



'Worst time' for school impact fee, Kenoï says

The Big Isle mayor opposes a proposed fee for homebuilders

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Big Island Mayor William Kenoï said he is against imposing an impact fee that requires residential builders to contribute money to develop schools in West Hawaii.

"It's absolutely at the worst place at the worst time," Kenoï said yesterday in a telephone interview.

The state Board of Education's Administrative Services Committee is scheduled to consider a proposal to assess building impact fees for schools at its meeting at 3 p.m. Thursday at the Liliuokalani Building in Honolulu.

A public hearing about the proposal was held last year in Kona.

Kenoï said that although the Department of Education's proposed impact fee would be imposed on developers, the costs will be passed on to homebuyers.

Kenoï said while the goal of providing funds for building schools is worthy, he believes the timing is wrong and would not only further depress an ailing construction industry, but also would discriminate against West Hawaii homebuyers.

Act 245 of 2007 allows the department to designate West Hawaii as the first "school impact district" and collect fees for new residential projects.

The law applies to homes built by individual lot owners as well as large developers.

The department estimates the fee will be between \$3,000 and \$5,000 per single-family dwelling and between \$2,000 and \$3,000 per multifamily dwelling unit.

Department officials said fees will be adjusted every three years, based on construction cost indexes.

For projects of 50 residential units or more, developers will be required to sign an agreement with the department to provide land for new schools or a fee in lieu of land, as well as a construction fee, officials said.

The department projects that , nine to 18 new schools will have to be built in West Hawaii by 2035.

Department land use planner Heidi Meeker said single-lot owners would make a monetary contribution, and builders of accessory dwellings would make a smaller contribution.

The fees, intended to apply to homes with school-age children, would not apply to hotels and time-share units.

In the past, the state Land Use Commission has required residential developers to negotiate with the DOE on contributions toward the development of new schools.

Dean Uchida, a Building Industry Association of Hawaii official, said his group understands developers have to pay their share but wants to make sure the contributions are fair.

He said his group supported aspects of the new proposal that would require individual homebuilders and government housing developers to contribute to the school fund.

Uchida said rather than relying on negotiations to determine a fee, the association wanted a "transparent process" that would enable a builder to roughly determine the development costs.

The ability to determine the costs adds predictability and minimizes the risk of the investment, he said.

Uchida said he would like to see the department develop a formal methodology for determining a contribution.

He said the group also would like the department to develop a broad economy analysis that looks at using underutilized school buildings in older districts and redistricting areas.

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