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Collier School Board wants to reduce school impact fees by half

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NAPLES — The Collier County School Board wants to make a statement.

They hope reducing school impact fees by half is something that gets the county thinking.

The Collier County School Board voted unanimously to recommend to the Collier County Board of Commissioners to reduce school impact fees by one-half.

The move comes after several board members expressed a desire to have a say over what the district's impact fees would be. Collier County commissioners voted 4 to 1 in 2006 to increase school impact fees 200 percent, over the objections of thensuperintendent Ray Baker and board members.

The district wanted more time to complete an independent analysis and make a recommendation to commissioners.

The board's consultant at the time, Dr. James Nicholas, had suggested increasing impact fees, but at a lower rate.

School impact fees are one-time assessments imposed on new residential construction. They raise money to pay a portion of the cost of providing services to residents who move into new development. Impact fees are assessed for each new home or business built in the county and are paid by developers, who typically pass the charges on to consumers in the form of higher prices.

Collier County has 10 impact fees. The fees also are charged for roads, parks, fire departments, jail facilities, emergency medical services, government buildings and law enforcement.

The Collier County School District uses impact fees to support its capital budget. In the past three years, the district has collected between \$4.7 million and \$7.5 million for its capital budget through impact fees.

Michele LaBute, chief operations officer for the district, told board members last month the district would need to collect at least \$4 million from impact fees. The money goes towards the district's debt service, which pays for past, current and future growth.

Board member Pat Carroll asked district staff last month to look at cutting its impact fees in half and have staff do projections on what funds the district might bring in.

"We need to come to a decision," she said. "The Commissioners can approve or reject it, but that will not happen until we take a stand.

I think 50 percent is a big statement."

LaBute said using estimates, the impact of a 50 percent cut in impact fees would reduce collections to \$12.75 million over a five-year period. She said the reduction would have to be made up through the use of carry forward funds, which is possible for the first few years, but would become more difficult in years four and five.

School Board member Roy Terry also asked district staff to consider how much money it would bring in if it agreed to only collect impact fees when a structure had a certificate of occupancy.

LaBute said while the district could delay collecting impact fees until there was a certificate of occupancy, developers sometimes slow their progress towards a certificate of occupancy when looking for a buyer. The delay could eliminate or significantly reduce impact fee revenue for a year or more.

The district's recommendation Thursday was that the board delay action until receiving the analysis of the data and recommendation from the commissioners' consultant.

Superintendent Dennis Thompson urged board members to be cautious.

"We have not seen the bottom of the housing market," he said. "I know your intent is to stimulate construction, but our first responsibility is to the district."

Board member Roy Terry said he thought the board should take the leadership role in the situation. But he had a caveat and proposed that the 50 percent cut be reviewed after 24 months.

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