

REPORT OF THE EXECUTIVE OFFICER  
State Allocation Board Meeting, January 26, 2000

DEVELOPER FEE ADJUSTMENT

PURPOSE OF REPORT

To report the adjustment in the maximum developer fee which may be levied pursuant to Education Code Section 17620.

DESCRIPTION

Education Code Section 17620 gives school districts the authority to assess developer fees within the boundaries of their districts for the purpose of funding construction or reconstruction of school facilities, subject to the limitations set forth in Chapter 4.9, commencing with Section 65995, of the Government Code.

Government Code Section 65995(b)(3) requires the maximum developer fee be adjusted in 2000 and every two years thereafter by the change in the Class B construction cost index, as determined by the State Allocation Board at its January board meeting.

The cost index for Class B construction increased 6.20 percent during the period December 1997 through December 1999, requiring the developer fees be adjusted as follows:

	<u>1998</u> <u>Maximum Fee</u>	<u>2000</u> <u>Maximum Fee</u>
Residential	\$1.93	\$2.05
Commercial/Industrial	.31	.33

The adjusted maximum fees are effective immediately.

RECOMMENDATION

Accept the report.

This Item was approved by the State Allocation Board on January 26, 2000.