

## Continuation of Summary Explanation and Background

The primary purpose of the Initial Agreement was to comply with pertinent Sections of the Broward County Land Development Code (BCLDC) and ensure that the educational impact fees (school impact fees) enabled for collection by the BCLDC, is remitted to SBBC as stated in the Initial Agreement "...to be spent by the Board in its sole discretion subject to such agreements between the County and Board as may be necessary to ensure that the requirements of said Sections and other applicable laws are met."

Section 5-182(m) of the BCLDC delineates four (4) service areas (which are commonly referred to as school impact fee zones) for the collection and expenditure of school impact fees. Thus, in compliance with the provisions of the BCLDC, Broward County collects, categorizes, and documents school impact fees by each specific service area, and remits the collected monies, quarterly, to Broward County Public Schools (BCPS). Also, per the BCLDC and the Initial Agreement, such monies shall be spent by SBBC for related projects located within each service area to ensure that the developer who paid such school impact fees to mitigate the impact anticipated from their proposed residential development to BCPS, benefits from the expenditure of the amount paid.

Consistent with provisions of the Third Amended and Restated Interlocal Agreement for Public School Facility Planning (TRILA) and School Board Policy 1161, BCPS in coordination with Broward County and municipalities, conducted an update to the Student Generation Rate and School Impact Fee Study (SGR/SIF Update Study). Subsequently, in the fall of 2019, SBBC transmitted Resolution No. 20-03 to the BCC, with request that the BCC amend the BCLDC, and adopt recommendations contained in the SGR/SIF Update Study, into the BCLDC. Formal action by the BCC regarding this request is pending but would be proceeding as delineated in the attached timeline for the SGR/SIF Update Study.

However, during this interim period, and as part of the efforts to implement the necessary due diligence prior to formal action by the BCC regarding the SGR/SIF Update Study recommendations, Broward County staff contacted BCPS staff, with the request that the current four (4) service areas, delineated in the BCLDC, should be modified and increased to be the same as the seven (7) planning areas codified in School Board Policy 1161. It should be noted that the planning areas are routinely utilized by BCPS for the review of pertinent proposed residential development and related planning purposes. As a component of this modification, Broward County staff also requested that related language should be drafted for incorporation into the BCLDC. As communicated by Broward County staff, reasons behind the request are to further ensure consistency with related school impact fee legislature that became law in 2019, and to also ensure further legal defensibility regarding the collection and expenditure of school impact fees in Broward County.

To this end, BCPS and Broward County staff worked collaboratively to generate agreed upon language, and for prudence, also agreed to utilize the effective seven (7) School Board member district's, as the school impact fee zones for the collection and expenditure of school impact fees; reasons being that the seven (7) School Board member districts are closely aligned with the seven (7) planning areas, are cleanly aligned with traffic thoroughfares, and the districts are updated in conjunction with the United States census/related data.

To further ensure consistency, it should be noted that staff is processing necessary amendments to School Board Policy 1161 to state and depict the seven (7) School Board member districts as the planning areas. Thus, upon SBBC adoption of the amended School Board Policy 1161, moving forward, staff would henceforth utilize the planning areas for the review of pertinent proposed residential development and related planning purposes. Also, amendments proposed for incorporation into the BCLDC, would upon approval of the BCLDC by the BCC, replace the current four (4) service areas with the planning areas; and thereafter, the collection and expenditure of school impact fees will be based on the planning areas.

It should be noted that this New Agreement delineates and provides additional clarity on the following items SBBC can expend school impact fees for:

1. Utilize school impact monies to provide needed school facilities including, but not limited to, acquiring new school sites, the construction of new schools, classroom additions, addition to core capacities, and acquiring technology necessitated by the growth at those schools impacted by proposed residential developments.
2. If site constraints or other feasibility issues make it impracticable to provide the needed school facilities at identified primarily impacted schools, as feasible, reasonably provide the needed school facilities within the applicable planning area(s) that contain the primarily impacted schools, thus relieving overcrowding at the primarily impacted planning area(s).

3. If site constraints or other feasibility issues make it impracticable to provide the needed school facilities within the primarily impacted planning area(s) containing the primarily impacted schools, then SBBC may provide the needed school facilities within the planning area(s) adjacent to the primarily impacted planning area(s) in a manner that ensures that the impact of the proposed development continues to be reasonably mitigated and connected to, or have a rational nexus with, the expenditure of the collected impact fees and the benefits accruing to the new residential development.
4. SBBC may leverage school impact fees to pay for existing and new debt service or for previously approved projects provided there is a reasonable connection to, or a rational nexus, with the increased impact generated by the new residential development, consistent with the Florida Impact Fee Act.

Also, the New Agreement requires Broward County to remit the collected school impact fees to BCPS at least once every three (3) months and retain two percent (2%) as administrative costs it incurs regarding the collection and processing of the said fees.