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Article published Jul 30, 2005

Study calls for jump in impact fees

Lee schools continue to weigh rise in sales tax to shrink deficit

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School impact fees could double so Lee County's housing growth pays for its share of school growth, according to a consultant's study released Friday.

But higher impact fees won't necessarily eliminate the possibility of a half-cent sales-tax referendum this fall.

Texas-based Duncan Associates analyzed higher costs of construction, technology, land and utilities before suggesting higher school impact fees:

- Single-family homes: from \$2,232 to \$4,345 per home.
- Multifamily homes: from \$691 to \$1,719 per unit.
- Mobile homes: from \$425 to \$990 per home.

Impact fees are one-time assessments that new-home builders must pay; they typically pass on that cost to home buyers through higher sales prices. Lee County also collects impact fees for parks, roads, fire protection and emergency services. Higher school fees would push the total above \$10,000 for most new homes.

Lee schools are short on cash to build 42 new schools over the next nine years. The district is \$854 million in debt, and projected revenues for the next nine years fall short by \$394 million.

That's why school leaders also are studying a sales-tax increase. Raising the retail tax from 6 cents to 6.5 cents on the dollar could generate an additional \$47 million annually, and those dollars could be spent on new construction, technology, renovations and retiring debt.

Impact fees can only be spent on new construction and technology. Plus, those dollars can only finance projects in the geographic areas where they're collected.

On Tuesday, school board members will approve the tentative 2005-06 budget and vote on whether to

Lee school impact fees by the numbers
A consultant is suggesting that school impact fees increase as much as 149 percent. New-home builders pay the fees, which can only be used to build new schools and buy new technology.

School impact fee changes by home type

HOME TYPE	CURRENT	PROPOSED	INCREASE
Single-family home	\$2,232	\$4,345	95%
Multi-family home	\$691	\$1,719	149%
Mobile home	\$425	\$990	133%

Impact fees collected by school district zone
(in millions)

SCHOOL DISTRICT ZONE	'02	'03	'04	'02 - '04 TOTAL
EAST ZONE	\$2.66	\$4.5	\$9.04	\$16,202,607
WEST ZONE	\$4.48	\$9.89	\$14.72	\$29,094,519
SOUTH ZONE	\$6.23	\$7.95	\$10.85	\$25,034,713

SOURCE: LEE COUNTY SCHOOL DISTRICT; DUNCAN ASSOCIATES THE NEWS-PRESS

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• **See for yourself:** [View an updated study of all school impact fees in Lee County](#)

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proceed with a sales- tax campaign that would target a Nov. 8 polling date.

Superintendent James Browder said he will study the big picture before he decides whether a sales tax is needed.

"The impact fee would certainly help us," school board Chairwoman Elinor Scricca said. "We'll try to decide what is best for the public and the school district."

Lee County commissioners would have to approve the higher impact fees. That might happen around November, school board attorney Keith Martin said.

Since 2001, the school district has collected \$90.5 million from impact fees. School budget director Mike Olliff projects \$45 million more between July 2005 and June 2006, but that estimate could soar if the county adopts higher fees.

Olliff said he will analyze the data before Tuesday's school board meeting.

The theory behind impact fees is that newcomers create a burden on infrastructure. For schools, that means extra children filtering into a district already lacking classroom space.

Not every newcomer has children, though, a fact cited in a development-driven lawsuit filed in 2001. The Lee Building Industry Association also challenged the methodology used to calculate fees.

The court ultimately ruled that school impact fees were constitutional, and an appeals panel upheld that verdict in June.

But association President Michael Reitmann said the continued rise in impact fees and home prices is a barrier that will block working-age families from moving here.

"The teachers, nurses and firefighters have literally been priced out of Lee County," Reitmann said. "It does not help when you have increased regulatory fees."

The median sales price for previously owned homes was \$281,000 in June, a one-year jump of 47 percent.

Sales prices of new homes are soaring at a similar pace, although exact figures weren't available Friday.

With home prices so high, a few extra dollars here or there really doesn't matter, said Curt Sarff, a retiree who has lived in Fort Myers since 1989.

"It will not deter anyone from moving down here," Sarff said. "The only thing that may stop it is tripling the number of hurricanes.

"The demand for housing is so strong that the impact fee amount is negligible."

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