



School impact fee collections show drop in 2007

By CHARLIE WHITEHEAD

Monday, December 17, 2007

As building permits trickle out, school funding trickles in.

The impact fee spending plan Lee County commissioners will receive from the school board Tuesday shows school impact fee collections dropping by more than \$23 million in 2007.

The \$33.2 million the schools collected on new residential building was a 41 percent drop from the \$56.7 million that came in during the 2006 fiscal year.

And it's going to get worse. The county continues to post record lows in residential permitting.

"It's going to be even lower next time," said county Community Development Director Mary Gibbs.

"Of course it's down," said Michael Reitmann, director of the Lee Building Industry Association. "There have been no building permits."

The county collects the impact fees, since only it has the authority to impose them, and forwards the money to the school board. The law requires county approval of the school's impact fee spending. Lee County commissioners adopted an ordinance implementing the fees in 2002, then fought builders in a lawsuit that still drags on.

The county won the part of the suit challenging the \$2,232 fee, however. A few years later it raised the fee to \$4,345. Consultants have begun another update that could see fees climb again.

Impact fees are collected on new building, designed to offset the impact new residents have on government services. Unlike other impact fees, school impact fees are collected only on residential construction.

Revenue increased every year. Commissioners approved the increase late in 2005, and revenue peaked the next year. Fiscal year 2006-07, which ended in October, saw the first decrease.

Reitmann and other builders said all along schools needed a stable funding source, which impact fees are not.

"We know the schools need funding, but impact fees are so limited in what they can be spent for," he said. "They've been living in an unreal situation. Eventually they're going to have to pay for schools without impact fees."

Thankfully, growth in the state's fastest growing school district has also slowed. The district expected 4,000 new students this year, but only about 1,200 new students are currently enrolled. And the numbers are expected to keep falling.

Reitmann said there were fewer residential permits pulled in November than in October, and the numbers continue to drop. No permits means no fees, he said.

"That's residential construction reality," he said. "What are they going to do for the next year-and-a-half or more?"

Gibbs said we'll know soon. The update should be done in a few months. When commissioners updated park impact fees a few months ago consultants examined growth and acquisition and construction costs and recommended a 45 percent increase. Commissioners opted to delay the increase, holding the line for a year.

That was easy, said Reitmann, but school fees?

"I think they ought to decrease or at least not raise them for a year," he said. "Forty-five percent on park impact fees is a mere pittance compared to schools."

© Naples News