

New idea for collecting school impact fees shows promise

Lauren Ritchie COMMENTARY

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While the **explosion** at the Blue Rhino plant in **Tavares** was hogging the news last week, Lake County School Board members quietly asked the County Commission to meet with them on a new idea for how to collect the full impact fee on new homes for schools.

Stop the presses! Is it really possible that they are working to do something right after voting to suspend collections, leaving \$23.8 million — nearly enough to build an elementary school — on the table since 2011?

The week before, School Board members bickered and voted down two recommendations that would have raised at least some of the much-needed capital for the district to pay for building new schools and renovating older ones.

Even the normally placid Superintendent Susan Moxley seemed at wits' end over the board members' inability to make up their minds.

"We cannot afford to be sitting here another year from now having this same discussion and not having some other alternative in place," she said.

They rejected two proposals to collect part of the fees and never voted on whether to ask the commission to impose the entire fee of \$10,292 for a new single-family home.

Of course, the amount is outrageous. Unfortunately, it's also valid. The figure isn't drawn from the air. Consultants take into account what's needed and what it costs to provide it and then determines the price tag per pupil. New consultants who reported to the board last week speculated that the amount might be even be a little low.

So, how was this resolved?

School Board member Bill Mathias said he asked Fishkind & Associates to help find a compromise that would satisfy two camps — those who believe that growth must pay for itself and those who fear that high impact fees would stop construction.

The Orlando consultants proposed a plan that calls for the imposition of the entire fee but delays its payment. Taking a page from The Villages playbook — Fishkind has done extensive work on successful bonds at the retirement community — the consultants offered a solution that would allow the fee to be paid over a decade or 15 years and allow payments to be passed along to the new owners if the house is sold. Such a system already is used in The Villages to pay for sewer and water and the like.

Mathias said the district could issue bonds and use the assessments to repay them.

The proposal had both sides nodding.

The plan isn't perfect, of course. Any time the district issues bonds, the cost is high. Usually, the district would end up paying back interest over 30 years that amounts to nearly a third of what it gets from the bond sale up front. Any proposal should push that interest cost onto new residents, not the ones who live here now.

Still, this is the first time that even a little movement has been detected on an elected board where several owe their positions at least partly to heavy contributions from the home-building industry. Too bad the vote to look into this option was only 3-2. Board members Debbie Stivender and Kyleen Fisher need to get on board.

"I think this will prevent us from ever ending up in the situation that we're in now because of not collecting impact fees," said Mathias.

Whoa! Slow down, Bill!

There are plenty of places for this plan to snag. For starters, should the taxing district that would need to be created to levy the impact fee include the whole county or just the parts that are growing? Then, there's the question of whether developers building humongous subdivisions should be allowed to charge less if they can build a school to the proper specifications using the fees.

It's clear that something has to be done to collect the fees. Consider that the district had to borrow \$466 million to keep up with the building boom because board members couldn't find the fortitude to charge what was necessary to construct enough schools before they were critically needed.

Finally, Mathias has turned his attention from wild ideas like arming schoolteachers with guns to the financial projects where his business expertise is best used. He gets kudos for leadership on this one, regardless of whether it works out.

This is far from ready to be presented. Mathias should keep at it. A solution may be in sight, and that would indeed be a triumph.

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