

**School Board of Sarasota County, Florida**  
**Educational System Impact Fee Report for 2008-09**

December 2009

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 fifth complete school district fiscal year -- July 1, 2008 through June 30, 2009 -- 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 Five. 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, 2008 through June 30, 2009, are displayed in Attachment I. These collections are down significantly for the second consecutive year, reflecting the continuing slowdown in residential development [see Attachment II]. Each local government’s collections are as follows:

- Sarasota County collected \$562,028.00, or about 55% of the fees collected district-wide
- the City of North Port collected \$380,752.97, or about 37% of the fees
- the City of Venice collected \$49,580.00, or about 5% of fees collected
- the City of Sarasota collected \$24,450.01, or almost 2% of fees collected
- the Town of Longboat Key collected \$4,064.00 or less than 1% of fees collected.

Attachment I reveals a total of \$14,702.74 for exemption reimbursement. Seven applications for Affordable Housing exemptions were processed through the Office of Housing and Community Development [OHCD]. All were granted, for a total of \$14,224.00. The remaining \$478.74 item relates to a particular reimbursement processed by OHCD.

The total of all educational impact fees collected during this fifth reporting period is \$1,020,874.98, down 48% from the \$2,136,271.49 collected for the 2007-08 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 2008-09 reporting period, the school district received no such HOP exemption requests.

### **D. Educational Impact Fee Allocations**

For the reporting period July 1, 2008 through June 30, 2009, the school district allocated \$2,118,553.36 of impact revenues into four projects:

- I. The district allocated \$10,200.00 for purchased services, including \$1,600.00 to OHCD as reimbursement for their per unit costs to process affordable housing exemptions, and \$8,600.00 for land acquisition due diligence
2. The district applied \$587.50 to fund late change orders for the construction of Lamarque Elementary School in North Port
3. The district applied \$114,062.50 to fund a portion of the site acquisition of "Largo Preserve" for the future third middle school in North Port.
4. The district applied \$1,991,703.36 to complete the construction of the Suncoast Polytechnic High School in Sarasota.

The district also revised the 2007-08 Year expense for Woodland Middle School when the final costs came in substantially lower; the pro-rata impact fee amount was returned to the impact fee account, resulting in a reduced 2008-09 expense total of \$1,534,071.17. All 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 2008-09 disbursements has left a carry-forward balance of \$8,434,065.12. 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). For this fifth year, the quoted topics and the school district's responses are:

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" -- on May 5, 2009, the School Board voted unanimously to ask the Sarasota County Board of County Commissioners to implement a one-year moratorium on the imposition of the Educational System Impact Fee. On June 9, 2009, the County Commission voted unanimously to deny the request on technical grounds related to the County's Comprehensive Plan. **There are no proposed changes at this time.**

## F. Other Issues

There are no other pertinent issues at this time.

ATTACHMENT I:						
Summary Report - 2008-09 Educational System Impact Fees						
	City of North Port	City of Sarasota	City of Venice	Sarasota County	Town of Longboat Key	Total
Revenues:						
City of North Port						
\$	380,752.97	\$ 24,450.01	\$ 49,580.00	\$ 562,028.00	\$ 4,064.00	\$ 1,020,874.98
Exemption Reimbursements						(14,702.74)
Interest						138,224.40
Total Net						\$ 1,144,396.64
Expenses:						
Woodland Middle School			\$ (584,482.19)			
Lamarque Elementary School			587.50			
Technical Institute			1,991,703.36			
Land Purchases			114,062.50			
Other Purchased Services			10,200.00			
			\$ 1,532,071.17			
Fund Balance:						
Carry Forward			\$ 8,807,036.91			
Exemption Replacement			14,702.74			
Net Revenues			1,144,396.64			
Total Available Revenues			9,966,136.29			
2007-08 Expenses			(1,532,071.17)			
Net Carry Forward for 2009			\$ 8,434,065.12			

## 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
2008-09	\$380,752.97	\$24,450.01	\$49,580.00	\$562,028.00	\$4,064.00	-\$14,702.74	\$1,006,172.24
<b>Total</b>	<b>\$15,274,751.02</b>	<b>\$566,164.01</b>	<b>\$1,560,854.00</b>	<b>\$8,410,659.14</b>	<b>\$10,498.00</b>	<b>-\$312,776.74</b>	<b>\$25,510,149.43</b>

### School-Related Allocations Since Inception

2004-05	Lamarque Elementary	\$4,602.00
	Atwater Elementary site acquisition	\$874,833.47
	sub-total	\$879,435.47
2005-06	Lamarque Elementary	\$5,796,584.50
	Atwater Elementary site acquisition	\$3,763,818.25
	sub-total	\$9,560,402.75
2006-07	Woodland Middle	\$3,958.51
	Lamarque Elementary	\$18,407.50
	Atwater Elementary	\$401,120.34
	sub-total	\$423,486.35
2007-08	Woodland Middle	\$4,754,930.03
	Atwater Elementary	\$681.50
	Suncoast Polytechnic HS	\$1,250,114.48
	sub-total	\$6,005,726.01
2008-09	Lamarque Elementary	\$587.50
	Suncoast Polytechnic HS	\$1,991,703.36
	North Port 3rd MS site acquisition	\$114,062.50
	sub-total	\$2,106,353.36

