Developers, districts near compromise on school impact fees Proposal would collect levy when home sells

By Michael Andersen

Columbian staff writer

Two weeks after a public backlash persuaded county commissioners to scale back a proposed fee break for struggling builders, schools and developers seem to be nearing a new compromise.

Under the new proposal, schools would receive the full fees they're entitled, but not until each new home is sold to its resident.

- Under current rules, a home builder must pay all of the so-called "school impact" fee earlier in the process: just before each new house is built.
- Negotiators for both home builders and schools said Friday that they like the compromise so much that they might be in favor of applying it to all developments in the county.
- The proposal at hand, however, would only apply to projects that were approved in 2006.
- In Clark County, school impact fees range from \$1,112 per house in Vancouver school district to \$8,290 in Battle Ground school district.
- By reducing the amount of cash builders must borrow up front, the proposal would reduce some of builders' costs, said Steve Madsen of the local Building Industry Association.
- "You're six months in construction and another six months or whatever in sales, and you're having to carry the interest," Madsen said. "At least this scenario would allow them to proceed forward with infrastructure agreements and everything else without having to worry about paying."
- Todd Horenstein, assistant superintendent for facilities at Vancouver Public Schools, said that schools would benefit, too, because fees would be calculated closer to the date the homes are built.
- That way, he said, the fees would more accurately reflect school construction costs.
- It's still uncertain whether the full fee would be included as part of a home's closing costs, or whether some would still be charged when a building permit is issued.
- Horenstein said his district is also open to the idea of replacing development fees with a tax on all real estate sales, as long as schools get the same amount of money in the end.
- "There seem to be pros and cons in any other method," Horenstein said.
- Madsen and Horenstein agreed on something else, too: that under both the current and the proposed systems, school impact fees increase the price of a newly built home.

Michael Andersen: 360-735-4508 or michael.andersen@columbian.com.