Junction Elementary School District

Clay Ross, Superintendent

Christopher Nelson, Principal

Junction School

9087 Deschutes Rd. Palo Cedro, CA 96073 Phone: (530) 547-3276 Fax: (530) 547-4080

www.junctionesd.net



Board Members:

Clint Snyder
Hope Bjerke
Ken Parisot
Kelly Lindblom
Kristen Knott

April 28, 2022

Good Afternoon Junction Families and the Palo Cedro Community,

It appears that the Palo Cedro Community is thoroughly engaged in conversations regarding our announcement of a Public Hearing on Developer Fees. I would like to provide some information that might clear up some confusion.

First of all, I am going to provide and ask my Administrative Assistant to place the Draft Developers Fee Study on our website. She may or may not be able to link it to this letter as well.

https://www.junctionesd.net/cms/lib/CA01902470/Centricity/Domain/1146/Junction%20Draft%20DF.pdf

Secondly, Junction Elementary School District already participates in collecting Developer Fees for new construction. There is a 60%/40% split between the Elementary School and the High School District with Junction receiving 60% of the total Developer Fee of any Residential or Commercial Construction projects within the Junction Elementary School District Boundaries. There are some exemptions where certain agencies do not need to pay Developer Fees, but generally, most for profit agencies do pay Developer Fees.

Every two years, Districts are required to conduct a Developer Fee Justification Study. We engage with an outside agency to conduct this study, (Jack Schreder & Associates, Inc.). The current rate being levied for new construction projects within the Junction ESD boundaries is \$4.07/sq ft for Residential and \$0.66 for Commercial Construction; that rate was set back in 2020 by the State Allocation Board. The study provides information and statistics dating back to 1994 as to what those rates have been and have increased to over time. The State Allocation Board updated its biennial inflation in February to change the fee to \$4.79/sq ft for Residential and \$0.78 for Commercial.

As previously mentioned, there is a split in fees collected with some going to the Shasta Union High School District and some coming to Junction. The proposed Action to adopt these fees on behalf of Junction will not impact the rate of the fee. In other words, the fee for Developers will

be based on the State Allocation Board's determination in February to be \$4.79 and \$0.78 meaning that the fees will be levied at that rate. For Junction, if we do not accept this study, we will still be receiving 60% of the \$4.07/sq ft and Shasta Union High School District would get 40% of the new rate as well as the foregone share as I understand it as well. So the developers are paying the new fee regardless of what Junction does; our action only impacts what our amount of that fee we receive.

This is a fairly complex discussion that I am trying to make as simple as possible so that our community might understand. Please look at the website for the study, attend the meeting of the Board, or reach out to me personally to discuss if I can answer any other questions you might have.

Thanks for reading, and remember... GO RAIDERS!!! Clay Ross- Superintendent