Builders just oppose improper impact fees

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OPINION MY WORD

Builders just oppose improper impact fees

Kevin Kronk

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You may have read that the Volusia Home Builders Association recently won a legal judgment over the huge school impact fee increase.

For the record, the association is unopposed to reasonable school impact fees. We take no pleasure in having to fight wrongs, but when pressed we will challenge impact fees set up by faulty assumptions and math.

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It's a shame we had to go to court. Last year, school impact fees were \$1,139 per new home. In discussions late last year, we were unopposed to a doubling of the fee to \$2,600, while the School Board's position was hovering around \$3,100.

Had the Volusia County School Board been a little less adversarial in our discussions, the legal challenge could have been avoided. The builders association, in a number of meetings, pointed out flaws in the impact fee report, only to be rebuffed. The School Board, in so many words, said "tough -- we're going to do it anyway." And here we are.

The school district's Bill Kelly has been quoted as saying that schools need money because "growth must pay for itself."

We couldn't agree more, but the School Board is trying to tap the wrong source for funding. The fundamental problem is the majority of impact on the schools simply doesn't come from new homes. A huge number of new-home buyers are retirees who do not have kids entering the school system.

The problem is that 80 percent of the folks moving into Florida buy resale homes, and these folks do not pay a single dime of growth impact fees. Twenty percent of the folks buying a new home here shoulder 100 percent of the impact fees.

This is why we are always behind the curve in paying for growth. This will not change and we will always have shortfalls for roads and schools until this basic inequity is resolved.

A fair resolution would be a "transfer fee" on the sale of resale homes. Colorado, for example, has a 1 percent transfer fee on new and resale homes and does not suffer from a continuing infrastructure shortfall.

The School Board knows where the new kids are coming from, but I believe, is ignoring it. Why? Because it is so easy to ask for impact fees on new homes.

They need to study the source of the impact on the schools and focus their efforts on getting additional funding from those who make the impact. Everyone should pay their fair share. The first step is getting the folks who pay nothing to cough up and contribute.

Kevin Kronk is president of Brentwood Homes Inc. and chairman of the government affairs committee for the Volusia Home Builders Association.

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