Lee County

School impact fees nearly double

By Jamie Page jpage@news-press.com Originally posted on November 09, 2005

School impact fees, already one of the highest such fees in Lee County, will roughly double come Jan. 1.

County commissioners Tuesday voted 4-0 for the increase despite concerns the fees will be passed on to the buyers of new homes. The fee will be updated in three years.

School board officials praised commissioners for pursuing the increase. The revenue will fund the building of 44 new schools officials say are needed over the next 10 years.

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Developers and affordable housing advocates said the increase will hurt homeowners and help price them out of Lee County.

They also oppose it because it's not a progressive tax. For example, someone buying a new \$1 million home would pay the same impact as someone buying a new \$100,000 home. The fee varies for different types of dwellings.

More than \$43 million was raised from school impact fees in the 2004-2005 fiscal year. The increase is expected to raise more than twice that. It also pushes the total amount of impact fees above \$10,000 for most new homes.

Impact fees are one-time assessments paid by new-home builders. They typically pass them on to home buyers through higher sales prices. Lee County also collects impact fees for parks, roads, fire protection and emergency services.

Treva Gilligan, executive director of Lee County Housing Development Corp., is concerned about pricing people out of the housing market.

"We are very concerned about the school board's needs, but the school employees need a place to live," she said. "They are getting priced out of the county. For every dollar the impact fee is raised, it makes it that much harder for teachers to afford to live here."

Commissioner Ray Judah said fast growth is what drives demand and makes housing costs go up drastically, not impact fees. The fees makes up a small percentage of the total cost of a home, Judah said.

Richard Durling, owner of Marvin Development Corp., was furious over the commissioners' vote.

"It doesn't matter that it's a small percentage. Two rights don't make a wrong," Durling said. "The cost of land has gone up, so they say, 'We will just heap on more impact fees.' I just can't believe we can't find other ways of paying for this infrastructure. As a builder, I don't pay for that. You think it's coming out of the big deep pockets of the developer. It's not. It's put onto the cost of the house and paid by new home buyers."

Arnold Rosenthal of Estero said increasing impact fees was the right way to fund schools that come with booming development. Rosenthal has been following impact fees for years and has pushed for others to be increased. But he's a longtime established resident and isn't directly affected by them.

"It's a small percentage of the cost of a home — it's like spitting in the ocean," he said. "The acid test shows impact fees are not hurting new home sales. They are selling more than when impact fees were lower."