

**THE SECOND AMENDED INTERLOCAL AGREEMENT FOR
PUBLIC SCHOOL FACILITY PLANNING
STAFF WORKING GROUP MEETING**

**Final Minutes
January 7, 2016
9:30 a.m. – 11:30 a.m.**

**City of Plantation, Development Services Building
401 NW 70th Terrace, 1st Floor Conference Room
Plantation, Florida 33317**

1. Call to Order and Roll Call

Chair Eichner called the January 7, 2016 Staff Working Group (SWG) meeting to order at 9.45 a.m. Linda Houchins took roll call, and the following members were in attendance:

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| • Akagbosu, Chris | School Board of Broward County |
| • Buckeye, Rick | City of Oakland Park |
| • Carpenter, Paul | City of Coral Springs |
| • Davis-Hernandez, Tanya | City of North Lauderdale |
| • Dokuchitz, Peter | City of Planation |
| • Eichner, Shelley | Cities of West Park and Weston |
| • Forelle, Sara | Broward County |
| • Jefferson, Althea | City of Hallandale Beach |
| • Johnson, Ann | City of Tamarac |
| • Marks, Scott | Town of Pembroke Park |
| • Pinney, Andrew | City of Margate |
| • Quigley, David | Town of Davie |
| • Smith, Garrett | City of Deerfield Beach |
| • Stoudenmire, Scott | City of Coconut Creek |
| • Swing, Brad | City of Sunrise |
| • Teetsel, Dawn | Broward County Planning Council |
| • Wight, Lisa | School Board of Broward County |
| • Williams, Sharon | City of Pembroke Pines |
| • Wood, Matt | City of Cooper City |

Others in attendance at the meeting were as follows:

- | | |
|--------------------|--------------------------------|
| • Shim, Omar | School Board of Broward County |
| • Tappen, Lorraine | City of Fort Lauderdale |

2. Addition(s) to the January 7, 2016 Agenda

There were no additions to the January 7, 2016 meeting agenda.

3. Approval of the Final Agenda for the January 7, 2016 Meeting

Matt Wood made a motion to approve the final agenda for the January 7, 2016 meeting. Rick Buckeye seconded the motion, and the motion passed unanimously.

4. Approval of Minutes from the December 3, 2015 Meeting

Rick Buckeye made a motion to approve the minutes from the December 3, 2015 meeting. Tanya Davis-Hernandez seconded the motion, and the minutes were approved unanimously.

5. Subcommittee Reports (None)

6. Old Business

6.1 Recommendation - Third Amendment of the Interlocal Agreement for Public School Facility Planning and Oversight Committee Directives to Staff Working Group

Chair Eichner stated that at the December 3, 2015 SWG meeting there was much discussion regarding amendment to the Interlocal Agreement for Public School Facility Planning (ILA) and what the SWG recommendation would be to the Oversight Committee. She said that the three Level of Service Standard (LOS) options discussed at that meeting were as follows; 1) alternate LOS, the higher of 100% gross capacity or 110% permanent capacity; 2) eliminate the sunset date of the 2018/19 school year and continue the LOS at 100% gross capacity; 3) reduce the ILA to minimum requirements and eliminate optional Public School Concurrency (PSC).

Chair Eichner said there had been discussions regarding mitigation dollars, with the School District advising that without PSC within the ILA, the District would not be able to collect mitigation dollars. She said that the District had been asked to provide the amount of mitigation dollars that had been collected, and where the dollars had been spent. Chair Eichner stated that there was also the reality that if there was no amendment to the ILA because there may not be enough signatories to agree, that the LOS would revert back to 110% permanent capacity without the use of relocatables counting towards capacity.

Chair Eichner recognized Omar Shim, Capital Budget Director at the School District, and asked if the members had received the two handouts provided by the District; the Capital Projects Funded with Voluntary Mitigation Payments and the Mitigation Funds Debt Service Expense Report. Mr. Shim explained the two handouts and said that the first matrix showed which schools were funded with mitigation money and how many dollars were spent. He said that when the School District receives plans to build new residential units, the enrollment projections are adjusted in anticipation of the units being built. Mr. Shim said that the District anticipated the mitigation funds and built capacity for those students based on the premise that the District would receive future funding from the mitigation agreements that were put into place, and that was why mitigation funds were utilized for debt services. There was a question regarding the missing years from the second matrix. Mr. Shim clarified that the first matrix was a history of the total mitigation funds spent since 2003, and the second matrix showed only the fiscal years when mitigation funds were utilized to pay debt service. There was a comment made that there was no correlation between where the funds were collected and where they were spent. Mr. Shim advised that, according to School Board Policy, there are three tiers involved when spending the mitigation money; 1) the impacted school directly; 2) immediately adjacent school; and 3) school impact fee zones. He said that looking at the funding does not give the whole picture. He said there are a number of different funding sources that can be used to accomplish the needs of the students. Mr.

Shim stated that the need was there, the District did not have enough funds, they had to borrow money but the funding guidelines were met.

Mr. Akagbosu stated that there must be a rational nexus required for school impact fees. He said that the Broward County Code requires that the money be spent in one of the four school impact fee zones, and at the minimum the requirement is met through the third tier. The City of Coral Springs asked if it was possible to show the correlation by location rather than alphabetical. Mr. Shim said that was the next step. Mr. Akagbosu said that information would be provided to the Oversight Committee at their next meeting. Additional, he said that the School District has a 1982 Agreement with Broward County regarding how the mitigation money is transmitted.

Chair Eichner said that the goal was to get the ILA amended, which needs the agreement of a large number of the municipalities in Broward County, and the municipalities want to know where the mitigation money collected by the District has gone and how the cities have benefited from that money. Mr. Akagbosu said that whatever is done by the District must be practical. He said some schools have site constraints and a classroom addition cannot be placed on the site and in that case, the District would look to the immediately adjacent school to see if they could utilize the addition, and the third step would be to look to the school impact fee zone. He stated that when the developer agrees to pay the mitigation fee, that guarantees that the District will have capacity and the children will be accommodated at that school. Mr. Akagbosu also stated that the District has a comprehensive process to remove relocatables. Additionally, he said that the District allocates funds every year towards the elimination of relocatables, and in 2016, the District had funded the elimination of approximately 195 relocatables. Mr. Akagbosu stated that the District has approximately 22,000 excess seats in permanent capacity but said that enrollment is going up.

Mr. Shim said that the District had excess capacity for two reasons; 1) District built capacity in anticipation of development which did not move forward because of the recession, and 2) charter school enrollment. He said that the District could not have anticipated the growth in charter schools, and he stated that if the capacity from the charter schools was removed, the District would be over capacity. Mr. Shim said that it was important to understand that the District built capacity without having the money to do so. He advised that the amount of debt service far exceeds the mitigation funds received. Mr. Shim said the District has partnered with several cities to facilitate development, and that there is ample opportunity in the future to partner when there are needs that can be met that will benefit both the District and the municipalities. He stated that the District has \$150,000,000 in debt service every year for anticipating needs.

Discussions followed regarding charter school closures, the District learning from past experiences and District funding. Ms. Wight said there were flaws in the way voluntary mitigation worked. She said the District took in money that was not enough to pay for a complete project which was why the money did not translate immediately into a project in the District Educational Facilities Plan (DEFP). Ms. Wight said that statutes were developed whereby PSC is implemented and provides a mandatory formula which requires that when a developer pays for the mitigation, it must be enough to pay for the entire project, and that once the mitigation has been accepted, it must be added to the first three years of the DEFP. She said that the developer could then get credits for the excess capacity that had been paid through that mitigation, which could then be sold to other developers. Ms. Wight said there would no longer be situations where a developer paid for something that did not result in a project at that school or an adjacent school and where there was not enough money to fund the project. She said that past flaws have been corrected by PSC as it now exists. Discussions continued regarding relocatables, the Portable Disposition Plan, excess capacity and the communication between the SWG, the Oversight Committee and the community. Ms. Wight said that PSC is helpful in that it protects the "hot spot" areas that are experiencing high growth and low available school capacity, by preserving the ability to generate local

funds to add school capacity when PSC maximum thresholds (LOS) have been exceeded in the impacted Concurrency Service Area (CSA) and neighboring CSA.

Ms. Wight said that the handout does not account for mitigation monies the District has collected and are still holding for projects, such as the City of Hallandale Beach. Mr. Akagbosu said that when the ILA was amended in 2010, the District was advised to take steps to prepare for comprehensive boundary changes, and to develop ways to address the excess capacity. He said that the District has been doing that by undertaking comprehensive boundary changes, by having a comprehensive process for the demolition of relocatables, and by developing new creative models to deliver education. Mr. Akagbosu said that the District, in partnership with the municipalities, is doing its best to address the issues.

Chair Eichner said that the purpose of the meeting was to make a recommendation to the Oversight Committee to determine if the ILA should be amended and if so, which option should be used. She stated the three options available; 1) alternate LOS, the higher of 100% gross capacity or 110% permanent capacity; 2) eliminate the sunset date of the 2018/19 school year and continue the LOS at 100% gross capacity; 3) reduce the ILA to minimum requirements and eliminate optional Public School Concurrency (PSC). Garrett. Smith talked about excess capacity in the eastern schools, and advised that the management in the City of Deerfield Beach was leaning toward Option 3, eliminating PSC altogether.

Mr. Shim stated that the downturn in the economy hurt the District in many ways that are currently affecting the conditions of the schools. He said that the District built with money they did not have in anticipation of much development that did not move forward, and therefore accrued much debt. He said that there were a number of factors which could not have been anticipated. Mr. Shim stated that he thought it would be a huge mistake to pull the mitigation funding because it would take away the District's ability to fund the current state of the District. He said that the debt still must be paid back. Additionally, Mr. Shim said that the District's tax rate was cut by the State and the property values fell, and even though the economy is beginning to recover, the District is still struggling to maintain the current schools.

Mr. Akagbosu talked about the comprehensive portable disposition process, and addressing the eastern school concerns. He stated that at least 80% of the relocatables are over 20 years old. He said that relocatables need to be maintained and inspected. Mr. Akagbosu said that when the relocatables are found to be unsatisfactory, they would be demolished. He stated that a majority of the unsatisfactory relocatables may be in the east. Mr. Akagbosu advised that the District was promoting Option 1 because it is beneficial to both the District and the municipalities. He talked about addressing the eastern school concerns by delivering education differently, looking at the District as a whole and not neglecting any student in Broward County.

A request was made that when the District goes to the cities regarding the Third Amendment to the ILA that more data be provided, and any information relating to relocatables be simplified and tailored to each respective city.

Mr. Buckeye made a motion to recommend Option 1, the alternate LOS, which is the higher of 100% gross capacity or 110% permanent capacity to the Oversight Committee. Mr. Carpenter seconded the motion. The City of Hallandale Beach advised that they would be abstaining from the vote. After a brief discussion, it was decided that it was not proper to abstain, however, the committee member could step out of the meeting. The Cities of Hallandale Beach, Tamarac and North Lauderdale all stepped out of the room at this time. A roll call vote was taken, and the motion was passed with 12 yes votes and 3 no votes. The no votes were from the City of Deerfield Beach, the City of Weston and Broward County.

Ms. Wight asked the Chair to clarify what additional data was requested by the Committee Members. Chair Eichner said that the members wanted 1) more of a linkage between where the mitigation dollars were collected geographically and where the dollars were spent; 2) money earmarked as unspent funds; and 3) school impact regarding the Portable Disposition Plan.

Chair Eichner thanked the Committee Members for their time over the last month, and also thanked Ms. Wight for the presentation of the Oversight Committee directives given at the December 2015 SWG meeting.

7. New Business

There was no new business.

8. Next Staff Working Group Meeting

8.1 March 3, 2016 (Regularly Scheduled Quarterly Meeting)

Chair Eichner advised that the next SWG meeting was scheduled for March 3, 2016 at the City of Plantation, Development Services Building.

9. Adjourn

Chair Eichner adjourned the meeting at 10:45 a.m.

Respectfully submitted by:


Shelley Eichner, Chair


Linda Houchins, Recording Secretary