

Office of School Facilities  
Jaime G. Torrens, Temporary Chief Facilities Officer

**SUBJECT:            AUTHORIZE THE SUPERINTENDENT TO FINALIZE NEGOTIATIONS AND EXECUTE AGREEMENTS WITH ALL APPROPRIATE PARTIES IN ORDER TO PROVIDE FOR THE DONATION TO THE SCHOOL BOARD OF A +/- 35-ACRE TRACT LOCATED AT SW 328 STREET, BETWEEN SW 157 AND 162 AVENUES, WITHIN THE HOMESTEAD EDUCATIONAL FACILITIES BENEFIT DISTRICT, FOR THE CONSTRUCTION OF AN APPROXIMATE 1,600 STUDENT STATION K-8 FACILITY ON THE TRACT'S WESTERMOST +/- 16 ACRES, SUBSTANTIALLY IN CONFORMANCE WITH SPECIFIC TERMS AND CONDITIONS ENUMERATED HEREIN**

**COMMITTEE:            FACILITIES AND CONSTRUCTION REFORM**

**LINK TO**

**STRATEGIC PLAN:        IMPROVE CONSTRUCTION SERVICES**

Background Information

In June of 2004, the School Board approved the execution of an Interlocal Agreement (Agreement) with the City of Homestead (City) and Miami-Dade County (County), which envisioned the establishment of the Homestead Educational Facilities Benefit District (HEFBD) and included general terms and conditions under which up to a maximum of three K-8 facilities would be constructed on developer donated land. The Agreement was subsequently approved by the Miami-Dade Board of County Commissioners (County Commission) in January of 2005. Additionally, the County Commission enacted an ordinance authorizing the creation of the HEFBD as the special district under whose purview the second and third schools would be financed, designed and built from impact fee proceeds and special assessments generated within the HEFBD; under the Agreement, the first K-8 facility (Facility) would be designed and built under the auspices of the HEFBD, but funded and paid for by the Board at completion and turnover. It should be noted that upon its creation, the HEFBD became a party to the Agreement.

The HEFBD Board, comprised of representatives from the Board, the County, the City and the development community, commissioned a Design Criteria Professional and Design/Build Team for the design and construction of the Facility on the first site to be donated to the Board (Site); the Site is approximately 16 acres and is part of a larger +/- 35 acre tract (Parent Tract) located at approximately SW 328 Street between SW 157 and SW 162 Avenues; the site is presently owned by Homestead EFBD, Inc.

**REPLACEMENT**

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Despite the HEFBD Board's best efforts to keep design and construction of the Facility on schedule for a projected opening of 2007, site issues revolving around wetland jurisdictional matters including environmental permitting, made it impossible for the HEFBD to meet that deadline. This was reported to the Board under Item F-4 presented at the October 11, 2006 meeting, and under separate companion items, the Board authorized the District to commission an A/E firm as well as a Construction Management at-Risk firm for design and construction of the Facility by the Board; this was done in an attempt to facilitate the delivery of the Facility for a 2008 opening and was based on turnover of the Site to the District by November 2006. Despite diligent efforts, this date could however not be met due to some delays in the Site's de-mucking and backfilling, then pending questions relative to Site conditions primarily dealing with pockets of buried debris and associated remediation costs, and the viability of continuing with Site preparation and construction of the Facility in a phased manner given some of the open questions. As a result, in order to allow time within which to resolve these issues while not incurring additional expenses, the Board authorized cancellation of the agreements with the A/E of record and with the Construction Management at-Risk firm at its March 14, 2007 meeting.

#### Additional Information

Since that time, there were numerous updates provided to the Board on the status of the Site's development, as well as on the status of the HEFBD and HEFBD Board, including a recent decision by the HEFBD Board to dissolve the HEFBD due to some difficulties in resolving the pending issues in a fairly immediate timeframe to achieve the desired school opening date of 2008. District staff subsequently met with key City staff on several occasions to discuss available options, including the possibility of focusing efforts on a different parcel within the HEFBD while sorting through pending questions on the Site; more recently, District staff also met with the present land owner's representative to discuss and resolve open issues. The collective result of these efforts has been positive, culminating in the following proposal:

1. The above referenced Parent Tract, located at SW 328 Street, between SW 157 and SW 162 Avenues, will be donated to the Board as is. The Site, i.e. the westernmost approximate 16 acres of the +/-35- acre Parent Tract, will continue to be the location for the Facility. The balance of the Parent Tract will be owned and held by the District. The value of the Parent Tract will be established pursuant to an appraisal already commissioned by the District and expected to be received before the School Board's September 5, 2007 meeting;
2. As previously envisioned, the District will complete preparation of the Site for construction of the Facility, and companion Board Item F-44 seeks authorization to award a GMP to a Construction Management at-Risk firm for that work;
3. The District will construct and deliver the Facility for a school opening of 2009;
4. The District will reimburse the HEFBD an amount not to exceed \$4.165 million for work in place and/or services delivered, consisting primarily of expenses already incurred by the HEFBD or authorized but not yet paid, in connection with the de-mucking and backfilling of approximately 5 acres of the Site, other Site development

related expenses such as testing and permitting, and professional design services rendered. Reimbursement is subject to a financial audit of the expenses to be conducted by the District;

5. The HEFBD will stay in place, initially for the purpose of collecting assessments from property owners within the HEFBD to cover other expenses already incurred as part of its operations, not to exceed \$1.2 million. Because the assessments would not start until 2009, the District would advance this amount and be reimbursed through the property assessment process. Just as is the case above, the exact amount of this advance would be subject to a financial audit of the expenses to be conducted by the District. Additionally, this would be subject to legal review to ensure the HEFBD is authorized to impose the assessments for the intended purpose;
6. The HEFBD will not receive any of the educational facilities impact fees (impact fees) collected to date for permits issued within the HEFBD, nor receive any impact fees that may be collected in the future. The amount of impact fees collected from permits issued within the HEFBD from September 2005 to March 2006 was approximately \$3.95 million. The District has requested an update on impact fee collections since March 2006 so that they may be properly reflected as revenue to the District rather than to the HEFBD;
7. The HEFBD Board may decide to remain dormant after the 2009 homeowner assessments start, in order to reduce or eliminate its operating costs (i.e. staffing, legal counsel services, etc.). Any and all expenses incurred by the future operation of the HEFBD would be added to future special assessments;
8. The District will further pursue the acquisition of the site initially identified as part of the HEFBD for a third future K-8 facility, when needed, and located at approximately SW 152 Avenue and SW 323 Street. At such time in the future that the subject site is earmarked for development as an educational facility by the District, the HEFBD if still in operation, may collect assessments to reimburse the District for the site acquisition cost.

**RECOMMENDED:**

That The School Board of Miami-Dade County, Florida authorize the Superintendent to finalize negotiations and execute agreements with all appropriate parties providing for the donation to the School Board of a +/- 35-acre tract located at SW 328 Street, between SW 157 and 162 Avenues, within the Homestead Educational Facilities Benefit District, for the construction of an approximate 1,600 student station K-8 facility on the tract's westernmost +/- 16 acres, substantially in conformance with the terms and conditions enumerated above.

ARC:aj