

EDITORIAL: COMMISSION FAILS IMPACT FEE MATH

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Hernando commissioners flunked basic mathematics last week when they said zero was the right answer to how much buyers of new single-family homes should contribute to building schools.

Instead of honoring the school district's request for a new, higher impact fee of nearly \$7,000 for each newly constructed single-family home, a four-person commission majority couldn't wait to kill the proposal. For good measure, they indicated they will extend the current moratorium on school impact fees at least another year.

Only Commissioner Diane Rowden saw the wisdom of investing in the public school system's \$283 million capital plan and tried unsuccessfully to phase in the fee over multiple years. The rest of the commissioners were in denial and gave short shrift to the impact fee study the commission helped finance. They should be embarrassed by their inability to grasp basic math concepts. Without the projected \$61 million in impact fee revenue over the next decade, a larger share of the cost of adding classrooms and paying off debt falls to existing property owners — including the home buyers who paid impact fees before 2009.

Impact fees, onetime charges on new construction to offset increased service demands from growth, have been used routinely by local governments since the mid 1980s to help pay for new roads, schools and other infrastructure. Hernando and other local governments reduced or eliminated the fees to try to boost residential construction after the real estate market collapse in 2008. It was a failed economic stimulus, but officials have been reluctant to buck the home-building industry and reinstitute the fees.

Commission Chairman Wayne Dukes, for instance, kept telling school district officials that the math didn't add up and that charging an impact fee during a down building cycle would produce no revenue. He should redo his calculations. Had the new impact fee been in place for all of 2013, the 246 building permits issued for new homes last year would have generated \$1.7 million for the school district, or almost one-fifth of what it needs for digital upgrades to existing schools.

Shortchanging the public school system is nothing new. Past and current commissioners ignored a 2007 study that calculated the school impact fee of \$10,000 per new single-family home; then cut the \$4,266 fee in half in 2009; then waived it entirely in 2011. Then they challenged school district officials to come up with current data before they would consider lifting the moratorium that expires in May. Presented with the updated study Tuesday, commissioners still acted unreasonably and declined to even schedule a public hearing on the proposed new impact fee.

It was unfortunate and imprudent. It means the school district's newly adopted 10-year business plan is in jeopardy, existing schools could fall into disrepair, and \$30 million worth of new classrooms are in doubt. Expecting local tax dollars to make up the entire difference is far-fetched, considering the Legislature previously mandated a 25 percent cut in the local property tax rate for school construction. The local construction tax rate, formerly set as high as \$2 per \$1,000 of assessed property value, has been capped at \$1.50 per \$1,000 since 2009.

Hernando school superintendent Lori Romano asked the commission If not now, when? Good question. Unfortunately, this commission majority can't pick any answer beyond political expediency.

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