

Business Operations
J.E. Surash, P.E., Chief Business Officer

SUBJECT: FUNDING OPTIONS AND IMPACT ON FACILITIES WORK PROGRAM ASSOCIATED WITH POSSIBLE CONVERSION OF FRANK C. MARTIN ELEMENTARY SCHOOL TO A K-8 CENTER

COMMITTEE: FACILITIES MANAGEMENT

Background

At its meeting of April 14, 2004, the School Board received a report delineating the recommended steps and timeline for the conversion of Frank C. Martin Elementary School (F.C. Martin) to a K-8 Center. At that time, the Board also requested that staff present at the May 2004 meeting, funding options for the conversion, including impact on the District's facilities work plan. Based on the current Middle Learning Center (MLC) prototype, and recent construction bids, the estimated total project cost of this conversion is approximately \$10.5 million. Pursuant to Board direction, Item E-20 provides \$500,000 to fund planning and design.

Additional Information

Following are possible funding options for this K-8 conversion. As noted, each option carries with it certain implications and impact to other projects.

1. F.C. Martin is located in the East Benefit Impact Fee District (East Benefit District). Due to an increase this year in impact fee collections within this District, and the redirection of impact fee funded projects under contract to P.E.C.O. in order to prevent reversion of funds, the unappropriated balance at year end is estimated at approximately \$14.5 million. The Board could allocate a portion of this funding to this project. The impact would be that eligible projects presently funded in the Facilities Work Program over two or more years may not be advanced. Examples are State School D in northeast Miami-Dade which is funded over three years, from FY 05-06 to FY 07-08, and the Palm Glades K-8 in southwest Miami-Dade which is funded over five years from FY 03-04 to FY 07-08. An additional impact is that eligible new projects proposed for inclusion in the next work program would not benefit from a portion of this funding (to date, staff identified over fifteen (15) new projects in this Benefit District);
2. The Board could appropriate projected future years' funding, starting with FY 04-05. This year, the State did not appropriate any P.E.C.O. funding for new construction and the projected award to Miami-Dade County for compliance with the class size reduction constitutional amendment is estimated at

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approximately \$7.9 million. The impact of allocating these funds to the conversion project would be that no additional funding would be available for class size reduction;

3. The Office of Treasury Management has advised it plans to issue a \$21 million Certificate of Participation (COP) in the very near future to be serviced by East Benefit District impact fees. The Board could allocate a portion of the revenues generated by this COP to the conversion project. The impact would be less funding available for other eligible future projects that would add student seats in areas of overcrowding and projected new growth, such as southwest Miami-Dade, Downtown Miami and northeast Miami-Dade;
4. The Board could defer a portion of one or more new school projects presently funded but not yet under design or under construction. These projects carry student stations and are located in areas of overcrowding and/or anticipated future growth. The Facilities Work Program includes fifteen new schools and staff anticipates that between the May and June Board meetings, five design professionals will be commissioned in connection with six of these proposed new schools (one elementary, three middle and two senior, State Schools Y1, YY1, RR1, SS1, JJJ and CCC1, respectively). The impact of deferring funds from one or more of these projects would be that project delivery time would likely be delayed and future funding to replace the deferred amount would need to be identified and appropriated. Similarly, the Board could defer renovation projects or additions presently funded but not yet under design or construction. The impact would be the same as already stated for new schools;
5. The Board could defer action pending results of the next Facilities Work Program to be presented to the Board in Summer 2004, once the project and funding requirements have been reviewed and further refined.

RECOMMENDED:

That The School Board of Miami-Dade County, Florida, defer action pending the result of the next Facilities Work Program to be presented to the Board in Summer 2004, once all project and funding requirements have been reviewed and further refined.

ARC:aj