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Why charge impact fees when no schools are needed? By JEFF OLSON, GUEST OPINION



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I am surprised The Daytona Beach News-Journal chose to publish the letter from <u>Susan Gaines</u> regarding the Volusia Building Industry Association's (VBIA) lawsuit against Volusia County and the school board. Mrs. Gaines must not have read VBIA's lawsuit, or Circuit Judge Terence Perkins' ruling in our case. Allow me to clear up the multiple misconceptions contained in her letter.

Mrs. Gaines links the VBIA's lawsuit against school impact fees to a 2000 court decision over whether age-restricted communities should pay a school impact fee. Here's what the association's lawsuit is really about: The school system's unwavering thirst for charging fees to builders to add new capacity to schools they do not need, and will never use. How anyone can support the school system still charging over \$6,000 in fees to a newly built home or apartment is beyond my level of comprehension.

Consider the fact that the school system has closed several schools over the past few years. Recently The News-Journal published an article regarding the school budgeting process. The article stated student enrollment is continuing to decline. Ask yourself a simple question: If we are closing schools and student enrollment continues to slide, why are we still charging over \$ 6,000 in fees per new home to build new schools? The only answer I can come up with is so the school board can continue to build \$90 million Taj Mahal high schools, like the new one in Orange City.

Secondly, Mrs. Gaines makes a major mistake in assuming school impact fees pay for anything other than building new schools. State law requires impact fees to only be charged for the building of new, or the expansion of existing, facilities. School impact fees cannot be used for items such as teacher pay, school supplies, etc.

Next, she mentions that she believes the 2000 Aberdeen ruling, which states that age-restricted communities shall not be required to pay school impact fees, ought to be overturned. I disagree with her. If a retirement community is not contributing to the school population, why should it be required to pay thousands in fees, in addition to school taxes, to build a new school? For the life of me, I cannot understand why Mrs. Gaines wishes to place a further burden on Volusia County senior citizens. The residents in age-restricted communities will most certainly continue to pay school taxes, but apparently that ever-increasing school tax bill from the school board is not enough for some.

What readers may not know, and what the VBIA would like to make known about our lawsuit, is that the figures and assumptions used to calculate the school impact fee amount are horrifically flawed. The school system paid a consultant tens of thousands of dollars to create a mathematical formula that proves the school system needs new schools, and that the building industry should pay. One of the problems with the study was it did not make any provisions for the great recession. In light of this recession, and closing of schools, and mass exodus of children from our school system, wouldn't it make sense to stop charging a fee for new school construction?

Just recently the Volusia County School Board announced that it has abandoned its five-year new construction plan, citing declining enrollment. Yet the school board is still collecting and raising money by impact fees for new construction. It's just not using the money for new construction, which by the district's own account is not needed now or the immediate future.

Everybody knows someone hit by the recession going on. The building industry is one of the hardest hit. We in private enterprise who have survived to date have done so by hard choices, reducing salaries and benefits, reducing work forces, reducing overhead, cutting the excess, liquidating assets. We are looking at Volusia County and the Volusia County School Board to set policy that will help private enterprise survive and encourage growth in a deep recession economy.

We in the building industry are not taking books and pencils from the children, or apples from the teachers. Those dollars come from other taxes. We just do not believe there should be an impact fee for new construction of schools that are not needed at this time.

The most important issue is putting private enterprise back to work. Our Volusia County leaders need to set forth policy that promotes and welcomes growth that brings business with wages that can support a family -- and craft policy that protects our existing businesses. Volusia County and Volusia School Board, please step in free enterprise's shoes prior to making policy.

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