

Item # 70 (5)

**ADDITIONAL MATERIAL
Public Hearing
OCTOBER 20, 2020**

**SUBMITTED AT THE REQUEST OF

COUNTY
ADMINISTRATION**

SKEET JERNIGAN

P.O. Box 2331
Fort Lauderdale,
Florida, 33303

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BNA*

02/14/20 4-5 12:00
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Mayor Dale Holness
115 S Andrews Ave.
Room 421
Fort Lauderdale, FL 33301

October 14, 2020

~~Dear Mayor Holness:~~

Ms. Henry:

On October 20th the Broward County Commission will address a proposal by the Broward County School District (BCSD) to increase School Impact Fees. There are several reasons the Broward County Commission should reject this proposal.

The BCSD has not constructed ANY new classroom capacity for new residents since 2010. Additionally the BCSD has no plans to build capacity for the next 5 years.

The BCSD has used more than \$101,000,000 of School Impact Fees since 2010 to pay debt service on Certificates of Participation (Bonds). These fees should have been retained for their intended purpose in Impact Fee accounts for future classroom needs. This was the policy of the BCSD prior to 2010.

While HB 7103 authorized the use of impact fees to pay for existing debt, the expenditure must be reasonably related to or have a "rational nexus" with the increase of impact generated by the new development.

These requirements HAVE NOT been met by the BCSD. The Tindale/Oliver report states that the school system has a surplus of more than 34,000 vacant student stations. The BCSD has taken the position that this debt *is* the result of overbuilding to accommodate future growth and that new fees can therefore be used to pay debt undertaken to provide that surplus capacity. This reasoning is

wrong as the BCSD did not earmark these projects or establish a “rational nexus” as required by HB 7103.

As an example, how does classroom capacity built years ago in Margate provide a reasonable relationship or have a “rational nexus” to the increased capacity needed to serve new development in Parkland where the schools are overcrowded?

The proposed fee increase should be rejected because the legal purpose of building new capacity for the payer of the fee is not being met.

The fee increases will have a substantial impact on the cost of housing, making it vastly less affordable. Under this proposed impact fee schedule, the cost of a new four bedroom single family home will be increased by \$12,295. An increase of that magnitude is significant in any market, but it is even more so in our community today where Broward County is confronting an ongoing affordable housing issue. This increase in impact fees in the face of declining student enrollment is unconscionable.

One must also ask-- Why is the school impact fee going up? This increase is partly the result of the construction cost used as the basis upon which the proposed fee has been calculated-- namely, instead of basing the impact fee calculation on the actual construction cost at the time these schools were built, the BCSD has based the proposed impact fees on today's cost of construction. When the bonds were issued for these schools, the debt service was calculated—why now such a shortfall???

Additionally, under longstanding principles of law a local government cannot be unduly enriched by charging a fee that exceeds the resource being provided. A fee based on today's construction cost in exchange for space in an existing school facility constructed at a lower cost is an undue enrichment of the BCSD and is not permissible.

In conclusion: The BCSD has not built classroom capacity for new residents in more than 10 years.

The district has squandered \$101,000,000 in fees that should have been banked for future needs.

The BCSD cannot show a “rational nexus” between the fees and bond debt payments as required by HB7103.

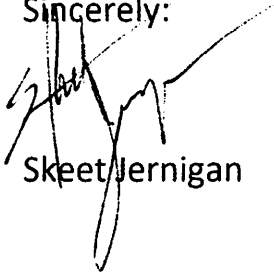
The proposed fee increases fly in the face of the Broward Commission priority of reducing the cost of housing and with no benefit.

The school fee is too high because it is based on today’s cost of construction NOT the cost incurred when the older school capacity was built.

The unfairly higher resulting fee has the result of unduly enriching the BCSD which is a violation of law.

For these and many other reasons the Broward County Commission should reject the BCSD proposed school fee increase.

Sincerely:

A handwritten signature in black ink, appearing to read "Skeet Jernigan". The signature is stylized and somewhat cursive, with a long horizontal stroke extending to the right.

Skeet Jernigan