

TO: Sarasota County School Board
FROM: Kathie Ebaugh, AICP, Planning Director
RE: Growth Management Board Workshop, October 21, 2014
DATE: October 17, 2014

Purpose

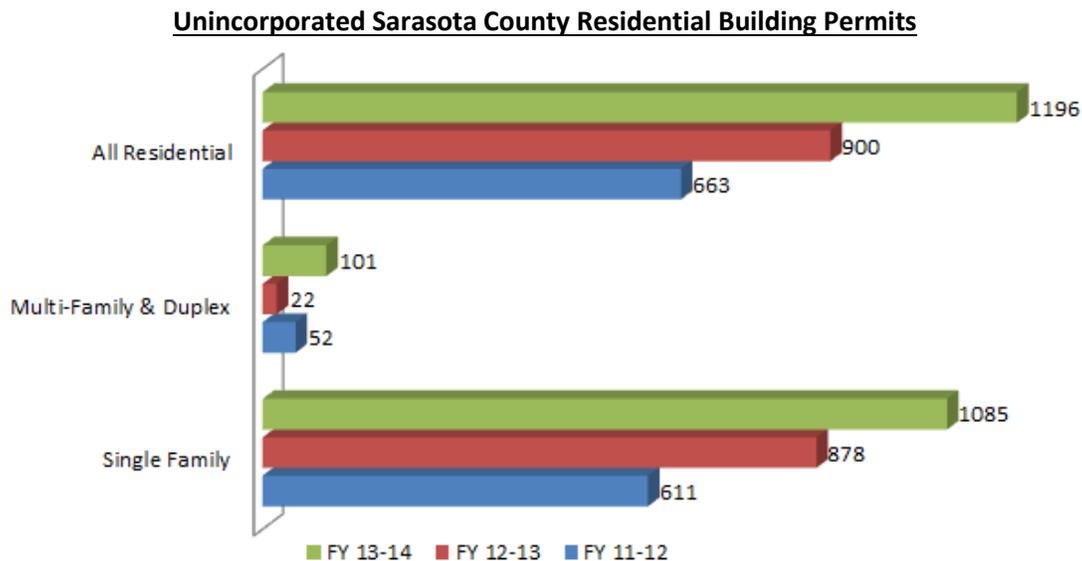
On October 21, 2014 the Sarasota County School Board will discuss the impact residential growth in Sarasota County is having on the educational services provided to our community. Specifically, the board will discuss five issues related to this concern:

1. Residential development within Sarasota County;
2. The ability for the school district to meet future growth;
3. The influence of other school options – e.g.: charter, private, home, and virtual schools;
4. Demand for future facilities; and
5. Funding for additional capacity including potential Educational System Impact Fees.

The goal of this workshop is to do two things: 1) establish the need to fund a Long Range School Planning Study that can better assess the impact of these five issues on the school district’s ability to plan for and fund expansions to future school facilities and 2) confirm the need to extend the current Educational System Impact Fees Moratorium for an additional year in order to complete this study.

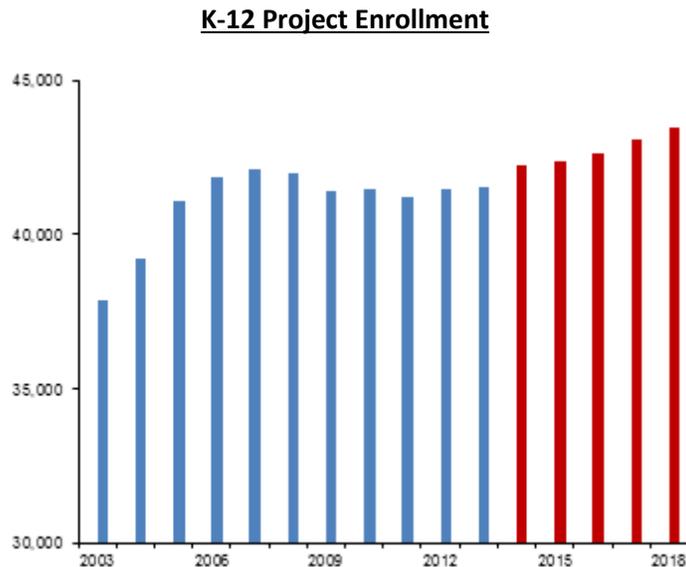
Issue 1: Residential Development

Following a major downturn in the development market, residential development in Sarasota County is on the upswing. As indicated by the following chart, single-family housing starts in Sarasota County are up 18% from 2013-2014 as they have seen a steady increase for the past two years.



By participating on the local Development Review Committees and Planning Commissions, school planning staff monitors where and how growth will impact the ability for Sarasota County Schools to provide educational services to meet the needs of current and future residents. As identified by our planning partners, there are five major growth areas within the county: 1) North County in the Lakewood Ranch area between University Parkway and Fruitville Road, 2) North Central County along Clark Road, 3) City of Venice between I75 - Myakka River, 4) South Venice/North Port/Englewood along the River Road-RT 776/Englewood Road-US 41/Tamiami Trail corridors, and 5) the City of North Port.

Recognizing that development is rebounding, the 2013 CIP projected that enrollment in 2018 is expected to be 43,444—an increase of approximately 1,900 from the 2012-2013 school year. This enrollment trend is shown on the chart below.

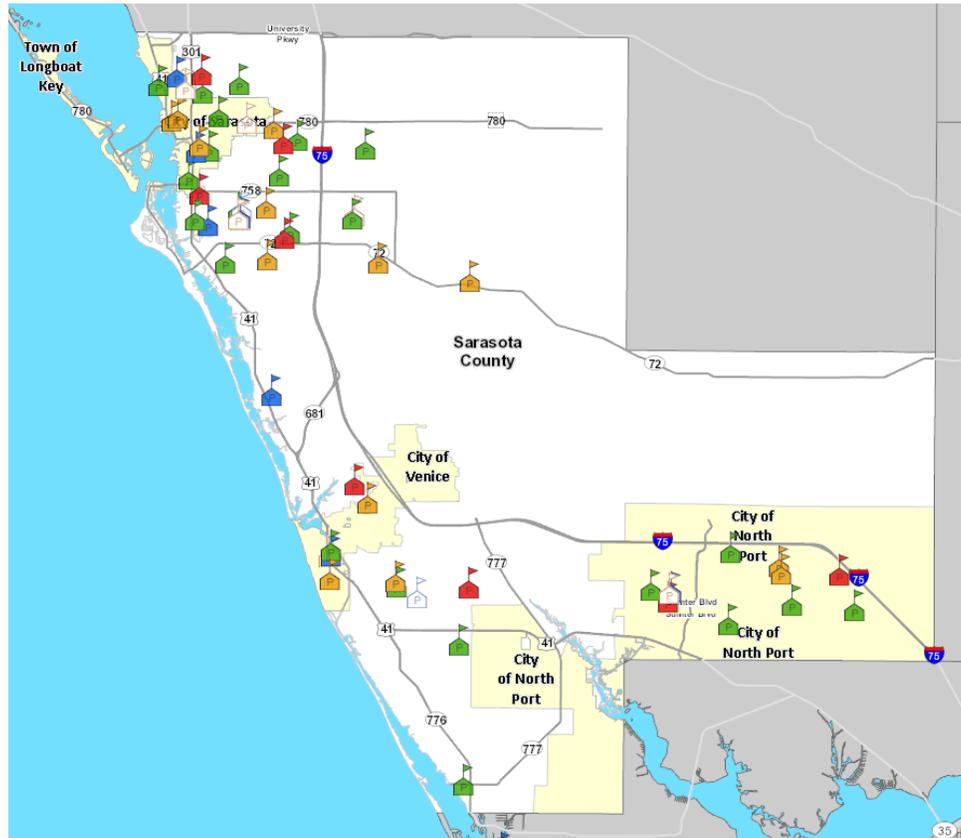


However, the exact amount and timing of this growth is a question we need fully answered before we can appropriately plan for future educational services. It is essential that Sarasota County School Board understand the impact future growth will have on our existing and future school demands before we proceed with determining how much new capacity is needed as well as how to fund future educational services.

Issue 2: School District Existing Capacity

In order to provide educational services to the Sarasota County community, Sarasota County Schools has acquired and developed a range of school sites and facilities throughout the county. As shown on the following map, Sarasota County Schools provides educational services through 24 elementary schools, eight middle schools, and five high schools as well as two exceptional schools at Pineview and Oak Park. Additionally, we have acquired 4 sites for future schools in North Port and are in the process of securing school facility sites within the Lakewood Ranch (North County) and West Villages (River Road Corridor) development areas.

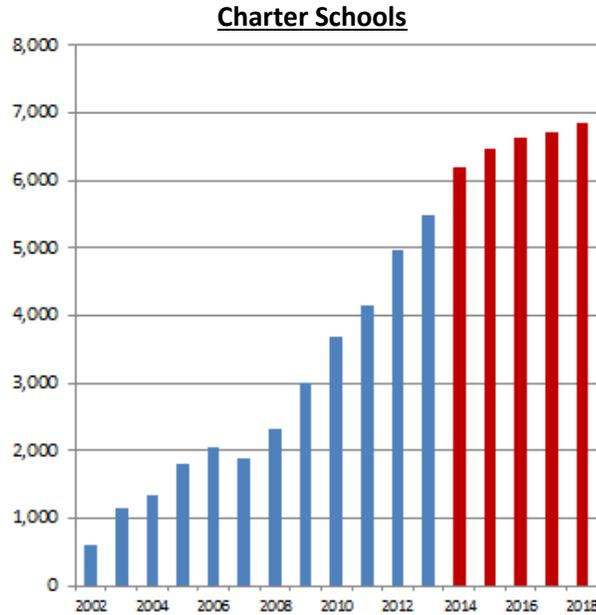
Sarasota County School Locations



The 2013-2014 CIP has already identified the need to acquire one additional middle school and one additional high school site in North County within the next ten years. However, some of our planning partners have asked if other sites will be needed to meet the needs of our growing community. In order to help us improve our ability to plan for future educational services, Sarasota County Schools needs to determine the future need for school sites and facilities. Such planning is best done by evaluating: 1) the maximum capacity of existing schools; 2) opportunities to expand educational services within existing schools; and 3) opportunities to expand educational services by building new facilities on sites already owned. Such an evaluation will need to be done in conjunction with the previously discussed residential development assessment in order to determine the timing of future capacity needs.

Issue 3: Other School Options

One of the most challenging questions in evaluating future school planning needs is the influence that other school options (e.g.: charter schools, private schools, home schools, and virtual schools) will have on Sarasota County School Board's need to expand educational services. Shown in orange on the school location map above, there are 11 charter schools currently operating in Sarasota County. As shown by the following chart, the 2013 CIP projected an increase of almost 1,400 charter school students by 2018. At that rate the 5, 479 students that attended charter schools in 2013 would increase to over 6, 800. (Note: This increase is only for existing charter schools; new charter schools would cause the number of students in charter schools to grow even more.)



In addition to the students enrolled in charter schools, Sarasota County School District has an additional 1,618 students in home schools, virtual schools, and attending private schools on McKay scholarships.

The influence the growth of other school options has on the need for Sarasota County Schools to expand school capacity is a critical question that must be determined in order to properly plan for future school needs. As the schools are not operated by Sarasota County School District, it is difficult to know how many schools will apply and be approved. Evaluating the potential demand for other school options will be a critical question to be evaluated through the Long Range School Planning Study.

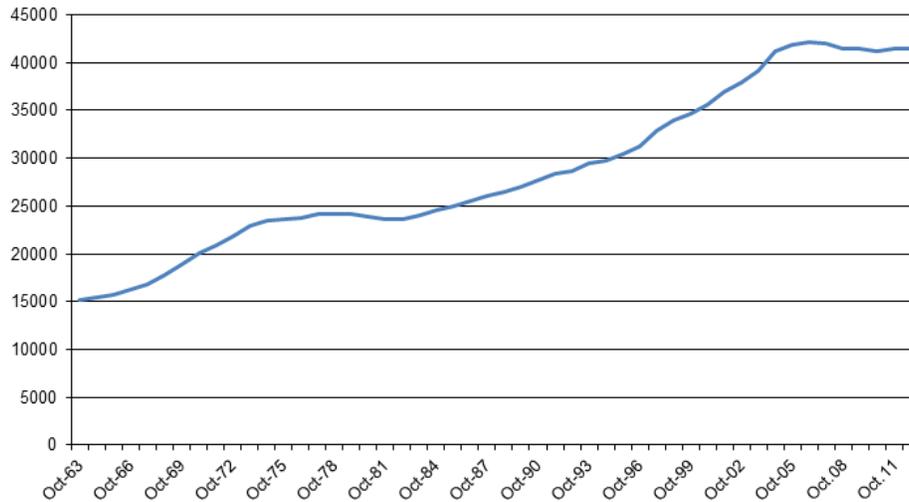
Issue 4: Future Facility Demand

The final issue that must be evaluated in order to ascertain what the future demand for educational services will be in Sarasota County is school enrollment. The district’s Budget Office has the primary responsibility for determining our official enrollment projections. Numerous departments and instructional administrators provide valuable input to this process. The Budget Office has a remarkable history of accurate projections, thereby making short- and mid-range capital planning much easier. Once these numbers have been established they are submitted to the Florida Department of Education each December.

A special, state-derived enrollment projection called the Capital Outlay Full Time Equivalent [COFTE], has become increasingly important to our district’s facility planning process. Essentially, COFTE represents the number of students which the district is obligated to house. COFTE is determined by subtracting charter school, virtual school, McKay scholarship, and other such students from the total enrollment of all Sarasota County students.

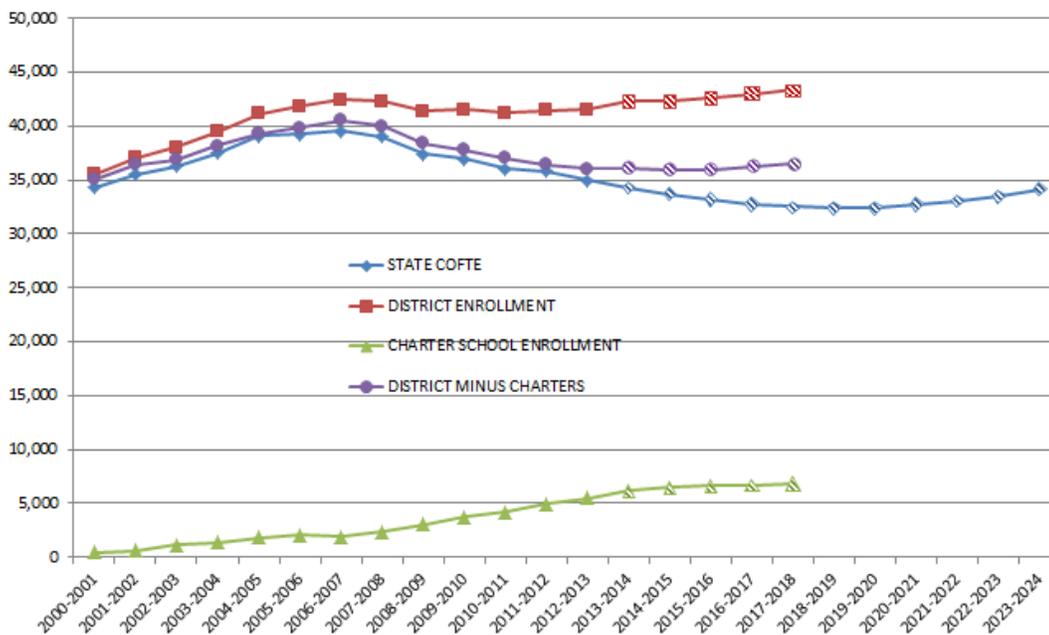
The following chart displays the district’s total, actual enrollments since 1963. The most notable trend is a steady enrollment increase averaging almost 600 students per year, except for slight decreases in the mid-1970’s and a plateau of students from 2006 to the present.

Historical Enrollment



The following chart from the 2013 CIP shows the actual enrollments by year from SY1999 through SY2013 as compared to COFTE projections. Additionally, the chart shows projections for the next five or ten years along four measures – 1) district enrollment, 2) state COFTE, 3) the “district enrollment minus charter enrollment,” and 4) charter school enrollment.

District Enrollment Minus Charter Enrollment



The COFTE projections above indicate that our district enrollment will decrease for the next five years before gradually increasing. The questions that must be further evaluated through the Long Range School Planning Study are 1) will the increase in current development activity change these projections; 2) how will growth influence the need for future school capacity, and 3) how will additional charter schools change this demand. Answers to these questions are important as the district starts to identify and discuss the need for future school funding.

Issue 5: School Funding

Central to the discussion of funding for future schools is the question about whether to reinstate the Educational System Impact Fees and, if so, at what rate should they be charged. As the school district begins to consider this question, it is important to understand the history of school impact fees in Sarasota County.

In 2002 the School Board commissioned Henderson Young & Company to conduct a study of possible impact fees for educational facilities throughout Sarasota County. That report was delivered October 23, 2002. On December 17, 2002, the Board voted to ask the Sarasota County Board of County Commissioners to enact an ordinance to impose educational impact fees county-wide. Throughout 2003, district and county staff and attorneys crafted the ordinance, including language related to exemptions for affordable housing and for housing for older persons. Later in 2003 the Commission asked that the school district update the impact fee study. The second study was presented to the School Board January 13, 2004. On April 13, 2004 the Commission passed Ordinance 2004-028 establishing the Sarasota County Educational System Impact Fee Ordinance, effective May 1, 2004. The Board of County Commission authorized the fees requested by the School Board: \$2,032.00 for a single-family dwelling unit, \$474.00 for a multifamily unit, and \$138.00 for a mobile home, plus two exemptions.

The Commission has amended the ordinance four times:

1. July 28, 2004, Ordinance 2004-085 to clarify an issue with the original affordable housing language;
2. July 11, 2007, Ordinance 2007-056 to amend the Credits section;
3. December 7, 2010, Ordinance 2010-085 to institute a two-year suspension of the fee; and
4. December 11, 2012, Ordinance 2012-050 extending the moratorium for an additional two-year period.

In order to assist the Sarasota County School Board in evaluating the need for and cost of potential Educational System Impact Fees, the district has instituted three different studies in 2002, 2004, and 2008. The specific capital expenses examined these studies included:

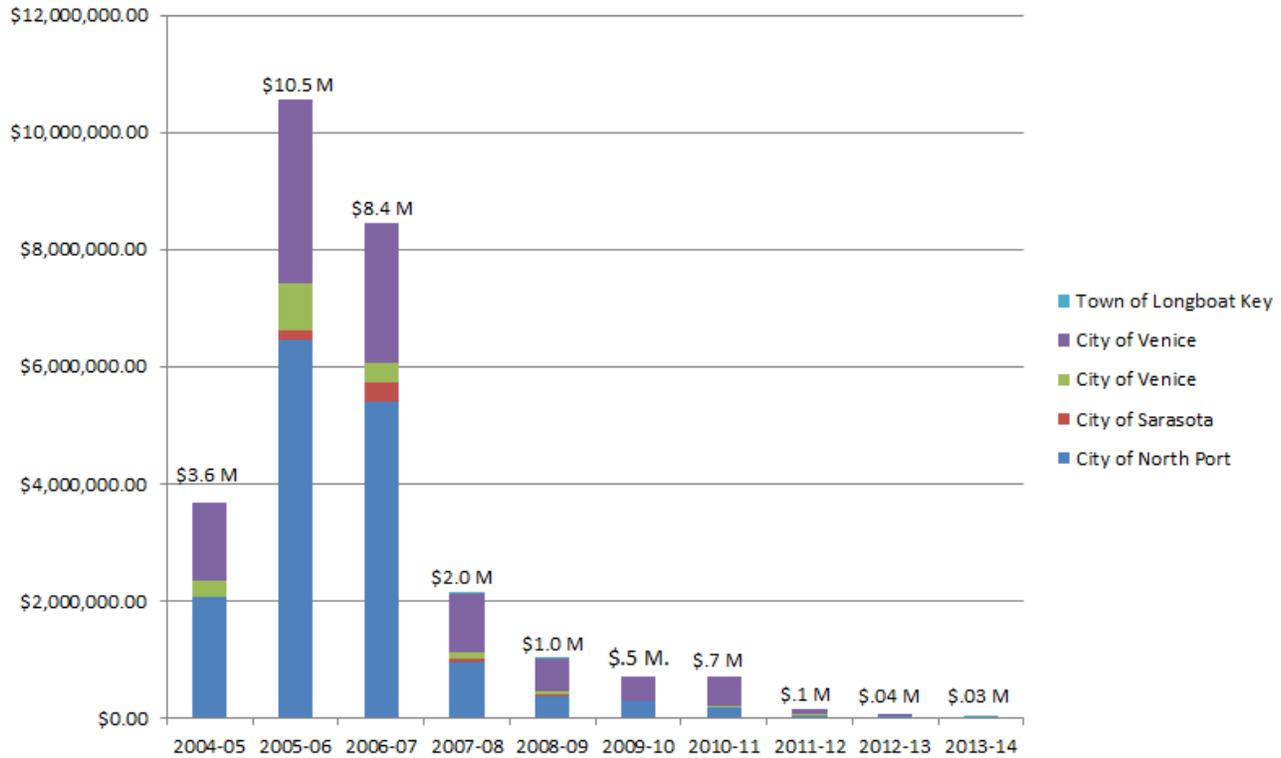
- Permanent schools' design, site prep, materials, labor, FF&E, and associated costs,
- Ancillary facilities,
- School buses,
- Site acquisition, and
- Borrowing costs.

The studies also considered existing student station deficiencies or surpluses, enrollment forecasts, school age population per dwelling unit, non-public school enrollment, and potential revenue credits.

The initial October 2002 study justified school impact fees of \$2,032 for single family, \$474 for multi-family, and \$138 for mobile home dwellings. The January 2004 update – requested by the Commission during the delayed adoption of the original ordinance—justified school impact fees of \$2,675 for single family, \$690 for multi-family, and \$197 for mobile home dwellings. The School Board subsequently requested that the Commission adopt the fees at the lower rates requested originally, and the Commission agreed. The 2008 study justified school impact fees of \$6,341 for single family, \$1,742 for multi-family, and \$572 for mobile home dwellings. The School Board chose not to increase impact fees.

Since first instituting the impact fee in FY 2004-2005, Sarasota County Schools has taken in \$26.87 million. The following chart shows the collection of these fees by local jurisdiction.

Educational System Impact Fees History



As this money can only be used to expand capacity, projects that have been funded by impact fees impact include the purchase of future school sites and new school facility construction.

Conclusion: Board Action

Sarasota County is moving through a transition as the county rebounds from a development downturn. While it is clear development is rebounding, it is not clear how that development will impact the demand for new and expanded future school facilities. Additionally, school options will influence the demand for new public school capacity in the future. Finally, as the current impact fee rates were established by a study from 2004, the appropriate rate for Educational System Impact Fees is not clear. As such, Sarasota County Schools Planning Staff recommends that the Sarasota County School Board approve a one-year extension of the school impact fee moratorium and direct staff to engage a planning consultant to evaluate the district's long range planning demands and funding resources.

As a result of this additional one-year school impact moratorium, the School Board will be able to proactively address and evaluate the need for future public schools and address the funding of such facilities. A Long Range School Planning Study will enable the school district to comprehensively and thoroughly address the five growth management issues raised in this memo. In doing so, it will enable the school district to establish sound practices for planning and funding future school facilities (including a potential reinstatement of the Educational System Impact Fees) that meet the needs of current and future students.