



Prepaid Impact Fees May Stimulate Growth, Funding For New Schools

By LINNEA BROWN, Hernando Today

Published: March 6, 2008

BROOKSVILLE - With the Hernando County Commission's decision Tuesday to approve a two-year extension for the use of prepaid impact fees, the future is looking bright for increased funding for school infrastructure.

But the "flurry" of money coming in - and the interest it earns - probably won't occur for another couple of years, school officials predict.

Commissioners approved extending the deadline for developers to pull building permits for prepaid impact fees from June 2008 to June 2010.

Designed as a way to stimulate the economy, the move allows developers to get current impact fee rates on projects and should be a more attractive selling tool to prospective homebuyers.

Planning and zoning director Ron Pianta explained that while the county ended the practice of prepaying impact fees in 2005, officials initially extended the deadline for pulling building permits until June 2008. But with the current sluggish state of the economy, they decided to extend the deadline for another two years. But the school district's finance director, Deborah Bruggink, explained that the frenzy of prepayments probably won't occur until the deadline is a bit closer.

"I think this provision will create a flurry (later), when it gets closer to going to sunset," she said. As of June 30, the county reported that the district had \$1.9 million in prepaid impact fees. But even after the prepayments have been made, the district cannot spend any of it until it has been "earned," meaning building permits have been pulled, Bruggink said.

Even if no one is buying, Bruggink said she believes the extension for the use of prepaid impact fees - and subsequent longer opportunity to save money - may be just the incentive some developers need to start their projects.

Impact fees are one-time charges on new construction used to offset the increased demand on fundamental services such as roads, schools, parks, libraries and government buildings and services.

A person who builds a single-family home in Hernando County is currently charged \$4,266 for

the added impact to school infrastructure needs.

Collections from impact fees have also been slow. While Bruggink initially predicted the district would collect \$5.5 million this fiscal year, she has since revised her prediction to \$2.2 million. With four months to go, the district has collected \$1.6 million.

Reporter Linnea Brown can be reached at 352-544-5289 or lbrown@hernandotoday.com.

Find this article at:

<http://www2.hernandotoday.com/content/2008/mar/06/ha-prepaid-impact-fees-may-stimulate-growth-fundin>

Check the box to include the list of links referenced in the article.

©2008 Media General Inc. All Rights Reserved.

[Member agreement](#) and [privacy statement](#)