

The High Cost of Development – An Evaluation of the Appoquinimink School District Funding in Response to Growth

As many Delaware residents have recently read in both the State News and the News Journal concern about the **effects of residential development** is increasing throughout the state. As traffic increases, open space disappears , the air quality decreases , runoff problems spread , and school crowding impacts several districts , voters lately are taking aim . In the *Christina , Smyrna and Caesar Rodney Districts* voters have **voted down a total of (4) requests to raise their property taxes to fund new classroom space , needs directly attributed to expanding residential development .**

After **(3) votes failed in Kent County** the Levy Court began a hurried search for relief for their constituents and the affected school districts. The term **impact fee** was repeated feverishly. But there is another Delaware location where this **experiment** has already been in effect, **in New Castle County**. Below is a summary of **the results** :

Turn the clock back to **mid 1997** during the administration of New Castle County Executive Thomas P. Gordon who campaigned for election with a promise to improve land use practices .

- The result was the *Unified Development Code* , section 5.2 of which **mandated concurrency** (*requirement for infrastructure* to exist or be planned to accommodate development) for such necessities as ... schools .
- County Council approve the UDC on December 31,1997, but since the County did not operate or fund schools, a separation of enforcement created a dilemma for the housing industry.
- And in Delaware since all powers of the counties - and municipalities - derive from state legislation, **House Bill 383** was introduced as a remedy.

Passed in 1999, this bill created hope for relief for the Appoquinimink School district and the local residents who had been requested to raise their property taxes on a regular basis due to pervasive housing development in their area.

How well did it work ?

Here are some figures :

- *September 30, 1999* Appoquinimink enrollment count -**4896 students**
- Latest figures , **September 30 , 2005 - 7296 students , or an increase of 2400 .**

- How many *new buildings has Appoquinimink constructed since HB 383* ?
- **Olive B Loss Elementary School(OLE)** @ 51,384 square feet for **\$9,055,900** , or \$176.23 per square foot . **Brick Mill Elementary School (BME)**@ 65,715 square feet for **\$11,321,900**
- **Early Childhood Center(ECC)** @ 20,000 square feet for **\$4,807,500** , or \$240.37 per square foot .

How does the result of HB 383 fit into these costs ?

According to the Delaware Department of Education, **the total amount paid by housing developers in "voluntary assessment fees" for the Appoquinimink District is \$1,791,152 as of March 2006 .**

- Divide that amount by the 2400 student increase since 1999 = \$746.31
- At the per square foot cost of Appoquinimink's last (3) building projects, further calculation illustrates that construction of **between 3.1048 square feet** (the ECC cost of \$240.37) **to 4.3319 square feet PER CHILD**(the BME cost of \$172.28) was accomplished and funded through this "impact fee" legislation .
- **Impact fees collected in the Appoquinimink since HB 383 total \$1,791,152 and new school construction costs total \$25,185,300.**

Another note : **Millions** were also **spent** in Appoquinimink for the **expansion of Middletown High School - where overcrowding was graphically described in the recent News Journal series .**

This cost has not been included in the above example .

As asked in the Journal's recent series, **how much subsidy is the public providing developers** for residential expansion, who is directly affected by the codes , the laws, the fees, and **who really benefits ?**

As for our neighbors in Kent County, the State News reports indicate a new "fee" or "charge" structure may soon be in place .

As for disproportionate fee allocations produced by **HB 383** and an update for the folks in the Smyrna and Caesar Rodney Districts, appropriate content for **ARTICLE THREE, within a month, on this site .**