

# naplesnews.com

## School Board tables impact fees debate

To board's surprise, Collier County commissioners will hold public hearing without waiting for their recommendation

By Katherine Lewis

Friday, May 5, 2006

The Collier County School Board might have put its discussion about increasing impact fees on hold, but the Collier County Board of Commissioners is moving forward with steps that could lead to an impact fee increase.

The commissioners will hold a public meeting Tuesday to discuss a possible increase to the school impact fee. The meeting is one of the steps toward a vote that could increase the fees.

School Board members were shocked that the meeting would go forward when they did not have a recommendation to give the commissioners. The board has delayed its vote on a possible impact fee resolution until its May 18 meeting.

After hearing the news the public hearing would be held, board members asked Superintendent Ray Baker to draft a statement to be presented at the meeting that the board was still working on a recommendation.

School impact fees have not been increased since 1992, when the county raised the fees to \$1,778 for new single-family homes, \$827 for multifamily homes and \$1,234 for mobile homes.

School impact fees are one-time assessments imposed on new construction of residential land. They raise money to pay a portion of the cost of providing services to new development. Impact fees are assessed for each new home and paid by developers, who typically pass them on to consumers in the form of higher prices.

Collier County charges fees for roads, parks, fire departments, jail facilities, emergency medical services, government buildings and law enforcement.

On Tuesday, the school board considered a revised fee report prepared by the county's consultants. That report calls for impact fees to be raised to a scale of \$8,228 to \$10,017 for a single-family home, \$2,862

for a multifamily dwelling, and \$5,724 for a mobile home.

Those figures are lower than the figures originally presented to the board. Last month, the board discussed a proposal to increase impact fees to \$10,534 to \$12,797 for single-family homes, \$8,518 for multifamily dwellings and \$12,756 for a mobile home.

“The initial rates were based on the rates of six or seven counties. Some of those counties were 85 percent single-family homes,” said Steve Tindale, president of Tindale-Oliver & Associates Inc., the consulting firm that prepared the impact fee report. “What changed is this distribution of the units.”

Tindale said 40 percent of Collier County’s housing stock is single-family homes. The remaining 60 percent is divided among multifamily homes, which make up 53 percent of Collier County’s homes, and mobile homes.

Thursday, the board got an entirely different set of figures from its consultant, Dr. James Nicholas.

Nicholas suggested several options to determine impact fees, including basing impact fees on the size of the structure in relation to how many children could live there, which is done in Palm Beach County; using the total taxable value of the county, rather than just the residential; or dropping the administrative facility and interest costs from the equation.

In Nicholas’ estimates, impact fees would run between \$1,145 and \$10,468, depending on how the commissioners wanted to determine how impact fees would be assessed.

For example, using a 5 percent rate of growth for all taxable values would mean those in single-family homes would pay \$5,397 to \$6,571, while those in multifamily homes would pay \$1,877 and those in mobile homes would pay \$3,755.

Collier County’s current impact fee of about \$1,800 on a single-family home generates about \$8 million per year, according to Robert Spencer, the district’s executive director of financial services. That’s a fraction of the cost to keep up with the district’s growth of 2,000 students per year.

The net impact cost of a school is \$23,850 per student. Elementary School G, which is set to open in 2007, will cost the district \$35.2 million, according to the district’s capital plan.

The board needs the impact fees to help pay for its growth. In the next five years, the district will build 11 new schools: six elementary schools, two middle schools, one high school, the career and technical high school on the campus of the Lorenzo Walker Institute of Technology and the Immokalee Career Center.

The district will have to borrow money to pay for the schools, which are estimated to cost the district about \$489 million.

Consultants have told the board that if the district grows by 6,000 students, it would have to borrow \$470 million to keep up with the growth in its current impact fee schedule. If the board increases the impact fee to \$11,000 for a single-family home, it would have to borrow only \$267 million to accommodate the growth.

Richard Calabrese, a candidate for the School Board in District 5, scolded the board on Thursday for its failure to raise impact fees until now.

“Our situation with impact fees is a perfect example of a lack of fiscal responsibility on the part of the administration and the School Board,” he said. “The board raised our ad valorem tax instead of impact fees, squarely putting the burden on the shoulders of our taxpayers who have already paid their impact fees.”

Ad valorem taxes are property taxes.

Board member Dick Bruce said increasing impact fees would not reduce ad valorem taxes.

“(An increase in impact fees) will reduce our debt,” he said. “I cannot speak for boards in the past, but this board has been looking at this issue since 2002.”

Calabrese said the board should have an external audit to identify those programs that are working and those that should be eliminated.

“Once we have demonstrated that we are responsibly spending funds, then and only then should we ask for an increase in impact fees,” he said.

The public meeting on the district’s impact fees will be held at 1:30 p.m. Tuesday, May 9, in the commissioner’s chambers at the Collier County government complex.

© 2006 Naples Daily News and NDN Productions. Published in Naples, Florida, USA by the E.W. Scripps Co.