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September 6, 2024

Superintendent Matt Best
Davis Joint Unified School District
526 B Street
Davis, California 95616

Re: Legal Effect of the Palomino Place SB 330 Preliminary Application

Dear Superintendent Best:

It is our understanding that you met with our client, J. David Taormino, on September 4, 2024 to discuss his proposed housing development project known as Palomino Place ("Project"). We further understand that, during that meeting, Mr. Taormino indicated to you his belief that Palomino Place would only be subject to the Davis Joint Unified School District's ("DJUSD") school impact fees that were effective as of March 30, 2023, the date on which we filed a Senate Bill 330 ("SB 330") Preliminary Application for the Project. In support of Mr. Taormino's statements, this letter serves to explain how state legislation in the form of SB 330 precludes any local agency – including DJUSD – from imposing a fee adopted after the submittal of a SB 330 Preliminary Application.

I. Eligibility for Vesting Under Senate Bill 330.

Under state law, an applicant for a housing development project may submit a SB 330 Preliminary Application, which is deemed submitted on the date that all of the statutorily-required information about the project is provided and the permit processing fees are paid by the applicant.¹ Specifically, an applicant must include information about the property itself, as well as preliminary details about the project.² In this instance, the Applicant for the Palomino Place project submitted a SB 330

¹ Cal. Gov. Code § 65941.1(a).

² *Id.* at subd. (b)(1)-(17).

Preliminary Application, and paid the relevant permit processing fees to the City of Davis, on March 30, 2023.

II. Effect of a Senate Bill 330 Preliminary Application.

Once an applicant submits a Preliminary Application and pays the permit processing fees, a housing development project is then only subject to the “ordinances, policies, and standards” adopted and in effect when that Preliminary Application is submitted.³ State law defines the “ordinances, policies, and standards” that become vested upon submittal of the SB 330 Preliminary Application to include:

[G]eneral plan, community plan, specific plan, zoning, design review standards and criteria, subdivision standards and criteria, and any other rules, regulations, requirements, and policies of a local agency, as defined in Section 66000, including those relating to development impact fees, capacity or connection fees or charges, permit or processing fees, and other exactions.⁴

Per this clear and unequivocal language, the Project’s SB 330 Preliminary Application served to vest any statutorily defined local agency’s development impact fees as of March 30, 2023.

Notably, California Government Code Section 66000 broadly defines “local agency” to mean “a county, city, whether general law or chartered, city and county, school district, special district, authority, agency, any other municipal public corporation or district, or other political subdivision of the state.”⁵ DJUSD, a “school district,” falls squarely within the statutory definition of a “local agency,” meaning that it too is subject to the vesting limitations imposed by SB 330. As a result, DJUSD may only impose those “ordinances, policies, and standards” – including school impact fees – that were adopted and in effect as of March 30, 2023.

We anticipate that you will have this letter reviewed by DJUSD’s legal counsel, which we encourage. We are quite confident in our interpretation of the statutory language but would be happy to meet with your counsel to discuss SB 330 in greater detail

³ Cal. Gov. Code § 65589.5(o)(1).

⁴ Cal. Gov. Code § 65589.5(o)(4) (emphasis added).

⁵ Cal. Gov. Code § 66000(c) (emphasis added).

should they so desire. Please do not hesitate to contact us directly should you or your attorney have any questions or want to speak further on this matter.

Very truly yours,

A handwritten signature in black ink, reading "Matthew Keasling". The signature is fluid and cursive, with a large, stylized "K" and a long, sweeping underline.

Matthew S. Keasling

cc: David J. Taormino, Taormino & Associates
Marissa C. Fuentes, Taylor, Wiley & Keasling