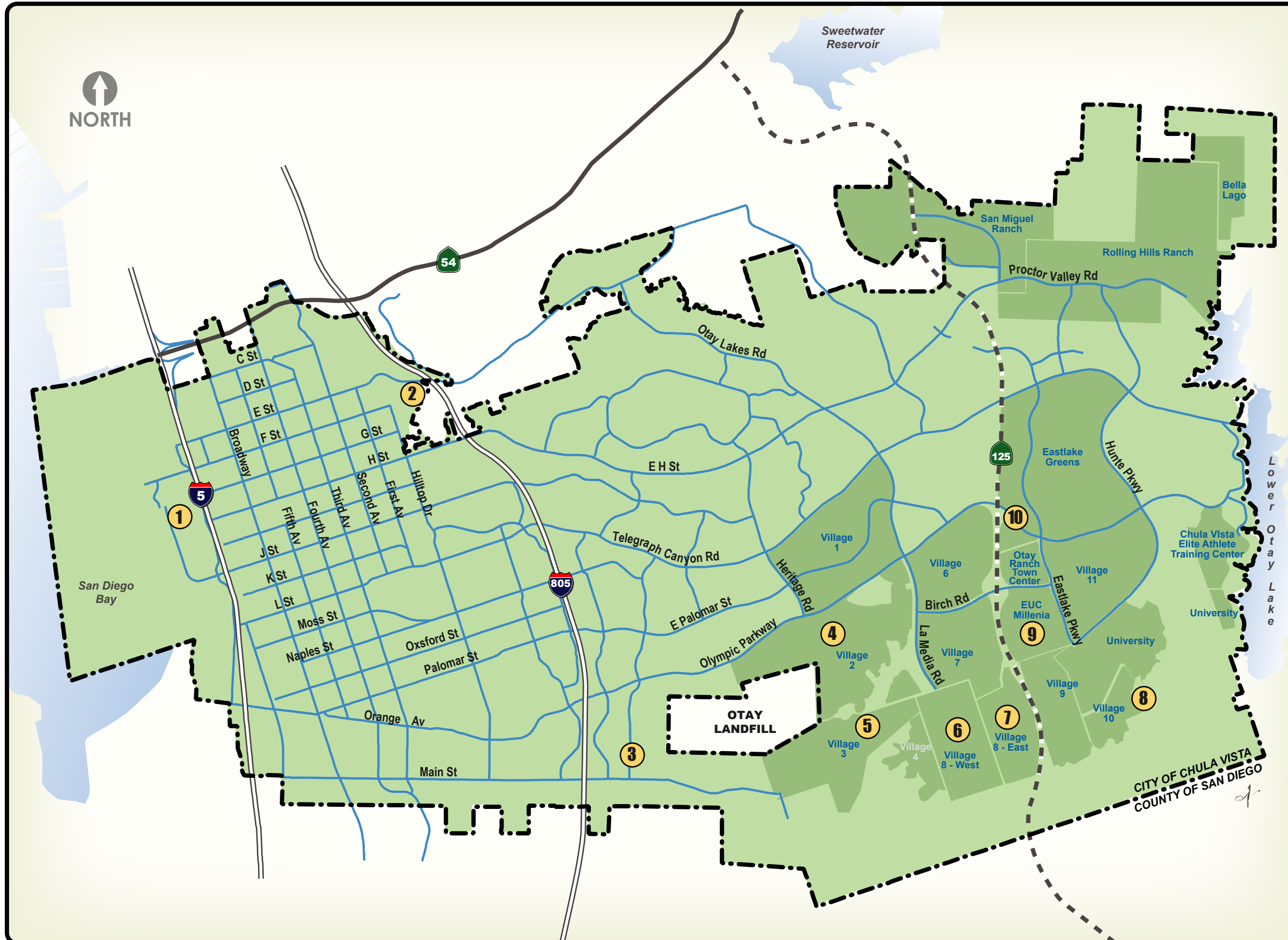
2021- 2025



CITY OF
CHULA VISTA

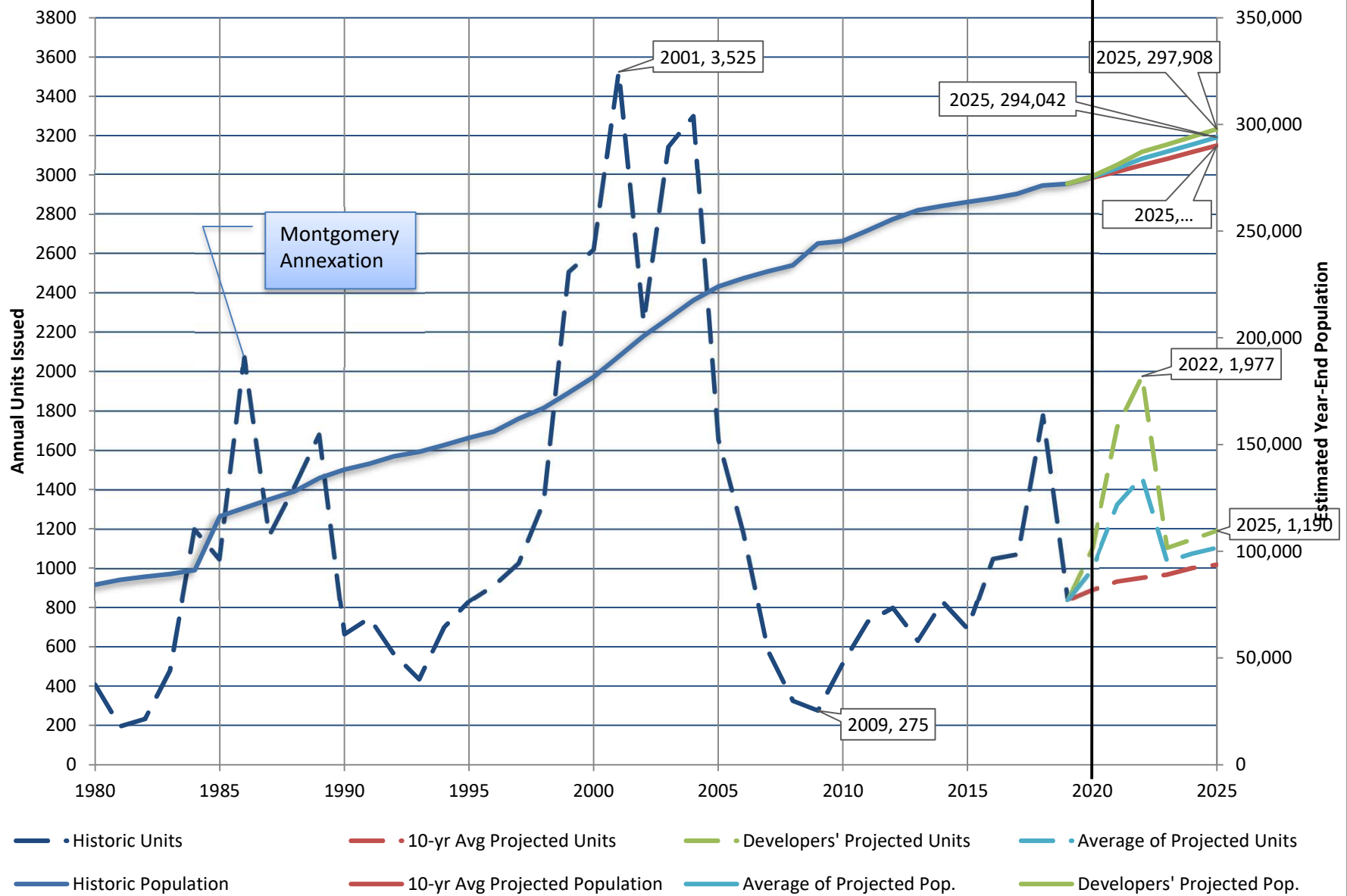
LIST OF CITYWIDE PROJECTS

- ① Bayfront Pacifica
- ② Bonita Glen Apartments
- ③ El Dorado Ridge
- ④ Village 2 - Otay Ranch
- ⑤ Village 3 - Otay Ranch
- ⑥ Village 8 West - Otay Ranch
- ⑦ Village 8 East - Otay Ranch
- ⑧ Village 10 - Otay Ranch
- ⑨ Millenia - Otay Ranch
- ⑩ PA-12 Freeway Commercial - Otay Ranch



--- City of Chula Vista Boundary
 - - - Toll Road

Figure 3 - Historic and Projected Population Growth



Note: Population increase assumed to occur at occupancy, which for the purposes of this analysis is assumed to lag issuance by one year.

Figure 4 - Historic and Projected Units Issued by Land Use

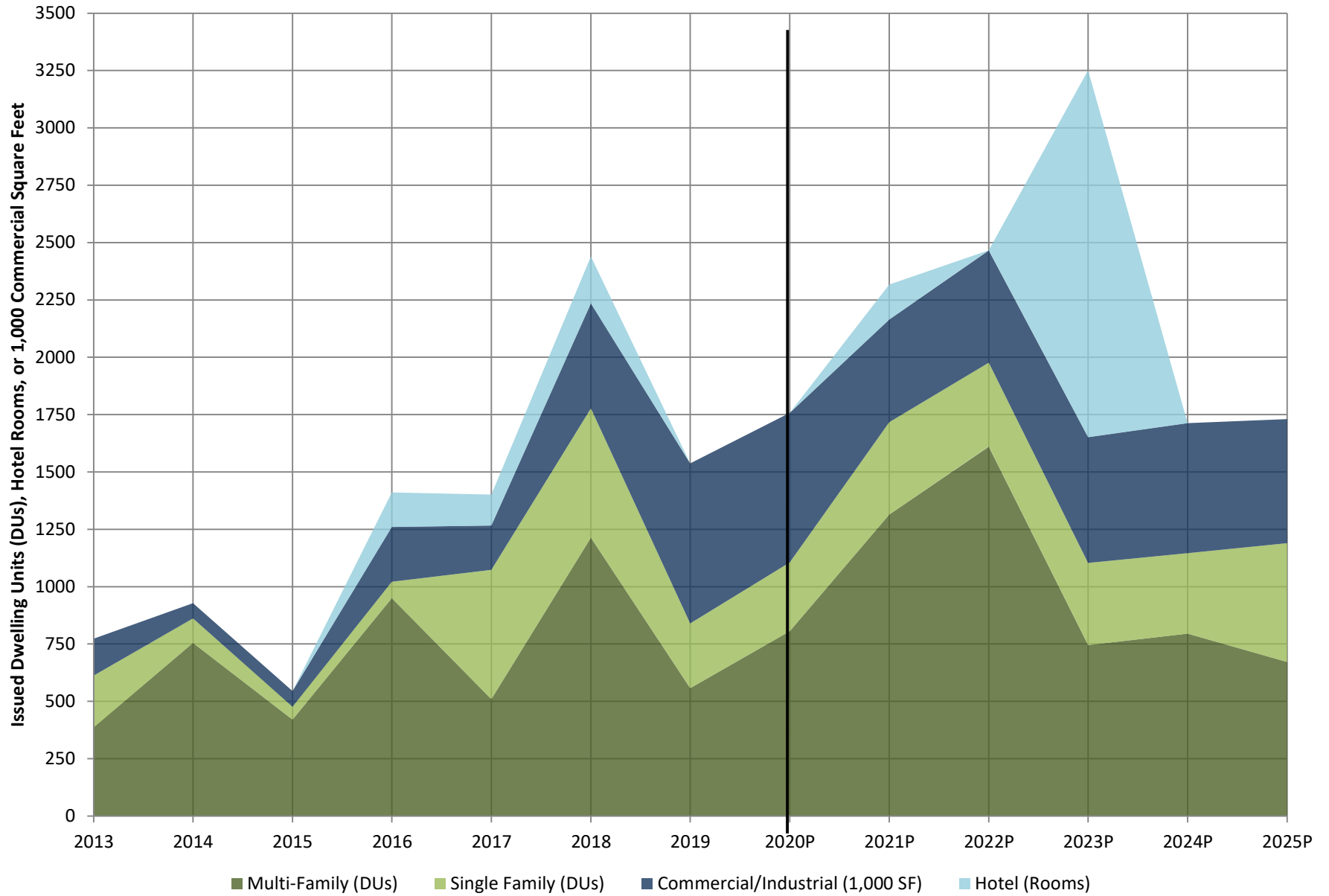


Table 1

EASTERN CHULA VISTA RESIDENTIAL DEVELOPMENT FORECAST

EASTERN PROJECTS	2020 4th Q		5-Year Forecast											
	ISSUE		2021		2022		2023		2024		2025		2021-2025	
	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF
OTAY RANCH														
Village 2 - Baldwin & Sons	32	16	50	361	31	319	31	300	30	130	30	124	172	1,234
Village 2 - Cornerstone	78	0	42	5	0	0	0	0	0	0	0	0	42	5
Village 2 - HomeFed	0	0	0	0	62	0	10	0	0	0	0	0	72	0
Village 3 - Various	0	0	24	0	20	120	0	201	0	51	0	0	44	372
Village 8 West - HomeFed	12	128	252	323	218	404	170	220	122	19	88	77	850	1,043
Village 8 East - HomeFed	0	0	0	0	0	0	112	0	164	234	201	262	477	496
Village 10 - HomeFed	0	0	0	0	0	0	0	0	0	52	165	208	165	260
Planning Area 12 - Baldwin	0	29	0	39	0	612	0	24	0		0	0	0	675
Millenia	0	403	0	312	0	0	0	0	0	159	0	0	0	471
EASTERN PROJECTS														
El Dorado Ridge	0	0	0	104	0	0	0	0	0	0	0	0	0	104
TOTAL BY UNIT TYPE	122	576	368	1,144	331	1,455	323	745	316	645	484	671	1,822	4,660
GRAND TOTAL	698		1,512		1,786		1,068		961		1,155		6,482	
													Annual Average (2021-2025):	1,296

ISSUE = Building permits projected to be issued

Table 2

WESTERN CHULA VISTA RESIDENTIAL DEVELOPMENT FORECAST

PROJECT	5-Year Forecast													
	2020 4th Q		2021		2022		2023		2024		2025		2021 - 2025	
	ISSUE		ISSUE		ISSUE		ISSUE		ISSUE		ISSUE		ISSUE	
	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF
Bayfront - Pacifica	0	0	0	0	0	156	0	0	0	150	0	0	0	306
Bonita Glen Apartments	0	0	0	170	0	0	0	0	0	0	0	0	0	170
Second Accessory Units	5	0	35	0	35	0	35	0	35	0	35	0	175	0
SUB-TOTAL	5	0	35	170	35	156	35	0	35	150	35	0	175	476
TOTAL	5		205		191		35		185		35		651	
											Annual Average (2021 - 2025):		130	

ISSUE = Building Permits Projected to be Issued

Table 3
HISTORIC AND PROJECTED HOUSING & POPULATION GROWTH
1980 - 2025

Calendar Year	Units Authorized for Construction (Issued)	Units Completed (Final)	Year End Population Estimate ¹	Annual Percentage Change
1980	407	374	84,364	-
1981	195	496	86,597	2.6
1982	232	129	88,023	1.6
1983	479	279	89,370	1.5
1984	1,200	521	91,166	2.0
1985	1,048	1,552	116,325	27.6 ²
1986	2,076	1,120	120,285	3.4
1987	1,168	2,490	124,253	3.3
1988	1,413	829	128,028	3.0
1989	1,680	1,321	134,337	4.9
1990	664	1,552	138,262	2.9
1991	747	701	141,015	2.0
1992	560	725	144,466	2.4
1993	435	462	146,525	1.4
1994	700	936	149,791	2.2
1995	833	718	153,164	2.3
1996	914	820	156,148	1.9
1997	1,028	955	162,106	3.8
1998	1,339	1,093	167,103	3.1
1999	2,505	1,715	174,319	4.3
2000	2,618	2,652	181,613	4.2
2001	3,525	3,222	191,220	5.3
2002	2,250	2,923	200,798	5.0
2003	3,143	2,697	208,997	4.1
2004	3,300	3,043	217,512	4.1
2005	1,654	2,525	224,006	3.0
2006	1,180	1,448	227,850	1.7
2007	576	837	231,157	1.5
2008	325	518	234,011	1.2
2009	275	398	244,269	4.4
2010	517	422	245,309	0.4
2011	728	631	250,349	2.1
2012	798	847	255,607	2.1
2013	631	777	259,811	1.6
2014	829	394	261,801	0.8
2015	692	657	263,611	0.7
2016	1,050	607	265,357	0.7
2017	1,073	809	267,503	0.8
2018	1,777	1,319	271,411	1.5

Table 3
HISTORIC AND PROJECTED HOUSING & POPULATION GROWTH
1980 - 2025

Calendar Year	Units Authorized for Construction (Issued)	Units Completed (Final)	Year End Population Estimate ¹	Annual Percentage Change
2019	840	1,325	272,202	0.3
2020 ⁴	1,000		275,321	1.1
2021	1,324		279,452	1.5
2022	1,464		284,021	1.6
2023	1,035		287,250	1.1
2024	1,073		290,598	1.2
2025	1,104		294,042	1.2
Average, 1980-2019	1,185	1,171		2.2³

(1) Reflects California Department of Finance (DOF) comprehensively revised population figures for the end of the referenced year. Projected future years reflect the average between developer projections and a rolling average of population growth.

(2) Annexation of unincorporated community of Montgomery.

(3) The annual average percentage is adjusted for the anomaly of the Montgomery Annexation.

(4) Permit data through 8/28/2020; remainder of calendar year projected. Population estimated based on permitted units x 3.25 persons per unit x 0.96 occupancy factor (California DOF Table E-5, January 1, 2020).

Table 4
POPULATION GROWTH PROJECTIONS
2021-2025

Calendar Year	Developer Unit Projections ¹		10-Year Moving Average Unit Projections ²		Average of Developer Projections and 10-Year Moving Average	
	Permits	Year-end Population ³	Permits	Year-end Population ³	Permits	Year-end Population ⁴
2021	1,717	281,010	931	277,895	1,324	279,452
2022	1,977	287,178	951	280,863	1,464	284,021
2023	1,103	290,619	967	283,880	1,035	287,250
2024	1,146	294,195	1,000	287,001	1,073	290,598
2025	1,190	297,908	1,018	290,176	1,104	294,042
TOTAL	7,133		4,867		6,000	

(1) Units estimated based on developer projections.

(2) Units estimated based on 10-year moving average of permitted unit trend.

(3) Year-end population includes the increase in population resulting from development during that year, based on a projected City population of 275,321 for the end of 2020. Annual growth is estimated based on the number of units x 3.25 persons per unit x 0.96 occupancy factor.

(4) Year-end population is an average of the population based on developer unit projections and 10-year moving average projections.

Table 5***HISTORIC/PROJECTED NEW CONSTRUCTION, BY LAND USE***

Calendar Year	Multi-Family Units Permitted	Single Family Units Permitted	Commercial/Industrial 1,000 SF Permitted	Hotel Rooms Permitted
2013	387	225	162	0
2014	755	107	65	0
2015	420	57	68	0
2016	950	71	240	150
2017	510	563	193	135
2018	1,213	564	458	205
2019	557	283	697	0
2020P	805	301	651	0
2021P	1,314	403	448	152
2022P	1,611	366	489	0
2023P	745	358	549	1600
2024P	795	351	567	0
2025P	671	519	541	0
Annual Average	826	321	394	172

Note: (E) = estimated; (P) = projected

Appendix F: Projection of Future Residential Development

Appendix "F"
Chula Vista Elementary School District
Projection of Future Mitigated & Unmitigated Residential Development

(Partially Derived from GIOC 2020 Residential Growth Forecast) ⁽¹⁾

Projects	In 2020		Previously Developed ⁽²⁾			Expected to Be Developed by 2026			Expected to be Developed between 2027 & 2050			Project Totals								
	GIOC 5-Year Forecast	Mitigation/CFD	MF	SF	Total	Mitigated D/Us By 2026	Unmitigated D/Us By 2026	Mitigated Development	Unmitigated Development	Project Totals	MF	SF	Total							
Otay Ranch:																				
Village 2 - North & East	Yes	17	1,563	578	2,141	56	124	180					1,619	702	2,321					
Village 2 - South & West	Yes	19	447	488	935	983	297	1,280					1,430	785	2,215					
Village 3 - North	Yes	20	421	725	1,146	152	0	152					573	725	1,298					
Village 4 - Portion	Yes	None	0	0	0				340	0	340		340	0	340					
Villages 8 West	Yes	21	0	0	0	1,773	561	2,334					1,773	561	2,334					
Villages 8 East	Yes	None	0	0	0				700	283	983		1,633	660	2,293					
Village 9	No	None	0	0	0								3,895	105	4,000					
Villages 10	Yes	None	0	0	0				260	165	425		785	530	1,315					
Freeway Commercial - Baldwin & Sons	Yes	19	264	0	264	636	0	636					900	0	900					
Millenia	Yes	18	1,998	149	2,147	836	0	836					2,834	149	2,983					
Subtotal - Otay Ranch			4,693	1,940	6,633	4,436	982	5,418	1,300	448	1,748	0	0	0	6,313	1,295	7,608	16,742	4,665	21,407
Western Chula Vista:																				
Third Avenue Apartments	No	None											6	6	6	0	6			
201 Third Avenue	No	None											23	23	23	0	23			
230 Church Avenue	No	None											29	29	29	0	29			
268 I Street Apts	No	None											6	6	6	0	6			
288 Center Street	No	None											29	29	29	0	29			
The Colony Condominiums	No	None											162	162	162	0	162			
Flower Street Apartments	No	None											18	18	18	0	18			
Fourth Ave 4-plex	No	None											4	4	4	0	4			
Industrial Townhomes	No	None											42	42	42	0	42			
Limon Apartments	No	None											3	3	3	0	3			
Villas Nuevos Apartments	No	None											4	4	4	0	4			
Vistas Chulitas	No	None											9	9	9	0	9			
Woodlawn Avenue Apartmentts	No	None											4	4	4	0	4			
Villas Del Mar	No	None												12	12	0	12			
264-276 Palm Avenue Homes	No	None											4	4	0	4	4			
635-641 E Naples Homes	No	None											4	4	0	4	4			
Date Street Residences	No	None												5	5	0	5	5		
El Dorado Ridge (Brandywine)	Yes	10				104		104								104	0	104		
Bonita Glen Apartments	Yes	None							170		170					170	0	170		
Bayfront Pacifica	Yes	None							306		306					306	0	306		
Second Accessory Units	Yes	None								175	175					0	175	175		
Subtotal - Western CV			0	0	0	104	0	104	476	175	651	0	0	0	339	25	364	919	200	1,119
Subtotal Represented in October 2020 GIOC Residential Forecast			4,693	1,940	6,633	4,540	982	5,522	1,776	623	2,399	0	0	0	6,652	1,320	7,972	17,661	4,865	22,526
Other COCV Mitigated Development Not Included GIOC Forecast																				
Eastlake Woods - Gates	No	1					6	6									0	6	6	
Rncho Del Rey (RDR Estates/Belmonte)	No	3					7	7									0	7	7	
The Lofts @ the Marketplace	No	14					43	43									43	0	43	
Subtotal - Additional City of Chula Vista Development			0	0	0	43	13	56	0	0	0	0	0	0	0	0	43	13	56	
Total - City of Chula Vista (COCV)			4,693	1,940	6,633	4,583	995	5,578	1,776	623	2,399	0	0	0	6,652	1,320	7,972	17,704	4,878	22,582
Additional D/Us by 2050 not on MPDs																		4,066	4,066	8,132
Totals - CVESD						4,583	995	5,578	1,776	623	2,399	0	0	0	6,652	1,320	7,972	21,770	8,944	30,714
																		Less Previously Developed Units:		
																		(4,693)		
																		Projected Units to Be Developed by 2050:		
																		(1,940)		
																		(6,633)		
																		17,077		
																		7,004		
																		24,081		

(1) Dwelling units and listed projects are partially derived from the City of Chula Vista Growth Management Oversight Commission (GIOC) Residential Growth Forecast Years 2021 through 2025, dated October, 2020..

(2) For purposes of determining previously developed units, SDFA classified dwelling units within the District's CFDs for which a building permit was issued as of January 1, 2022 as "previously developed and units permitted subsequent to that date were assumed to be unoccupied as of October 6, 2021 (the CSIS information day utilized for student generation rate computations).

Appendix G: School Facilities Cost Estimates

Appendix G-1

**CHULA VISTA ELEMENTARY SCHOOL DISTRICT
SUMMARY OF ADJUSTED COSTS
(Future Reduced Capacity Prototype School Cost Estimate) ⁽¹⁾**

		Cost Estimate (April 2020)
A. SITE ACQUISITION		\$8,340,000
Purchase Price of Property ⁽²⁾	\$8,340,000	
Acres:	8.34	
Cost/Acre:	\$1,000,000	
B. SITE DEVELOPMENT		\$10,414,278
Geotechnical & Soils Testing	\$274,569	
Site Preparation	\$755,944	
Site Improvement	\$6,200,687	
Site Mechanical Utilities	\$1,897,478	
Site Electrical Utilities	\$946,124	
Utilities - Wet taps for fire service and water meters	\$339,475	
C. CONSTRUCTION		\$27,671,318
Structural, Foundations & Roofing	\$13,513,749	
Interiors & Finishings	\$5,252,478	
Plumbing, HVAC & Fire Protection	\$5,188,498	
Electrical	\$3,716,592	
D. INSPECTIONS/ENGINEERING		\$7,180,704
Architectural Fees/Reimbursables	\$2,390,359	
Division of State Architect	\$220,050	
Building Tests & Exams	\$963,431	
Attorneys Fees, PLA Consultant, rentals	\$240,503	
CM General Conditions (Reimb.)	\$2,062,338	
Construction Management Fee	\$1,304,023	
E. FURNITURE AND EQUIPMENT		\$2,500,045
Equipment	\$261,564	
Furnishings	\$903,316	
Computers, Classroom Furniture, Copiers, Etc	\$1,335,165	
TOTAL ESTIMATED COST	\$56,106,345	\$56,106,345

(1) Costs shown below are largely derived from the District's most recent cost estimate for its school to be located in Village 3 of the Otay Ranch

(2) Land price reflects District's estimate of current market rates based for unmitigated property.

Design Capacity:	600
Base School Facilities Cost Per Pupil:	\$93,511

Appendix "G"

**Chula Vista Elementary School District
Interim Housing and Administrative Facilities Cost Estimates**

Per Student Cost of Interim Facilities:

One-time Site/Setup Costs (Six portables):

Setup, Delivery & Infrastructure Costs for Six Portables	\$450,000
Cost Per Classroom	<u><u>\$75,000</u></u>

Per Student Cost for Elementary School Interim Housing:

Estimated three year period for unhoused students.
Monthly charges assumed for 1.5 years as an average requirement.

Monthly charges:	\$1,000
Number of Periods:	30
Cost Per Classroom Unit	\$30,000
Plus Incidentals	<u>\$75,000</u>
Total Cost of Classroom	\$105,000
Students to be Housed	<u>30</u>
Cost Per Student	<u><u>\$3,500</u></u>

Per Student Cost of Central Administrative Facilities:

Per Student Cost of Central Administrative Facilities:

Required Central Admin Facilities Sqft Per Student	4.00
Estimated Construction Cost Per Sqft	<u>\$175</u>
Administrative Facilities Cost per Student	<u><u>\$700</u></u>

Aggregate Per Pupil Facilities Cost:

Base School Facilities Costs per Student	\$93,511
Interim Housing	\$3,500
Administrative Facilities	\$700
Total Per Pupil Costs	<u>\$97,711</u>

Weighted SGR From Future Dwelling Units:	0.2675
Estimated Facilities Cost per Future Dwelling Unit:	<u>\$26,138</u>

Appendix H: American Community Survey Worksite Data



EEO-ALL01W

EEO 1w. Detailed Census Occupation by Sex and Race/Ethnicity for Worksite Geography

Universe: Civilians employed at work 16 years and over
EEO Tabulation 2006-2010 (5-year ACS data)

Note: This is a modified view of the original table.

The EEO Tabulation is sponsored by four Federal agencies consisting of the Equal Employment Opportunity Commission (EEOC), the Employment Litigation Section of the Civil Rights Division at the Department of Justice (DOJ), the Office of Federal Contract Compliance Programs (OFCCP) at the Department of Labor, and the Office of Personnel Management (OPM).

Geography: Chula Vista city, California
Estimate: Estimate

Occupation Code	Residence to Work Place Flows	Subject	Total, race and ethnicity
Total, all occupations	Worksite Total	Total, both sexes	
Total, all occupations	Worksite Total	Number	59,575
Total, all occupations	All Other Places/Counties to Chula Vista city, California	Total, both sexes	
Total, all occupations	All Other Places/Counties to Chula Vista city, California	Number	1,405
Total, all occupations	Balance of San Diego County, California to Chula Vista city, California	Total, both sexes	
Total, all occupations	Balance of San Diego County, California to Chula Vista city, California	Number	10,380
Total, all occupations	Chula Vista city, California to Chula Vista city, California	Total, both sexes	
Total, all occupations	Chula Vista city, California to Chula Vista city, California	Number	29,570
Total, all occupations	National City city, California to Chula Vista city, California	Total, both sexes	
Total, all occupations	National City city, California to Chula Vista city, California	Number	1,950
Total, all occupations	San Diego city, California to Chula Vista city, California	Total, both sexes	
Total, all occupations	San Diego city, California to Chula Vista city, California	Number	16,270

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of

error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

Source: U.S. Census Bureau, 2006-2010 American Community Survey

Explanation of Symbols:

An '**' entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.

An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.

An '-' following a median estimate means the median falls in the lowest interval of an open-ended distribution.

An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.

An '**' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.

An '*****' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.

An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.

An '(X)' means that the estimate is not applicable or not available.

The U.S. Census Bureau collects race data in accordance with guidelines provided by the U.S. Office of Management and Budget (OMB). Except for the total, all race and ethnicity categories are mutually exclusive. "Black" refers to Black or African American; "AIAN" refers to American Indian and Alaska Native; and "NHPI" refers to Native Hawaiian and Other Pacific Islander. The reference to "Hawaii only" indicates that these columns are only tabulated for areas in the state of Hawaii. "Balance of Not Hispanic or Latino" includes the balance of non-Hispanic individuals who reported multiple races or reported Some Other Race alone. For more information on race and Hispanic origin, see the Subject Definitions at http://www.census.gov/acs/www/data_documentation/documentation_main/.

Race and Hispanic origin are separate concepts on the American Community Survey. "White alone Hispanic or Latino" includes respondents who reported Hispanic or Latino origin and reported race as "White" and no other race. "All other Hispanic or Latino" includes respondents who reported Hispanic or Latino origin and reported a race other than "White," either alone or in combination. To get a total for "Hispanic or Latino," add the two columns for "White alone Hispanic or Latino" and "All other Hispanic or Latino."

Occupation codes are 4-digit codes and are based on Standard Occupational Classification 2010.