



School Facilities Fee Justification Report

Prepared Pursuant to Government Code Section 66001

June 4, 2026

Apple Valley Unified School District

2025/2026



A division of California Financial Services

Table of Contents

I.	Introduction	1
II.	The School District	3
III.	District Facilities Needs	4
	A. Enrollment.....	4
	B. Capacity of District Facilities	8
	C. District Facilities Needs	9
	D. Plan to Provide for District Facilities Needs.....	10
IV.	Financial Impact of Residential Development	11
	A. Cost of School Facilities.....	11
	B. Cost of Providing School Facilities.....	11
	C. Cost of Providing School Facilities Per Square Foot of Future Residential Development.....	12
V.	Comparison of Impact and Residential School Fee Revenue	14
	A. Maximum Residential School Fee.....	14
	B. Comparison of Impact and Maximum School Fee.....	14
VI.	Financial Impact of Commercial/Industrial Development	15
	A. Employees Per 1,000 Square Feet	15
	B. Household Impact	17
	C. Student Generation Impact.....	18
	D. Cost of Providing School Facilities.....	20
	E. Residential School Fee Revenue Offset.....	21
VII.	Comparison of Impact and Commercial/Industrial Fee Revenues	23
	A. Maximum Commercial/Industrial School Fee.....	23
	B. Comparison of Impact and Maximum School Fee.....	23
VIII.	Conclusion and Statement of Findings	25

Exhibit A: SCAG Housing Projections

Exhibit B: SAB Capacity Calculation

I. Introduction

In 1986, the Governor signed into law Assembly Bill (“AB”) 2926. AB 2926 provided for the addition of several sections to the Government Code establishing the ability of school districts to impose impact fees on new residential development (“Future Residential Development”) and commercial/industrial development (“Future Commercial/Industrial Development”) for the construction or reconstruction of school facilities (“School Fees”).

AB 2926 also established cities or counties may not issue a building permit for a development project unless such School Fees have been paid and set the maximum level of School Fees at \$1.50 per square foot for residential development and \$0.25 per square foot for commercial/industrial development. Initially, these maximums were subject to increase each year based on a statewide cost index, as determined by the State Allocation Board (“SAB”); however, the adjustment provisions were subsequently extended to every other year by AB 181. Pursuant to AB 2926, a school district wishing to impose School Fees must determine that the School Fees “are reasonably related and limited to the need for school facilities caused by the development”.

In 1987 AB 1600 was enacted providing additional guidance regarding the establishment of School Fees. Specifically, AB 1600 requires that public agencies satisfy the following requirements when establishing and imposing an impact fee as a condition of approval for a development project:

- Determine the purpose of the fee.
- Identify the facilities to which the fee will be applied.
- Determine that there is a reasonable relationship between the need for public facilities and the type of development on which a fee is imposed.
- Determine that there is a reasonable relationship between the amount of the fee and the public facility or portion of the facility attributable to the development on which the fee is imposed.

- Provide an annual accounting of any portion of the fee remaining unexpended, whether committed or uncommitted, in the school district's accounts five or more years after it was collected.

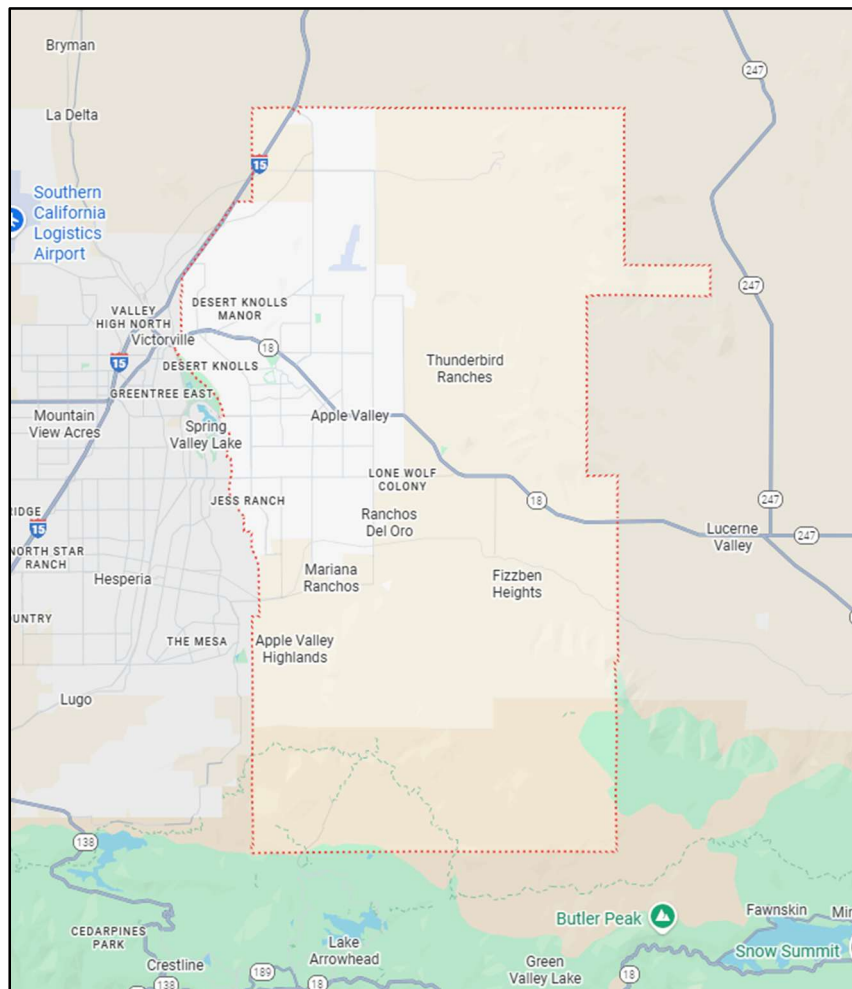
The purpose of this School Facilities Fee Justification Report ("Report") is to provide the information necessary to satisfy these requirements for the imposition of School Fees, pursuant to AB 2926, by the Apple Valley Unified School District ("District").

II. The School District

The District serves a portion of the Town of Apple Valley, the cities of Hesperia and Victorville (collectively, “Cities”) and a portion of the unincorporated County of San Bernardino (“County”). The District provides education in Transitional Kindergarten (“TK”) through 12th grade.

The District has a student population of approximately 13,600.

**Apple Valley Unified School District
Boundary Map**



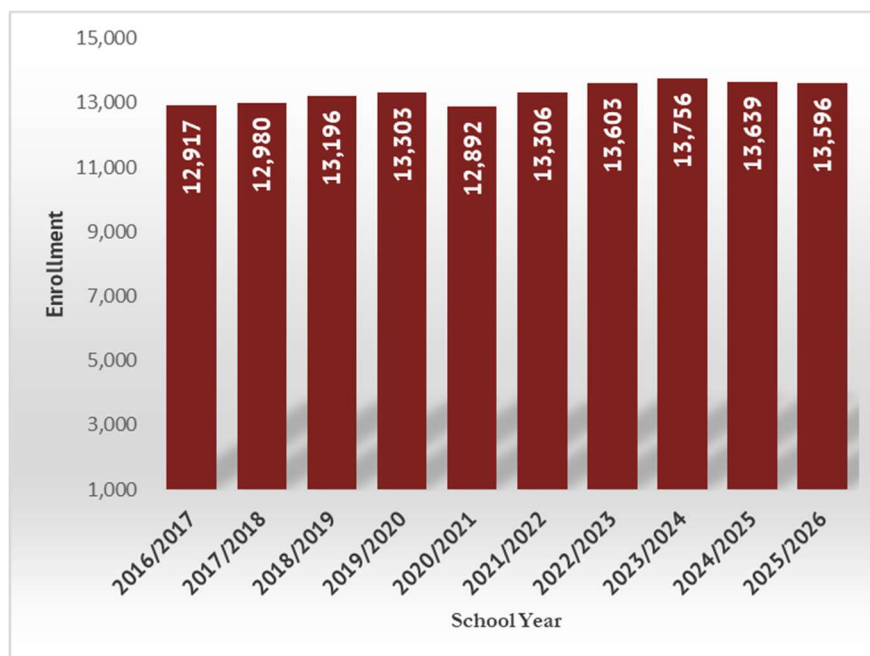
III. District Facilities Needs

In order to identify the impact of Future Residential Development on the facilities of the District, this Report (i) evaluates the District's current and projected enrollment, (ii) establishes the capacity of the District's existing facilities and (iii) identifies a plan to meet the District's facility needs.

A. Enrollment

- 1. Historical Enrollment** – This Report uses the California Basic Educational Data System (“CBEDS”) to identify the District's enrollment over the past ten (10) years. Over the past ten (10) years the District has experienced a steady increase in enrollment. However, in the school year ending in 2021 the District saw a significant decrease in enrollment. This decrease is likely a result of COVID-19 mitigation measures. Since then, the District has seen a recovery in enrollment and can anticipate a continuous increase into the future based on the amount of expected new development. Chart 1 shows the historical enrollment during this period.

Chart 1
Historical Enrollment Trend



2. Enrollment as a Result of Future Residential Development –

- a. **Future Residential Development** - To evaluate the enrollment expected as a result of Future Residential Development, this Report must first determine the number of units that are expected to be constructed within the District's boundaries.

The Southern California Association of Governments ("SCAG") provided estimated housing units existing in 2026 and to exist in 2050 based on their 2024 Connect SoCal Regional Transportation Plan. *KeyAnalytics* estimated the amount of housing units within the District's boundaries using the SCAG GIS mapping system. SCAG estimates that approximately 9,504 additional residential units are expected to be constructed within the boundaries of the District through calendar year 2050 ("Future Units"). A more detailed breakdown is included in Exhibit A.

- b. **Reconstruction** - Reconstruction means the voluntary demolition of existing residential dwelling units or commercial/industrial construction and the subsequent construction of new residential dwelling units ("Reconstruction").

The District acknowledges that Reconstruction projects may occur. In such a situation, the District shall levy School Fees if there is a nexus established between the impact of the new residential dwelling units 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 Reconstruction project.

- i. **Existing Residential Dwelling Units** - To the extent Reconstruction increases the residential square footage beyond what was demolished ("New Square Footage"), the increase in square footage is subject to the applicable School Fee as such construction is considered new residential development. As for the amount of square footage constructed that replaces only the previously constructed square footage ("Replacement Square Footage"), the determination of the applicable fee, if any,

is subject to a showing that the Replacement Square Footage results in an increase in student enrollment and, therefore, an additional impact being placed on the District to provide school facilities for new student enrollment.

As of the date of this Report, the large-scale Reconstruction of residential development within the District has not occurred to the point where statistically significant data can be utilized to determine if Replacement Square Footage increases student enrollment. Therefore, prior to the imposition of School Fees on Replacement Square Footage, the District may undertake an analysis on any future proposed project(s) and may amend/update this Report. Such analysis will examine the extent to which an increase in enrollment can be expected from Replacement Square Footage due to any differential in student generation rates as identified in the Report for the applicable unit types between existing square footage and Replacement Square Footage. To the extent it can be demonstrated that Replacement Square Footage will increase student enrollment, the District may then impose a fee on the Replacement Square Footage. This fee amount on Replacement Square Footage shall be calculated by determining the cost impacts associated with any growth in student enrollment from the Replacement Square Footage. Any such fee that is calculated for the Replacement Square Footage shall not exceed the School Fee that is in effect at such time.

- ii. **Existing Commercial/Industrial Construction** - As with Reconstruction of existing residential dwelling units, there is not significant information regarding (i) the amount of Commercial/Industrial Reconstruction planned within the District or (ii) historical levels, which might indicate the amount to be expected in the future. Due to the lack of information, the District has decided to evaluate the impacts of Commercial/Industrial Reconstruction projects

on a case-by-case basis and will make a determination of whether a fee credit is justified based on the nature of the project.

The fee credit determination will be based upon a comparison of the impacts of the planned residential project and the existing land use category (i.e. retail and services, office, research and development, industrial/warehouse/manufacturing, hospital, hotel/motel or self-storage). The actual impacts of the planned residential project will be reduced by the impact of the existing commercial/industrial category (derived from calculations contained in this Report). Any reduction to the School Fee would only occur if the reduced amount falls below the School Fee. In such a case, the District would levy the reduced amount per square foot of new residential construction for the subject Reconstruction project.

- c. **Student Generation Factors** - To estimate the impact of Future Units on the District's enrollment, Student Generation Factors ("SGFs") must be established.

The process of determining SGFs involved obtaining total student enrollment from the District and dividing it by the total number of units within the District's boundaries, obtained from the SCAG. Table 1 outlines the results of this analysis

Table 1
Student Generation Factors

School Level	Student Enrollment	Units	Student Generation Factors
Elementary School (Grades TK-6)	7,212	32,114	0.2246
Middle School (Grades 7-8)	2,142	32,114	0.0667
High School (Grades 9-12)	4,242	32,114	0.1321
Total	13,596		0.4234

- d. **Projected Enrollment** - When these SGFs are applied to the projected Future Units the resulting enrollment impact is 4,023 students. Table 2 outlines this calculation.

Table 2
Projected Enrollment

School Level	Student Generation Factors	Future Units	Projected Enrollment
Elementary School (Grades TK-6)	0.2246	9,504	2,134
Middle School (Grades 7-8)	0.0667	9,504	634
High School (Grades 9-12)	0.1321	9,504	1,255
Total	0.4234		4,023

B. Capacity of District Facilities

To establish the capacity of the District's facilities, this Report utilizes the District's baseline capacity established with the SAB and makes adjustments for subsequent construction projects funded by the State. A more detailed breakdown is listed in Exhibit B.

The current capacity of the District's facilities, as determined pursuant to Education Code Section 17071.25 is 13,141 students. Based on data for School Year 2025/2026 the current enrollment of the District is 13,596 students. Table 3 compares the District's current capacity and enrollment at each school level.

Table 3
Current Facility Capacity Vs. Enrollment

School Level	Facilities Capacity	School Year 2025/2026 Enrollment	Available Capacity
Elementary School (Grades TK-6)	6,728	7,212	(484)
Middle School (Grades 7-8)	2,441	2,142	299
High School (Grades 9-12)	3,972	4,242	(270)
Total	13,141	13,596	NA

C. District Facilities Needs

To evaluate the school facilities needed as a result of Future Units, this Report must first determine if there is any existing capacity that can be used to house future enrollment. As illustrated in Table 3, the District has available capacity at the middle school level to house the projected student enrollment. The available capacity is then subtracted from the projected enrollment to determine the projected unhoused students. Table 4 demonstrates this calculation.

Table 4
Summary of Available District Capacity

School Level	Available Capacity	Projected Enrollment	Projected Unhoused Students
Elementary School (Grades TK-6)	0	2,134	2,134
Middle School (Grades 7-8)	299	634	335
High School (Grades 9-12)	0	1,255	1,255
Total	299	4,023	3,724

D. Plan to Provide for District Facilities Needs

The District plans to house students generated from Future Units on existing school sites at this time. To accommodate the students, the District will replace relocatable classrooms that have exceeded their useful life with new permanent facilities.

Government Code Section 66001 (g) allows School Fees to include the cost attributable to the increased demand for public facilities reasonably related to the development project(s) in which the fee is imposed to (1) refurbish existing facilities to maintain the existing level of service or (2) achieve an adopted level of service that is consistent with the general plan. The District has identified revenue from the imposition of School Fees as one of the sources of funds used to complete the projects listed in the 2025 Long-Range Facility Master Plan (“2025 FMP”).

The timing of these improvements is unknown and relies heavily on the District’s ability to access both local and State funding for such projects and the pace of Future Residential Development.

IV. Financial Impact of Residential Development

As outlined in Section III, Future Units are expected to generate additional enrollment for the District resulting in the need to replace/modernize existing and construct new school facilities. This Section quantifies the financial impact of the additional enrollment resulting from Future Units.

A. Cost of School Facilities

The total estimated facilities cost to replace relocatable classrooms with permanent facilities were obtained from the project cost estimates in the 2025 FMP. The cost per sq. ft. of \$590 is then multiplied by the sq. ft. per student required at each grade level. A 30% soft cost assumption is then added to the construction cost total. The result is the facilities cost impact per student, and the calculation is shown in Table 5.

Table 5
Estimated School Facilities Cost

School Level	Sq. Ft. Per Student	Construction Costs ⁽¹⁾	30% Soft Costs	Estimated School Facilities Costs
Elementary School (Grades TK-6)	80	\$47,200.00	\$14,160.00	\$61,360.00
Middle School (Grades 7-8)	100	\$59,000.00	\$17,700.00	\$76,700.00
High School (Grades 9-12)	100	\$59,000.00	\$17,700.00	\$76,700.00

(1) Construction costs are equal to the cost per sq. ft. to replace a relocatable classroom multiplied by the required sq. ft. per student.

B. Cost of Providing School Facilities

This Report determines the cost of providing school facilities to house students generated by Future Units by multiplying the projected number of unhoused students by the Estimated School Facilities Cost, listed in Table 5. Table 6 outlines the Total Facilities Cost Impact for students generated by Future Units.

Table 6
Total Cost of Providing School Facilities
As a Result of Future Units

School Level	Projected Unhoused Students	Total Construction Cost Per Student	Facilities Cost Impacts
Elementary School (Grades TK-6)	2,134	\$61,360.00	\$130,942,240
Middle School (Grades 6-8)	335	\$76,700.00	\$25,694,500
High School (Grades 9-12)	1,255	\$76,700.00	\$96,258,500
Total Cost Impact			\$252,895,240

C. Cost of Providing School Facilities per Square Foot of Future Residential Development

To determine the cost of providing school facilities per square foot of Future Residential Development, this Report first divides the Total Cost of Providing School Facilities by the number of Future Units. Table 7 shows the calculation of the Cost of Providing School Facilities per Future Unit.

Table 7
Cost of Providing School Facilities
Per Future Units

Total Facilities Cost Impacts	Future Units	Facilities Cost Per Future Unit
\$252,895,240	9,504	\$26,609

The Cost of Providing School Facilities per Future Unit is then divided by the average square footage of Future Units.

To determine the average square footage of a Future Unit this Report utilizes Certificates of Compliance (“COC’s”) issued in the District over the last two (2) fiscal years. Table 8 shows the cost of providing school facilities per square foot of Future Unit.

Table 8
Cost of Providing School Facilities
Per Square Foot of Future Unit

Facilities Cost Per Future Unit	Average Square Footage	Facilities Cost Impact Per Square Foot
\$26,609	1,727	\$15.41

V. Comparison of Impact and Residential School Fee Revenue

As noted in the introduction to this Report, the maximum level of School Fee that may be imposed by a school district on Future Residential Development is set by the SAB. In order to impose School Fees at this level, the District must demonstrate that the cost of providing school facilities equals or exceeds the amount of the School Fee to be imposed. This section compares the maximum School Fee that may be imposed by the District with the cost of providing school facilities per square foot of Future Residential Development as established in Section IV.

A. Maximum Residential School Fee

In January of 2026, the SAB approved an increase to the maximum School Fee that may be imposed by a unified school district on residential development to \$5.38 per square foot.

B. Comparison of Impact and Maximum School Fee

This Report identifies in Section IV that the cost of providing school facilities per square foot of Future Residential Development is approximately \$15.41. Since the current maximum School Fee is less than the cost of providing school facilities per square foot of Future Residential Development, the District is justified in imposing the maximum School Fee of \$5.38 per square foot for all Future Residential Development within its boundaries.

VI. Financial Impact of Commercial/Industrial Development

This Section analyzes the financial impact on the District resulting from students that are generated by Future Commercial/Industrial Development.

Future Commercial/Industrial Development will attract additional workers to the District. Because some of those workers will have school-age children, such Future Commercial/Industrial Development will generate additional enrollment for the District. The District is also likely to experience additional enrollment as a result of new workers who do not live within the District's boundaries, but whose children attend the District's schools as a transfer student.

A. Employees Per 1,000 Square Feet

To identify the impact of Future Commercial/Industrial Development this Report must first estimate the number of employees that will be generated by such development.

- 1. Employee Generation Rate** - As permitted by State law, this Report estimates the number of employees to be generated by Future Commercial/Industrial Development by utilizing the generation factors set forth by the San Diego Association of Governments ("SANDAG"). Table 9 shows these generation rates.

Table 9
Employee Generation Rates
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Employees Per 1,000 Square Feet
Retail and Services	2.2371
Office	3.4965
Research and Development	3.0395
Industrial/Warehouse/Manufacturing	2.6954
Hospital	2.7778
Hotel/Motel	1.1325
Self-Storage	0.0643

Source: SANDAG

- 2. Percentage of Employees Residing Within the District** - To accurately identify the number of employees that will reside within the District, this Report adjusts the Employee Generation Rates list in Table 9 to account for employees that may not live within the District.

To estimate the percentage of employees that will reside within the District this Report utilizes data collected by the US Census Bureau measuring individual's commute time. Based on this information, approximately 23.20 percent of employees within the District have a commute time of less than 15 minutes and thus are likely to reside within the District. Table 10 shows the Resident Employee Generation Rates.

Table 10
Resident Employee Generation Rates
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Employee Generation Rates	Employees Residing Within the District	Resident Employee Generation Rates
Retail and Services	2.2371	0.2320	0.5190
Office	3.4965	0.2320	0.8112
Research and Development	3.0395	0.2320	0.7052
Industrial/Warehouse/Manufacturing	2.6954	0.2320	0.6253
Hospital	2.7778	0.2320	0.6444
Hotel/Motel	1.1325	0.2320	0.2627
Self Storage	0.0643	0.2320	0.0149

B. Household Impact

As noted in Section III, the SGFs calculated for the District is based on the number of students generated per housing unit. Therefore, this Report must convert the number of resident employees into the resulting number of new households to estimate the number of students to be generated.

- 1. Average Number of Employees per Household** - To estimate the number of households to be generated by these resident employees, this Report utilizes information collected by the US Census Bureau. According to the US Census Bureau the average number of employed persons per household within the District is 1.0859.
- 2. Household Impact Per 1,000 Square Feet of Commercial/Industrial Development** - The Household Impact per 1,000 Square Feet of Commercial/Industrial Development is calculated by dividing the Average Number of Employees per Household by the Resident Employee Generation Rates listed in Table 10. Table 11 summarizes this calculation.

Table 11
Household Impact
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Resident Employee Generation Rate	Average Employees Per Household	Household Impact Per 1,000 Square Feet
Retail and Services	0.5190	1.0859	0.4780
Office	0.8112	1.0859	0.7470
Research and Development	0.7052	1.0859	0.6494
Industrial/Warehouse/Manufacturing	0.6253	1.0859	0.5759
Hospital	0.6444	1.0859	0.5935
Hotel/Motel	0.2627	1.0859	0.2420
Self Storage	0.0149	1.0859	0.0137

C. Student Generation Impact

This Report recognizes that employees may impact the District in two ways. First, some of the employees will reside within the District and have school aged children who attend the District's schools. Secondly, of those employees that do not reside within the District some will have school aged children who choose to attend the District's school as transfer students.

- 1. Resident Student Generation Impact** - To estimate the number of resident students to be generated per 1,000 Square Feet of Commercial/Industrial Development this Report multiplies the SGFs, outlined in Section III, by the Household Impacts listed in Table 11. The resulting Resident Student Generation Impact per 1,000 Square Feet of Commercial/Industrial Development is listed Table 12.

Table 12
Resident Student Generation Impact
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Elementary School (Grades TK-6)	Middle School (Grades 7-8)	High School (Grades 9-12)	Total
Retail and Services	0.1073	0.0319	0.0631	0.2024
Office	0.1678	0.0498	0.0987	0.3163
Research and Development	0.1458	0.0433	0.0858	0.2749
Industrial/Warehouse/Manufacturing	0.1293	0.0384	0.0761	0.2438
Hospital	0.1333	0.0396	0.0784	0.2513
Hotel/Motel	0.0543	0.0161	0.0320	0.1025
Self Storage	0.0031	0.0009	0.0018	0.0058

- 2. Inter-District Transfer Student Generation Impact** - To estimate the number of inter-district transfer students that may be generated, this Report utilizes enrollment data of the District. The total number of inter-district transfer students attending District schools was divided by the total number of employed persons within the District, as estimated by the US Census Bureau. This calculation is summarized in Table 13.

Table 13
Inter-District Transfer Rate Per Employee

Item	Elementary School (Grades TK-6)	Middle School (Grades 7-8)	High School (Grades 9-12)
Number of Employed Persons	30,411	30,411	30,411
Number of Inter-District Transfers	61	8	13
Inter-District Transfers Per Employee	0.0020	0.0003	0.0004

- 3. Total Student Generation Impact Per 1,000 Square Feet of Commercial/Industrial Development** - The Inter-District Transfer Rates, listed in Table 13, were multiplied by the Employee Generation Rates in Table 9 to calculate Inter-District Transfer Rates per 1,000 Square Feet of Future Commercial/Industrial Development. These

Inter-District Transfer Rates were added to the Resident Student Generation Impact per 1,000 Square Feet of Commercial/Industrial Development, listed in Table 12, to calculate the Total Student Generation Impact per 1,000 Square Feet of Commercial/Industrial Development listed in the Table 14.

Table 14
Total Student Generation Impact
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Elementary School (Grades TK-6)	Middle School (Grades 7-8)	High School (Grades 9-12)	Total
Retail and Services	0.1118	0.0326	0.0640	0.2084
Office	0.1748	0.0509	0.1001	0.3257
Research and Development	0.1519	0.0442	0.0870	0.2831
Industrial/Warehouse/Manufacturing	0.1347	0.0392	0.0771	0.2511
Hospital	0.1388	0.0404	0.0795	0.2588
Hotel/Motel	0.0566	0.0165	0.0324	0.1055
Self Storage	0.0032	0.0009	0.0018	0.0060

D. Cost of Providing School Facilities

To calculate the Cost of Providing School Facilities per 1,000 Square Feet of Commercial/Industrial Development, this Report multiplies the per student cost listed in Table 5 by the Total Student Generation Impacts listed in Table 14. Table 15 outlines the resulting Cost of Providing School Facilities per 1,000 Square Feet of Commercial/Industrial Development.

Table 15
Cost of Providing School Facilities
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Elementary School (Grades TK-6)	Middle School (Grades 7-8)	High School (Grades 9-12)	Total
Retail and Services	\$6,861.34	\$2,496.87	\$4,911.47	\$14,269.67
Office	\$10,722.69	\$3,902.02	\$7,675.47	\$22,300.17
Research and Development	\$9,321.69	\$3,392.19	\$6,672.62	\$19,386.49
Industrial/Warehouse/Manufacturing	\$8,266.63	\$3,008.26	\$5,917.40	\$17,192.29
Hospital	\$8,519.27	\$3,100.19	\$6,098.24	\$17,717.70
Hotel/Motel	\$3,473.72	\$1,264.10	\$2,486.56	\$7,224.38
Self Storage	\$196.68	\$71.57	\$140.77	\$409.02

E. Residential School Fee Revenue Offset

A portion of the Cost of Providing School Facilities per 1,000 Square Feet of Commercial/Industrial Development will be mitigated through the collection of School Fees from Future Residential Development. To estimate the amount of these School Fees that will be collected, this Report multiplies the estimated average square footage of a Future Unit, by the District's Residential School Fee of \$5.38. This amount is then multiplied by the Household Impacts listed in Table 11. Table 16 outlines this calculation.

Table 16
Residential School Fee Revenue
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Household Impact	Average Residential School Fees	Residential Revenue
Retail and Services	0.4780	\$9,291.26	\$4,441.22
Office	0.7470	\$9,291.26	\$6,940.57
Research and Development	0.6494	\$9,291.26	\$6,033.74
Industrial/Warehouse/Manufacturing	0.5759	\$9,291.26	\$5,350.84
Hospital	0.5935	\$9,291.26	\$5,514.36
Hotel/Motel	0.2420	\$9,291.26	\$2,248.48
Self Storage	0.0137	\$9,291.26	\$127.29

The Residential School Fee Revenue per 1,000 Square Feet of Commercial/Industrial Development listed in Table 16 is then subtracted from Cost of Providing School Facilities per 1,000 Square Feet of Commercial/Industrial Development identified in Table 15 to calculate the Remaining Cost of Providing Facilities per 1,000 Square Feet of Commercial/Industrial Development. Table 17 outlines this calculation.

Table 17
Remaining Cost of Providing Facilities
Per 1,000 Square Feet of Commercial/Industrial Development

Commercial/Industrial Category	Cost of Providing School Facilities	Residential School Fee Revenue	Remaining Cost of Providing School Facilities
Retail and Services	\$14,269.67	\$4,441.22	\$9,828.45
Office	\$22,300.17	\$6,940.57	\$15,359.60
Research and Development	\$19,386.49	\$6,033.74	\$13,352.75
Industrial/Warehouse/Manufacturing	\$17,192.29	\$5,350.84	\$11,841.45
Hospital	\$17,717.70	\$5,514.36	\$12,203.34
Hotel/Motel	\$7,224.38	\$2,248.48	\$4,975.89
Self Storage	\$409.02	\$127.29	\$281.73

VII. Comparison of Impact and Commercial/Industrial Fee Revenues

As with Future Residential Development the maximum level of School Fee that may be imposed by a school district on Future Commercial/Industrial Development is set by the SAB. In order to impose School Fees at the maximum level, the District must demonstrate that the cost of providing school facilities equals or exceeds the amount of the School Fee to be imposed. This section compares the maximum School Fee that may be imposed by the District, with the cost of providing school facilities as a result of Commercial/Industrial Development, as established in Section V.

A. Maximum Commercial/Industrial School Fee

In January of 2026, the SAB approved an increase to the maximum School Fee that may be imposed by a unified school district on commercial/industrial development to \$0.87 per square foot.

B. Comparison of Impact and Maximum School Fee

This Report identified in Section VI that the Remaining Cost of Providing School Facilities per 1,000 Square Feet of Commercial/Industrial Development ranges from \$281.73 to \$15,359.60. Table 18 compares these costs to the maximum School Fee for Commercial/Industrial Development.

Table 18
Comparison of Remaining Cost of Providing School Facilities
And Maximum School Fee for Commercial/Industrial Development

Commercial/Industrial Category	Remaining Cost of School Facilities		Maximum School Fee	Justified School Fee
	Per 1,000 Square Feet	Per Square Foot		
Retail and Services	\$9,828.45	\$9.83	\$0.87	\$0.87
Office	\$15,359.60	\$15.36	\$0.87	\$0.87
Research and Development	\$13,352.75	\$13.35	\$0.87	\$0.87
Industrial/Warehouse/Manufacturing	\$11,841.45	\$11.84	\$0.87	\$0.87
Hospital	\$12,203.34	\$12.20	\$0.87	\$0.87
Hotel/Motel	\$4,975.89	\$4.98	\$0.87	\$0.87
Self Storage	\$281.73	\$0.28	\$0.87	\$0.28

Since the District's current maximum School Fee is less than the Remaining Cost of Providing School Facilities per Square Foot of Commercial/Industrial Development in each category the District is justified in imposing a School Fee \$0.87 per square foot for all Future Commercial/Industrial Development, except those developments categorized for self-storage in which the District is justified in imposing a School Fee of \$0.28 per square foot.

VIII. Conclusion and Statement of Findings

Based on the findings of this School Facilities Fee Justification Report (“Report”), the Apple Valley Unified School District (“District”) is justified in collecting the legal maximum fee of **\$5.38** per square foot of residential development as authorized by Government Code Section 65995, as future residential development creates a school facility cost impact greater than the legal maximum fee. The District is also justified in collecting the legal maximum fee of **\$0.87** per square foot of commercial/industrial development on all categories of commercial/industrial development except self-storage where the District is justified in collecting a School Fee of **\$0.28** per square foot.

The findings of this Report are based on the following:

- According to the District demographic study there are 9,504 residential units planned to be built within the District.
- These residential units are expected to generate 4,023 students. The District expects these students will require the District to replace its existing school facilities.
- Each square foot of future residential development creates an estimated school facility cost impact of \$15.41.
- If the District collects the maximum school fee which is \$5.38, fee revenue will offset approximately 35 percent of the school facility cost impact.
- Future commercial/industrial development will create the need for additional school facilities by increasing the number of households within the District and the number of inter-district transfer students.
- After accounting for the collection of the maximum school fee from residential development the remaining school facilities cost impact of commercial/industrial development ranges between \$0.28 and \$15.36 per square foot depending on the category of development.
- If the District collects the maximum school fee which is \$0.87 per commercial/industrial square foot, fee revenue will offset between 5.66-17.47 percent of the school facility cost impact of such development. If the District collects the justified school fee for the self-storage category,

which is \$0.28 per square foot, the fee revenue will offset 100 percent of the school facility cost impact of such development.

Exhibit A

SCAG Housing Projections

APPLE VALLEY SCHOOL DISTRICT
RESIDENTIAL DEVELOPMENT PROJECTIONS
SOURCE: SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

2024 Connect SoCal (RTP/SCS) Growth Forecast ⁽¹⁾

Tier2	% In District ^[2]	Housholds 2026	Households 2035	Households 2050
53965300	41%	140	142	143
53975400	5%	5	5	5
53965200	100%	7	7	7
53965400	100%	51	51	51
53965100	100%	655	671	691
53957200	100%	253	253	253
53958100	100%	481	481	481
53958200	100%	46	46	46
53958400	100%	817	890	977
53958300	100%	875	966	1,076
53958500	100%	235	239	246
53953300	100%	395	408	425
53949300	100%	2,569	3,281	4,145
53953100	100%	312	362	424
53953200	100%	645	645	645
53949100	100%	214	214	214
53949200	100%	553	634	734
53957400	100%	41	41	41
53957300	100%	15	15	15
53957100	100%	15	15	15
53944200	1%	2	2	2
53945300	98%	36	37	39
53945100	10%	26	34	44
53945600	100%	0	0	0
53945800	100%	76	78	80
53945700	100%	105	117	129
53945500	100%	322	355	397
53945200	100%	931	1,213	1,554
53945400	45%	308	413	542
53865100	65%	16	16	16
53867100	70%	0	0	0
53870100	6%	3	3	3
53967100	100%	308	313	322
53963300	83%	65	65	65
53960300	100%	85	85	85
53961200	100%	226	243	262
53963400	100%	245	245	245
53963200	100%	184	184	184
53963100	100%	63	63	63
53952300	100%	840	930	1,040
53961300	100%	521	521	521
53952100	100%	3,312	4,253	5,393
53952200	100%	502	578	670

Tier2	% In District ^[2]	Housholds 2026	Households 2035	Households 2050
53955100	100%	947	947	947
53955200	100%	1,106	1,106	1,106
53961100	100%	242	242	242
53960200	100%	258	331	418
53960100	100%	375	375	375
53960500	100%	453	503	564
53960400	100%	1,061	1,093	1,132
53954100	100%	1,668	2,124	2,675
53954200	100%	1,320	1,661	2,076
53950500	100%	1,020	1,238	1,503
53950400	100%	1,091	1,245	1,431
53950200	100%	653	753	874
53950300	100%	5	6	8
53950100	100%	813	825	839
53951300	100%	1,579	1,702	1,851
53951200	100%	49	49	49
53951100	100%	1,512	1,586	1,676
53943100	100%	614	628	645
53943200	100%	848	879	917
Totals ^[3]		32,114	36,407	41,618

[1] Southern California Association of Governments - 2024 Connect SoCal (RTP/SCS) Growth Forecast which has been adopted at the jurisdictional level, data provided January 2026 and remains the most current available.

[2] Percent in District was estimated based on acreage via GIS mapping.

[3] Totals may not sum due to rounding.

Exhibit B

SAB Capacity Calculation

**Apple Valley Unified School District
School Facilities Capacity Calculation**

Application	Project	Elementary School	Middle School	High School
N/A	SAB Form 50-02	5,115	783	3,537
N/A	Non-Severe/Severe Capacity	288	82	165
N/A	Relocatables Added - Granite Hills High	0	0	135
N/A	Relocatables Added - Vista Campana Middle	0	81	0
N/A	Relocatables Added - Desert Knolls Elementary	75	0	0
N/A	Relocatables Added - Rio Vista Elementary	75	0	0
50/75077-00-002	Sitting Bull Elementary	575	0	0
50/75077-00-009	Sitting Bull Middle	300	645	0
50/75077-00-010	Vanguard Preparatory	0	607	0
50/75077-00-011	Granite Hills High	0	0	135
50/75077-00-012	Sandia Elementary	25	0	0
50/75077-00-013	Sitting Bull Elementary	200	0	0
50/75077-00-014	Sitting Bull Middle	0	162	0
50/75077-00-015	Rancho Verde Elementary	25	0	0
50/75077-00-016	Mojave Mesa Elementary	25	0	0
50/75077-00-017	Rancho Verde Elementary	25	0	0
N/A	Permanent Classrooms Added Districtwide - Middle School Level	0	81	0
Total Capacity	N/A	6,728	2,441	3,972