

Mr. Roberto J. Alonso, Board Member

SUBJECT: MANAGEMENT AND USE OF REVENUE GENERATED FROM DISTRICT-OWNED PROPERTY DEVELOPMENT POLICY

COMMITTEE: FACILITIES & CONSTRUCTION

LINK TO STRATEGIC PLAN: RELEVANT, RIGOROUS, & INNOVATIVE ACADEMIES

Miami-Dade County Public Schools owns one of the largest portfolios of educational facilities and real property in the State of Florida. These assets have been acquired, developed, and maintained through decades of public investment and represent a significant public trust intended to serve both current and future generations of students. As the educational landscape continues to evolve and the District evaluates opportunities to maximize the value of underutilized properties, the use of lease agreements, public-private partnerships, shared-use arrangements, and, where appropriate, the sale of District-owned property is expected to increase.

These transactions involve significant public assets entrusted to the School Board on behalf of the taxpayers of Miami-Dade County. While individual transactions are subject to Board approval, there is currently no comprehensive Board policy establishing how revenues generated through these agreements should be managed, allocated, reported, or reinvested during the term of a lease or following the sale of District-owned property. The primary purpose of these public assets is to enhance educational opportunities for students. Accordingly, revenues generated from District-owned property should ultimately be reinvested in ways that improve student achievement, modernize learning environments, strengthen school safety, expand educational opportunities, and preserve the long-term value of District facilities. Establishing such a policy would promote greater transparency, consistency, predictability, and fiscal accountability while ensuring that these revenues are strategically reinvested to advance the District's long-term educational mission, support the goals and objectives of the District's Strategic Plan, strengthen the District's ability to meet future educational and capital needs, and avoid reliance on these one-time or limited revenues to address short-term operational expenditures.

Many public agencies adopt formal policies governing the use of revenues generated from the lease or sale of publicly owned assets to promote transparency, accountability, and responsible long-term financial planning. Developing a similar policy framework would position the District to manage these public resources in accordance with recognized governance best practices while preserving flexibility for future School Boards to make informed decisions based on changing educational and fiscal priorities and evolving Strategic Plan objectives.

A policy framework could establish guiding principles that prioritize the reinvestment of revenues into educational facilities, infrastructure, capital improvements, school modernization, and the reduction of deferred maintenance; support innovative educational programs and expanded student opportunities; establish reserves to address future capital and facility needs; require annual reporting on lease revenues, property sale proceeds, and related expenditures; ensure appropriate School Board oversight and accountability; distinguish between the appropriate use of one-time revenues generated through property sales and recurring revenues generated through lease agreements; and encourage that investments made from these revenues be evaluated based on their contribution toward advancing the District's Strategic Plan, including

student achievement, safe and modern learning environments, operational excellence, fiscal stewardship, and equitable access to educational opportunities.

Rather than prescribing specific funding allocations, the Board could direct staff to evaluate policy options that emphasize long-term capital reinvestment while recognizing the distinct characteristics of recurring lease revenues and one-time property sale proceeds. The analysis could examine whether proceeds from property sales should generally be dedicated to one-time capital investments rather than recurring operating expenses; whether recurring lease revenues may appropriately support ongoing capital improvements, facility maintenance, or other Board-approved strategic initiatives; whether establishing a dedicated reserve for future land acquisitions, facility replacements, or major capital projects would strengthen the District's long-term financial position; and how proposed expenditures could be evaluated for consistency with the District's Strategic Plan and long-term capital priorities.

To further promote transparency and accountability, the analysis could include recommendations for an annual report to the School Board identifying properties that have been leased or sold, revenues generated, expenditures made, remaining fund balances, and planned future uses of those revenues. The review could also recommend appropriate Board oversight mechanisms to ensure that significant expenditures from these funds are presented through the annual budget process or separate agenda items. The report could also identify how funded projects or initiatives support the goals and performance measures contained within the District's Strategic Plan.

The timing of this initiative aligns with the District's ongoing Enterprise Asset Management efforts and broader initiatives to repurpose underutilized schools and properties. As these efforts continue to expand, establishing a Board-adopted policy framework before substantial additional revenues are generated would demonstrate proactive governance, strengthen public confidence, align long-term asset management decisions with the District's Strategic Plan, and help ensure that taxpayer-owned assets continue to provide lasting educational benefits for future generations of students.

As part of the policy development process, the Board may also wish to explore whether lease revenues generated from a specific property should, when practical and consistent with districtwide priorities, first be considered for capital improvements within the surrounding geographic area or feeder pattern before supporting broader District needs. Such an approach could reinforce community confidence by helping ensure that the redevelopment of neighborhood assets continues to provide meaningful local educational benefits while advancing the District's overall mission and Strategic Plan.

This item requests that the Superintendent of Schools develop and present to the School Board a proposed policy establishing guidelines for the management, allocation, reporting, oversight, and permissible use of revenues generated through the lease, licensing, joint development, shared-use agreements, or sale of District-owned real property. The proposed policy should include recommendations regarding transparency and accountability measures, reporting requirements, permissible uses of revenues, reserve considerations, criteria for evaluating proposed expenditures based on their alignment with the District's Strategic Plan, and the reinvestment of funds in support of the District's long-term educational, capital, and strategic priorities.

This item has been reviewed and approved by the Office of the General Counsel as to form and legal sufficiency.

**ACTION PROPOSED BY
MR. ROBERTO J. ALONSO:**

That The School Board of Miami-Dade County, Florida, request that the Superintendent of Schools to:

1. In collaboration with the General Counsel, develop and present to the School Board a proposed policy establishing guidelines for the management, allocation, reporting, oversight, and permissible use of revenues generated through the lease, licensing, joint development, shared-use agreements, or sale of District-owned real property to support District programs and initiatives;
2. Develop recommendations for inclusion in the proposed policy that address transparency and accountability measures, reporting requirements, permissible uses of revenues, reserve considerations, the reinvestment of funds in support of the District's long-term educational, capital, and strategic priorities, and appropriate oversight by the Office of Management and Compliance Audits and the Chief Auditor through access to reporting related to the status, utilization, and revenues associated with District-owned property and facilities;
3. Conduct a comprehensive assessment of the utilization levels of all District schools and other District-owned properties, including available capacity, current use, and opportunities to maximize the educational and community value of underutilized facilities, and include the findings as part of the recommendations presented to the Board;
4. Schedule a workshop to provide preliminary assessments, findings and recommendations for the Board's discussion prior to the Facilities and Construction Committee meeting in January 2027; and
5. Following the workshop and the discussion by the Board, present findings and recommendations to the Board at the Facilities and Construction Committee meeting in January 2027.