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School impact fees to go up 200 percent

County commissioners approve first increase in 14 years, despite objections by Collier School Board

By Katherine Lewis

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Collier County School Board members said they needed time.

But after 14 years without a school impact fee increase, time was something Collier County commissioners weren't willing to give.

The commissioners voted 4-1 to approve an increase in school impact fees of more than 200 percent.

Commissioner Tom Henning was the dissenting vote.

The commissioners approved the impact fees over the objections of Collier County School Board members and Superintendent Ray Baker, who said they did not have sufficient time to complete an analysis and make a recommendation to commissioners.

"Three weeks ago we were presented with the draft study. One week ago, we received new data. It is important to us to evaluate this very closely to make a recommendation on the structure and cycle of impact fees," said board Chairwoman Kathleen Curatolo. "We ask that you have patience with us and not make a recommendation today. We will have a recommendation with you in a timely manner."

Henning said the commissioners should extend professional courtesy to the School Board members and he would not vote for the implementation of the impact fees.

"The School Board is clearly working to make a recommendation to the board of commissioners. I don't see any reason why this can't wait," he said.

The School Board had planned to discuss the impact fees and the recommendations at its May 18 meeting.

"We worked under the assumption we could wait until our May 18 meeting and still have a recommendation to the commissioners by their June 30 deadline," said board member Linda Abbott. "We know this is important, but we wanted to make sure we did our homework."

The schedule includes a sliding scale of \$8,228 to \$10,017 for single-family homes, \$2,862 for multifamily dwellings and \$5,724 for a mobile home.

The scale would increase drastically the impact fees for the district, which 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.

The increases approved Tuesday are 367 percent each for new single-family and mobile homes and 246 percent for multifamily homes. The impact fees will go into effect June 30.

The approved fees were given to the commissioners by their consultant, Steve Tindale, president of Tindale-Oliver & Associates Inc.

Those fees actually are more than the fees proposed by the School District's consultant, Dr. James Nicholas, who last week suggested that the board could implement impact fees in a somewhat different way than Tindale proposed.

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 board recommended impact fees 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.

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

Collier County has 10 impact fees. The fees also are charged for roads, parks, fire departments, jail facilities, emergency medical services, government buildings and law enforcement.

Commissioners had asked those agencies looking to increase impact fees to have their recommendations to them prior to June 30. Under the current state policy, commissioners had to have their recommendations to the state for implementation July 1.

That is about to change. Legislation passed both the House and Senate last week that would remove the June 30 deadline for impact fees. However, the legislation requires a 90-day wait upon the commissioners' recommendation for an increase in impact fees. The bill also requires local entities to use as much recent and local data as possible when determining increases to impact fees.

The legislation, which is part of Senate Bill 1194, will now go to Gov. Jeb Bush to sign or veto.

Commissioner Fred Coyle said the commissioners should vote for its consultant's proposal in light of the pending legislation and the fact that School Board members were planning to bring a recommendation to increase impact fees. He reminded commissioners that the county has been working to get a handle on school impact fees for at least 18 months.

"I know for a fact last year that before and after the governor signed the growth management bill things were assigned to it. We should make a decision on the best information we have," he said.

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

The cost of Elementary School G, which is set to open in 2007, will cost the district \$35.2 million to build, according to the district's capital plan.

The impact fees commissioners passed Tuesday will guarantee the district an extra \$23 million per year.

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, the district 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, the district would only have to borrow \$267 million to accommodate the growth.

Abbott said although the impact fees were approved, the issue was not dead for the Collier School Board.

“The conversations need to continue because we will be working on the budget. It will be important to know how the impact fees will affect the millage rate,” she said.

The School District currently charges homeowners 2 mills, which is the equivalent of \$2 per \$1,000 of taxable property value. Abbott said she would like to know if the increase in impact fees would mean a decrease in millage.

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Overall impact fees — The following are the impact fees charged in Collier County for a 2,000-square-foot single-family home:

Community parks: \$1,027 (effective May 15)

Regional parks: \$2,272 (effective May 15)

Library: \$506.25 (effective June 12)

Road: \$8,884 (effective June 12)

EMS: \$112

School: \$9,206 (effective June 30)

Jail: \$213 (effective June 12)

Government buildings: \$796 (proposed for public hearing May 23, effective June 30)

Water: \$2,760 (new, unnamed rate will be proposed at public hearing June 6, effective June 30)

Sewer: \$3,125 (new, unnamed rate will be proposed at public hearing June 6, effective June 30)

Fire: \$600

Law enforcement: \$225.96 (proposed for vote at public hearing May 23, effective June 30)

Total: \$29,727.21

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