

Pasco school district questioning county's idea to slash impact fees

By RONNIE BLAIR | The Tampa Tribune

Pasco County School Board members have plenty of questions about a county commission proposal to cut or eliminate an impact fee on new construction that helps pay to build schools.

Among other things, board members want to know how much money the county has collected from impact fees since it began collecting them and how much has been collected from the Penny for Pasco sales tax since its inception in 2005.

They want to know the number of housing developments already approved in Pasco and what stage those developments are in.

"That will help us know what we have to prepare for if we have to build schools without impact fees," board member Cynthia Armstrong said during a Tuesday board meeting.

Board members are hoping to get the answers to those and other questions in time for a March 21 board workshop and well in advance of a joint meeting the board will hold with the county commission and municipalities.

A date for that joint meeting hasn't been set.

Originally, the school board and the county commission were to meet in joint session Tuesday, but the meeting was postponed so that officials from municipalities could be invited.

The county commission recently began discussing the possibility of slashing the impact fees that builders pay when new homes are built. The fees are added to the price of the home.

The idea behind impact fees is they help pay for the schools, roads, parks and other public needs that new development creates.

The school district collects a \$4,876 impact fee on each new single-family home, but the school impact fee is just one of several. The total fees for a single family home come to \$16,800.

One proposal suggested by County Commissioner Ted Schrader would have dropped the total fees to about \$6,100 on a single-family home. Under that plan, the county would eliminate impact fees for school construction, parks, libraries, fire stations and hurricane shelters. The fees would revert to the current level on Jan. 1, 2013.

The county commission also would adopt a mobility fee system that would allow it to cut transportation impact fees nearly in half.

Lynne Webb, president of United School Employees of Pasco, is cool to the idea of any reduction in the amount of impact fee money flowing to the school district.

"From USEP's perspective, we can't imagine losing any source of revenue right now," she told the school board Tuesday. "We are in one of the worst budget crises we've been in in a long time."

Superintendent Heather Fiorentino has said the school district could face a \$60 million shortfall in its general revenue fund for the 2011-12 fiscal year and layoffs are likely.

Impact fee money doesn't go into the general fund, which pays for the day-to-day operation of schools. Instead, impact fee revenue goes into a separate fund for capital expenditures. Even so, a reduction in the impact fee could still affect the general revenue fund, Webb and a school district spokeswoman said.

A portion of the capital fund is used to pay off bonds that helped finance construction of new schools in recent years. Under state law, if there's not enough money in the capital fund to pay that debt, the school district must use general revenue money.

School officials say without the impact fee, the capital fund could become depleted, forcing the district to raid the general revenue and increasing the shortfall even more.

"I cannot see putting the careers and success of homebuilders ahead of the success and stability of our public schools," Webb said.

The builders have a different perspective.

Mike Ryan, sales manager for Samuelsen Builders Realty who ran for school board last year, attended the board meeting, but didn't speak to the board. After the meeting, Ryan said he and others he has been working with in the construction industry don't want to eliminate the school impact fee, as Schrader suggested, because they recognize the school district also has funding needs.

They would like to see a reduction, though, to help developers in Pasco better compete with their counterparts in other counties and put more Pasco County residents back to work, he said.

"We're trying to stop the bleeding and the sliding property values," Ryan said.

Ryan also said that the impact fee reduction is envisioned as a short-term effort and could be returned to its current level after less than two years.

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