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David Dunn-Rankin column

Readers Join Impact Fee Debate

I've written two recent columns on why we should consider raising our county and city impact fees plus our school impact fee. A number of you have shared your thoughts.

A.W. writes: "I think the whole idea of an impact fee is wrong -- my idea is a community transfer fee of $1,000 on every party in every residential real estate transaction. We came to Florida and already paid an impact fee. If we downsize into a new home, we are not really impacting. The family with six kids who move into our 'old' house will impact and pay nothing. (More) people are moving in with kids. If they move into existing construction, there is no '(impact fee) income' to cover these kids (and the cost of new schools, parks, libraries those kids create)."

A.W., I think you make a good point. The transfer fee approach to paying for growth is one viable alternative and is one being pushed very hard by the builder association. While the transfer fee is used by a number of other states, a transfer fee of $1,000 would only raise $8 million a year in Charlotte, for instance, compared to the $45 million a year impact fees should raise.

"As an 85-year-old widower I paid $2,434.46 last year for county school board/ discretionary/capital layout/debt service which takes three months of my social security. There are three homes of the 12 on my street for sale because my neighbors cannot afford the taxes. I would have to sell if my son didn't help me with my other expenses."

Here's another similar view from D.O.: "Before I moved here permanently six years ago, I was paying $3,800 in school taxes per year in Pennsylvania. It was one of the main items to make my home in Florida permanent. If we do not address this issue now we will all be looking at the same type of school taxation someday."

These two readers remind us that it is not just the cost of the house (including impact fees) but the ongoing annual tax burden to working families and fixed income retirees we should also worry about. Impact fees help reduce the annual tax burden.

M.S. asks: "Correct me if I'm wrong, but I was under the impression that the Florida lottery was supposed to pay for new schools ("When we play, we all win!") or is that just a lot of bunk?"

M.S., I don't like to be the bearer of bad news but "when we play we all win" is a lot of bunk. When the Florida lottery was approved by the voters, it was with the understanding that state-sponsored gambling profits would go into schools. It went into schools all right, but the legislature took more out of education than the lottery added.

About 60 percent of Florida's general revenues used to be allocated to education. Now it is only 53 percent. If education spending had continued at pre-lottery levels, we would have had $27 billion being spent on education this year instead of $25 billion. Only $1 billion in education funding is supplied by the lottery.

We need to make sure growth pays for growth. Impact fees are one tool to help make sure we do that. We should consider graduated rates for impact fees so that small affordable homes are not too severely impacted.

Share your thoughts.