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Pasco commissioners eye impact fee cuts over School Board's protests

By Lee Logan, Times Staff Writer

NEW PORT RICHEY - Pasco County commissioners are poised to reduce the fee on new homes that helps pay for school construction, even as they heard Monday from School Board members who said such cuts could lead to layoffs for more school employees.

The push to reduce so-called impact fees has been led by home builders, who say a two-year reduction would spur home sales and get them back to work.

"We need help," developer Alex Deeb said Monday at a joint meeting of the School Board and the County Commission. "Try it. You don't have anything to lose."

Commissioners have already shaved \$6,100 off the \$16,900 in various impact fees added to an average new home. Now, the question is what do to with the \$4,800 fee that goes to schools, which is projected to generate \$4.5 million this year.

Commissioners cut other fees that help build parks or libraries knowing they weren't building any of those facilities any time soon. As enrollment levels out, there are few new schools on the horizon. But school district officials say impact fees also help pay back bonds used to build more than 20 new schools during boom times.

"We're still on the hook for the growth that has occurred in the past several years," said School Board member Allen Altman.

Impact fees cover about a quarter of the district's annual \$16.9 million debt payment. Other sources, including property taxes, a special sales tax and money from the Legislature, have all decreased as the economy soured.

"We're looking at all of our revenue sources drying up, basically," said Pasco schools superintendent Heather Fiorentino.

If district officials can't pay the debt with impact fee revenue, the School Board has to dip into a general fund that pays for school operations and teacher salaries. That fund faces a \$60 million shortfall next year, which Fiorentino said means "we will be laying off people."

"We're now down to where we're cutting the heart and the soul of the budgets we have," said School Board chairwoman Joanne Hurley.

Commissioners said Monday they understand the school district's plight, but they want to take a chance to jump-start the economy.

"I guess it's a shot in the dark," said commission chairwoman Ann Hildebrand. "We're gambling here. We're hoping that it will work."

Hildebrand said it would be a "travesty" to eliminate the school impact fee but said she would "look at" a 50 percent cut. That would reduce the fee to \$2,400 and leave total fees on a new home at \$8,300, or about half the current amount.

The commission in February voted unanimously to slash most impact fees until 2013, when the fees would revert to their previous level. No commissioner on Monday voiced opposition to cutting the school fee.

Commissioners could endorse cutting the schools fee Tuesday afternoon at a meeting in Dade City. They can't formally adopt the cut, though, until another meeting in two weeks.

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