Reinstate school impact fees? Not so fast, commissioners say

BROOKSVILLE — Hernando County school leaders made a passionate plea to the County Commission on Tuesday.

The district needs impact fee money, they said, to meet the stringent state class size mandate, to catch up on millions of dollars in building maintenance and replacement, to construct new classrooms and to provide technology to prepare students for the future.

The County Commission, however, had a more immediate concern: Reinstating school impact fees would hamper home builders, who have just begun to dig out of the hole created by the housing bust.

Chairman Wayne Dukes said that while it may be good to have a plan for school facility needs, impact fees — a onetime charge on new construction — would reduce the number of houses that could be built and would create "an immediate negative effect on an industry idling at best."

Commissioners voted to accept a new school impact fee study that they had partially paid for, and they set a public hearing for March 11 to consider an ordinance that keeps school impact fees at zero at least through May 2015.

The school impact fees have been suspended since November 2011, costing the school district \$3 million in lost revenue, said school district director of facilities Roland "Bo" Bavota.

"If not now, when?" superintendent Lori Romano asked commissioners. "Our children are depending on you. Our administrators are depending on you."

Tindale-Oliver & Associates CEO Steve Tindale presented the impact fee report to the commissioners. The presentation included the school district's business plan, outlining its capital needs for the next 10 years.

Those include \$30 million to build one new school, \$10 million for technology, \$133 million for maintenance and reconstruction, and nearly \$110 million to pay off old debt.

The school district has been funded in part for the past decade with a half-cent sales tax, but that levy ends this year. District officials plan to make a pitch to voters in November to replace the tax with a new one.

Tindale's report included figures for what the single-family-home impact fee would be if voters approved a new sales tax, and if voters did not. With the tax, the fee would be \$6,988; without it, it would be \$7,103.

That compares to the old school impact fee of \$4,266.

Tindale said the district had helped itself by getting ahead on classroom construction. Existing schools average only 85 percent capacity, so when more students arrive, there is room for them — for now.

While impact fees cannot be used to pay for school maintenance, they can pay for buying down debt, freeing up other capital dollars for maintenance and construction, he explained.

Commissioner Nick Nicholson said he agreed with Dukes that "this is not the time to try to kill the housing industry."

Builder Bob Eaton said impact fees would not help with the problem of declining home values in the county. Building new homes would help, he argued, raising resale prices and putting people to work.

"The problem is we are asking for money where there is none," said Mary Mazzuco, president of the Hernando Builders Association, who suggested that a half-cent sales tax and more economic development would help more than impact fees.

Diane Rowden, the lone Democrat on the commission, was the only commissioner to take the other side. The county has been fortunate to have impact fees to make infrastructure improvements, she said, and without the fees in the future, an additional burden will be placed on people who already live here and pay taxes.

Some county impact fees were put back in place in August. Those include fees for parks, libraries, public buildings, emergency services and the sheriff. Commissioners have also approved new transportation impact fees that are set to kick in Aug. 14.

A former county planning and zoning commissioner, Anthony Palmieri, said no one ever says it is time to implement impact fees.

"If you vote against (school) impact fees, you'd be voting against high-quality education in Hernando County," he told commissioners.

Then he directed his comments to the builders and Realtors in the audience.

"These people know that the school district needs the money. They just want it to come from somewhere else," he said. "They are selfish people. They only worry about their livelihood."

Rowden urged the commission to not simply reject school impact fees, suggesting that they be phased in over time.

"Don't throw the baby out with the bath water," she said.

She got no support.

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