

School Board of Sarasota County, Florida
Educational System Impact Fee Report for 2007-08

December 2008

This report satisfies the Annual Review component [Sec.70-304, Article VIII, Chapter 70 of the Sarasota County Code of Ordinances] of the “Sarasota County Educational System Impact Fee Ordinance” and covers the fourth complete school district fiscal year -- July 1, 2007 through June 30, 2008 -- since the effective date of this ordinance.

A. Historical Context

On April 13, 2004 the Sarasota County Board of County Commissioners [“Commission”] passed Ordinance 2004-028 establishing the Sarasota County Educational System Impact Fee Ordinance, effective May 1, 2004. The Commission has amended the ordinance twice:

1. on July 28, 2004, Ordinance 2004-085 clarified an issue with the original affordable housing language;
2. on July 11, 2007, Ordinance 2007-056 amended the Credits section.

Each jurisdiction continues to collect school impact fees no later than the issuance of a Certificate of Occupancy, based upon separate agreements with the School Board. The service fees for each entity have remained stable since 2004.

In 2004 the school district also reached agreement with the City of Sarasota to utilize the services of the Office of Housing and Community Development to process the affordable housing exemption requests. The language in the ordinance states the proposed selling price “must be less than the amount specified in the latest Sarasota County Housing Assistance Plan for the Housing Partnership Program in order to qualify as Affordable Housing.” That amount remained at \$216,000 for Year Four. Additional qualifications include income restrictions and homestead requirements on the buyer.

B. Educational Impact Fee Revenues

The impact fee revenues collected by the local governments and delivered to the school district, during the reporting period July 1, 2007 through June 30, 2008, are displayed in Attachment I. A few points of interest include these:

- \$965,415.49 in impact fees were collected in the City of North Port. These collections are down significantly, reflecting the continuing slowdown in residential development; this figure represents about 45% of the fees collected district-wide
- \$1,007,150.00 in impact fees were collected in unincorporated Sarasota County, representing about 47% of fees collected
- the City of Venice collected \$100,376.00, or about 5% of fees collected
- the City of Sarasota collected \$56,896.00, or almost 3% of all fees collected

- the Town of Longboat Key collected educational impact fees for the first time, at \$6,434.00, or less than 1% of all fees collected. As explained previously, the lack of fees reflects (a) that most of the Sarasota County portion of Longboat Key is built-out, and (b) that many of the building permits are for re-builds which are exempt if they do not increase the number of dwelling units.

Attachment I reveals a total of \$120,480.00 for exemption replacement. Fifteen applications for Affordable Housing exemptions were processed through the Office of Housing and Community Development. All were granted, for a total of \$30,480.00. The remaining \$90,000.00 represents a reimbursement described in Section C, below. Pursuant to Sec. 70-296(a)(6)e, the school district has posted, from non-impact fee revenues, to the Educational System Impact Fee Trust Account an amount equal to all the exemptions given. That exemption replacement is reflected in Attachment I.

The total of all educational impact fees collected during this third reporting period is \$2,136,271.49, down 74.7% from the \$8,442,987.57 collected for the 2006-07 reporting period. See Attachment II for a complete history of school impact fee revenues and school-related allocations.

C. Exemptions for Housing for Older Persons [HOP]

Consistent with case law, Sec.70-296(a)(7) of the ordinance authorizes the Superintendent to issue an exemption for all dwelling units within a residential development in which the declaration and covenants prohibit persons under age 18 from permanent residency for at least 30 years. During the 2007-08 reporting period, the school district granted one such HOP exemption, for Phase II of Jacaranda Trace Condominiums. The total exemptions were for 201 units. Typically, these exemptions are not replaced by the district as no students will come from such developments. However, this exemption reimbursement in the amount of \$90,000.00 was authorized by action of the School Board on January 8, 2008, because the developer became aware of the exemption after paying the fee for all units.

D. Educational Impact Fee Allocations

For the reporting period July 1, 2007 through June 30, 2008, the school district allocated \$6,008,476.01 of impact revenues into four projects:

1. The district paid \$2,750.00 to the City of Sarasota, Office of Housing and Community Development, as reimbursement for their per unit costs to process affordable housing exemptions
2. The district applied \$681.50 to fund part of the construction of School "I," the 5th Elementary School in North Port
3. The district applied \$4,754,930.03 to fund part of the construction of Woodland Middle School in North Port.
4. The district applied \$1,250,114.48 to the construction of the Suncoast Polytechnic High School in Sarasota.

These allocations comply with Sec. 70-300(d)(1) regarding allowable uses of educational impact fees.

The total fees collected, plus the posting of interest earned and the reposting of all exemption replacements, minus the 2007-08 disbursements has left a carry-forward balance of \$8,807,036.91. These remaining funds will be expended within the five-year limit as set forth in Sec. 70-302.

E. Annual Report Requirements

The Superintendent must address four topics as a part of this yearly report, pursuant to Sec. 70-304(a):

1. "Recommendations on amendments, if appropriate, to this article" -- from the school district's perspective all elements in the original ordinance, and as amended, are working fine. **There are no recommended amendments at this time.**
2. "Proposed changes to the Impact Fee calculation methodology" -- **the methodology used in all prior impact fee studies appears to be working well.** The reliance on case law, particularly the rational nexus of benefits, and the rationale of (a) determining the cost per student, (b) determining the number of students per dwelling unit, (c) computing the cost per dwelling unit by type, and (d) subtracting a credit for the projected revenue stream appears appropriate and is consistent with methodologies used in other Florida counties.
3. "Proposed changes to the Impact Fee calculation variables" -- each of the primary variables -- school capacity, enrollment projections, revenues, and costs -- have fluctuated in the past few years. Capacity continues to be affected by the June 2005 State Board of Education changes to the *State Requirements for Educational Facilities*, implementing the Class Size Reduction Amendment IX passed in November 2002. Though enrollment projections are refined every year, recent economic and residential development changes are causing all Florida school districts to examine even more critically their short-term and long-term projections. Revenues are affected by each Legislative Session and the economy. **The variables remain appropriate and consistent with applicable laws.**
4. "Proposed changes to Impact Fee rates or schedules" -- **there are no proposed changes at this time.**

F. Other Issues

There are no other pertinent issues at this time.

ATTACHMENT I:						
Summary Report - 2007-08 Educational System Impact Fees						
Revenues:	City of North Port	City of Sarasota	City of Venice	Sarasota County	Town of Longboat Key	Total
	\$ 965,415.49	\$ 56,896.00	\$ 100,376.00	\$ 1,007,150.00	\$ 6,434.00	\$ 2,136,271.49
<i>of total</i>	45.2%	2.7%	4.7%	47.1%	0.3%	100.0%
Exemption Reimbursements						(120,480.00)
Interest						414,136.18
Total Net						\$ 2,429,928.67
Expenses:						
Woodland Middle School			\$ 4,754,930.03			
North Port 5th Elementary School			681.50			
Technical High School			1,250,114.48			
Other Purchased Services			2,750.00			
			\$ 6,008,476.01			
Fund Balance:						
Carry Forward			\$ 12,265,104.25			
Exemption Replacement			120,480.00			
Net Revenues			2,429,928.67			
Total Available Revenues			14,815,512.92			
2007-08 Expenses			(6,008,476.01)			
Net Carry Forward for 2008			\$ 8,807,036.91			

ATTACHMENT II: Educational System Impact Fees History

Revenues Since Inception

Year	City of North Port	City of Sarasota	City of Venice	Sarasota County	Town of Longboat Key	Reimbursements	Total
2004-05	\$2,057,328.00	\$20,320.00	\$265,240.00	\$1,325,657.49	\$0.00	-\$50,800.00	\$3,617,745.49
2005-06	\$6,462,154.24	\$156,374.00	\$794,550.00	\$3,141,168.40	\$0.00	-\$42,672.00	\$10,511,574.64
2006-07	\$5,409,100.32	\$308,124.00	\$351,108.00	\$2,374,655.25	\$0.00	-\$84,122.00	\$8,358,865.57
2007-08	\$965,415.49	\$56,896.00	\$100,376.00	\$1,007,150.00	\$6,434.00	-\$120,480.00	\$2,015,791.49
Total	\$14,893,998.05	\$541,714.00	\$1,511,274.00	\$7,848,631.14	\$6,434.00	-\$298,074.00	\$24,503,977.19

School-Related Allocations Since Inception

2004-05	Lamarque Elementary	\$4,602.00
	School "I" acquisition	\$874,833.47
		\$879,435.47
2005-06	Lamarque Elementary	\$5,796,584.50
	School "I" acquisition	\$3,763,818.25
		\$9,560,402.75
2006-07	Woodland Middle	\$3,958.51
	Lamarque Elementary	\$18,407.50
	School "I"	\$401,120.34
		\$423,486.35
2007-08	Woodland Middle	\$4,754,930.03
	School "I"	\$681.50
	Suncoast Polytechnic HS	\$1,250,114.48
		\$6,005,726.01

