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Impact fees for construction reasonable

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Legislation in the state House would finally give fast-growing school districts the means to recoup some of the added educational costs caused by rapid home development, through imposition of impact fees.

It also contains incentives to encourage developers to reduce the size of those fees by adopting socially responsible building practices.

House Bill 72, the subject of a Local Government Committee hearing last week in Mount Bethel, would enable a school board to levy an educational impact fee on each subdivision plan and building permit issued for new home construction within its boundaries. Among local co-sponsors are state Reps. Mario Scavello, R-176, and John Spitroth, D-189.

The bill allows school districts to charge developers \$2,500 for every bedroom after the first one in each unit in a subdivision plan, to a maximum of \$7,500 per home. Or the districts could impose a \$2,500 fee for each additional bedroom listed on the municipal building permit issued for new residential construction. The rationale is that the bedrooms are intended for new students that add to the overall district population, resulting in the need to hire additional teachers and build more classrooms. Through impact fees, more of the burden shifts to those who create the need for school growth — developers and new residents — rather than putting it almost totally on the shoulders of local property owners (taxpayers) who played no role in creating the growth that causes their taxes to go up.

School districts could use the money only to build or expand classroom space, or to add staff. Those funds would be required to be placed in a separate account designated solely for that purpose.

Municipal subdivision plans filed by developers in impact-fee school districts would be required to include an educational impact assessment. That assessment must be provided to the school district and include such basic information as the number and type of dwellings planned, approximate sales costs, primary access roads to the proposed subdivision, and estimated number of school-age children expected to reside there.

If a school district determines the development will require expansion of school facilities as a result, the district may offer the developer naming rights to the new facilities in return for paying double the impact fee owed.

School districts could deduct \$500 from the impact fee for each home if the developer exceeds national construction standards for energy efficiency, or provides advanced stormwater drainage measures. A \$1,500 fee deduction may be offered for each acre of land preserved as community open space.

Other deductions could be provided if a designated school bus stop, or bus turnaround, is created in the development, or for each house facade constructed with stone or brick.

Districts would be required to waive the impact fee for residential dwellings built for older adult housing, and for replacement of existing dwellings. Districts would have the option of reducing or eliminating educational impact fees on affordable housing units designated for low or moderate income individuals.

Reps. Siptroth, Scavello and other sponsors of House Bill 72 have shown political courage in proposing this innovative approach to reducing the skyrocketing costs of growth absorbed by average taxpayers in the Poconos and other high-growth regions.

Let's hope builders' organizations, which have been quick to derail any meaningful impact fee legislation in the past, see the wisdom and equity of shifting at least some of the tax costs to those who create those costs. The cost per home of the proposed impact fee is negligible compared to the overall cost of construction, and it just might result in a more attractive development that will entice buyers.