

***Town of Candia
New Hampshire***

Public Safety Impact Fee

Prepared for
Planning Board
Town of Candia, New Hampshire

Prepared with the assistance of the
Southern New Hampshire Planning Commission

DRAFT #1

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Town of Candia Public Safety Impact Fee

A. Purpose of Report

This report provides a basis for the Town of Candia to establish an impact fee for public safety facilities, which is assessed to new development within the community. The procedures for impact fee assessment are detailed in Section 16.03C of the Town of Candia Zoning Ordinance and the State of New Hampshire Revised Statutes Annotated (RSA) 674:21, V. The amount of the Public Safety Impact Fee is based on the methodology and impact fee schedule detailed in this report, which documents the proportional basis for the fees.

B. Authorization for Impact Fees

The establishment and assessment of impact fees are authorized by New Hampshire RSA 674:21, V. As defined in RSA 674:21, V, an impact fee is *“a fee or assessment imposed upon development, including subdivision, building construction, or other land use change, in order to help meet the needs occasioned by that development for the construction or improvement of capital facilities owned or operated by the municipality.”*

An impact fee is a one-time charge to new development, which is intended to offset the proportional impact of that new development on the costs borne by local government to provide public capital facilities. Under the provisions of RSA 674:21, V., *“public safety facilities”* are eligible for impact fee assessment.

In accordance with RSA 674:21, V(b), in order for a municipality to adopt an impact fee ordinance, it must have enacted a capital improvements program pursuant to the requirements of RSA 674:5-7. On March 20, 2024, the Town of Candia Planning Board adopted an updated Capital Improvements Program (CIP) for 2024-2029.

The provisions of RSA 674:21, V(c) require that impact fees must be *“accounted for separately, segregated from the municipality’s general fund, [and] may be spent upon order of the municipal governing body.”* In addition, impact fee revenue is *“exempt from all provisions of RSA 32 relative to limitation and expenditure of town moneys, and shall be used solely for the capital improvements for which it was collected, or to recoup the cost of capital improvements made in anticipation of the needs which the fee was collected to meet.”* Impact fees cannot be used for the costs of upgrading or maintaining existing facilities and infrastructure if those needs were not explicitly necessitated by new development.

In 2012, the New Hampshire Legislature adopted several amendments to RSA 674:21 regarding the administration of impact fees. A new subsection (l) was inserted which states that, *“No later than 60 days following the end of the fiscal year, any municipality having adopted an impact fee ordinance shall prepare a report listing all expenditures of impact fee revenue for the prior fiscal year, identifying the capital improvement project for which the fees were assessed and stating the dates upon which the fees were assessed and collected. The annual report shall enable the public to track the payment, expenditures, and status of the individually collected fees to determine whether said fees were expended, retained, or refunded.”* It shall be the Town of Candia’s responsibility to ensure that this annual reporting occurs in accordance with this legislative requirement.

C. Methodology and Approach

There are a variety of methods that may be used to calculate impact fees. The choice of a particular method depends mainly on the service characteristics of the community and planning requirements for the facility type being addressed. Each method has advantages and disadvantages, and to some extent they are interchangeable as each method must allocate facility costs in proportion to the needs created by development. In simple terms, the process of calculating impact fees involves two basic steps: determining the cost of development-related capital improvements and allocating these costs equitably to various types of development. However, the calculation of impact fees can be complex because of the many variables involved in defining the relationship between development and the need for the facilities. This report details the public need for public safety facility improvements resulting from new development within the Town of Candia.

The methodology used in calculating the Town of Candia's Public Safety impact fees involves the following seven steps:

1. Defining historical and projected population and employment growth in the Town of Candia;
2. Compiling an inventory of public safety facilities in the Town of Candia and determining the Maximum Service Population of the those facilities;
3. Calculating the proportionate share factors for residential and non-residential demand for public safety facilities in the Town of Candia;
4. Determining the total capital investment in public safety facilities in the Town of Candia;
5. Detailing the Town standards for public safety facilities based on the future service population and employment;
6. Calculating the cost/unit for public safety facility needs attributable to new residential and non-residential development in the Town of Candia; and
7. Translating the unit costs for public safety facility needs into residential and non-residential public safety impact fees.

D. Properties Benefitting from Impact Fees

The Town of Candia's public safety facilities provide all residents, workers, and visitors with the benefit of municipal public safety services. As such, both residential and non-residential land uses within the community directly benefit from the Town's public safety facilities and the services that these facilities enable.

E. Schedule of Public Safety Impact Fees

Figure 1 and Figure 2 set forth the schedule for the assessment of Public Safety impact fees for the Town of Candia for new residential and new nonresidential development, respectively.

For new residential uses, the fees are assessed on a dwelling unit basis. For new nonresidential uses, the fees are assessed based on industry type and square footage of building area.

The Town of Candia may adopt Public Safety impact fees that are less than the amounts provided in Figures 1 and 2. However, a reduction in impact fee revenue may necessitate an increase in other municipal revenues, a decrease in planned capital expenditures, and/or a decrease in the town’s service standards to address the needs for such capital facilities.

Figure 1: Public Safety Impact Fee Schedule (Residential)

Housing Type	Development Unit	Police Impact Fee (per Dwelling Unit)	Fire Impact Fee (per Dwelling Unit)	Public Safety Impact Fee (Total)
Single Family Detached	Dwelling Unit	\$287	\$311	\$597
Duplex	Dwelling Unit	\$240	\$260	\$499
Multi-Family (3+ Units)	Dwelling Unit	\$187	\$203	\$390
Manufactured Housing	Dwelling Unit	\$229	\$248	\$477

Figure 2: Public Safety Impact Fee Schedule (Nonresidential)

Nonresidential Development Type	Development Unit	Police Impact Fee (per SF)	Fire Impact Fee (per SF)	Public Safety Impact Fee (Total)
General Retail	SF	\$0.09	\$0.10	\$0.19
Restaurants/Food Service	SF	\$0.23	\$0.24	\$0.47
Office	SF	\$0.21	\$0.23	\$0.44
Educational Services	SF	\$0.08	\$0.09	\$0.17
Industrial, Warehousing, and Distribution	SF	\$0.05	\$0.05	\$0.10
Lodging and Accommodation	SF	\$0.05	\$0.05	\$0.10
Health Care	SF	\$0.18	\$0.19	\$0.37
Religious Worship	SF	\$0.04	\$0.04	\$0.08
Other Services (except Public Administration)	SF	\$0.08	\$0.09	\$0.17

Notes/Sources:

1) Based on mean square feet per worker by industry as determined in the U.S. Energy Information Administration's 2018 Commercial Building Energy Consumption Survey.

It is recommended that the schedule of Public Safety impact fees as shown in Figures 1 and 2 be reviewed and adjusted as necessary by the Candia Planning Board every three (3) years.

F. Town of Candia Growth Trends and Projections

The Town of Candia has experienced substantial population growth from the post-World War II period to the present. In the 50-year period from 1950 to 2000, the Town more than tripled in population from 1,243 residents in 1950 to 3,922 in 2000. While the Town continues to attract in-migration as a driver of population growth, this growth is being partially offset by the natural decline of the aging population. As shown in Figure 3 below, based on projections developed by the NH Office of Planning and Development, the Town of Candia is projected to grow from a population 4,013 in 2020 to a population of 4,478 in 2040.

The Town of Candia is situated within the Southern New Hampshire Planning Commission (SNHPC) region. The New Hampshire Employment Security Department (NHES) provides employment projections at the statewide, county, and regional planning commission level. The projections provided at the regional planning commission level provide the most granularity. Over the coming decade (2020-2030), NHES projects that employment in the SNHPC region will increase by 9.8%. It is assumed that employment growth in the Town of Candia will mirror the SNHPC region as a whole and that the ratio of population to employment in the Town of Candia will remain steady.

Figure 3: Town of Candia Growth Projections

Population	Historical Data ^{1,2}			Projection ^{3,4}	
	2000	2010	2020	2030	2040
Town of Candia Population	3,939	3,909	4,013	4,333	4,478

Employment	Historical Data ^{1,2}			Projection ^{3,4}	
	2000	2010	2020	2030	2040
Town of Candia Employment	N/A	679	789	866	895

Notes/Sources:

- 1) Historical population data based on U.S. Census figures.
- 2) Employment based on U.S. Census Longitudinal Employer-Household Dynamics data.
- 3) Population projection for 2030 based on NH Office of Planning and Development data prepared by RLS Demographics, Inc.
- 4) Employment projection for 2030 based on NH Employment Security projections for the SNHPC region. Employment growth in the Town of Candia is assumed to be in line with the SNHPC region as a whole. Employment projection for 2040 assumes the population/jobs ratio from 2030 remains steady.

Town of Candia Household Size

There are four primary types of housing units in the Town of Candia: 1) Single-family Detached; 2) Duplex (two attached units); 3) Multi-family (3+ units); and 4) Manufactured Housing. The estimated number of persons per housing unit (i.e. household size) for each of these housing types in the Town of Candia is detailed in Figure 4 below.

Figure 4: Household Size (by Housing Type) in the Town of Candia

Housing Type	Estimated Number of Persons/Unit
Single-Family Detached	2.62
Duplex	2.19
Multi-Family (3+ Units)	1.71
Manufactured Housing	2.09

Notes/Sources:

1) Derived from 2020 U.S. Census and 2022 American Community Survey 5-year data.

G. Candia Public Safety Facilities Data and Determination of Maximum Service Capacity

Police Station

The Candia Police Department is currently housed in a 1,900 SF space within the Candia Town Office building (74 High Street). The existing Police Department facility has significant space and safety deficiencies. Police Department staff advise that officers cannot safely process a prisoner, there are no holding cells, the windows are not safety glass, the doors are not secure between the Town Office and Police Station portions of the building, the lobby is inadequate for the public, the ventilation system is inadequate for evidence storage, and there are no showers or locker rooms.

To address these police station deficiencies and accommodate future needs resulting from community growth, a Safety Facility Committee was formed in September 2020. Since that time, the Safety Facility Committee has engaged architecture professionals with public safety expertise to determine the Candia Police Department’s future space needs. Through this process, the Safety Facility Committee has proposed that a new 4,464 SF police station be constructed. At the 2022 Candia Town Meeting, voters approved the purchase of land on Raymond Road where the new Candia Police Station would be constructed. The Town of Candia’s Capital Improvements Program (CIP) for 2024-2029 includes \$2,500,000 for the construction of this facility.

While the existing police department space is undersized relative to both current demand and modern design considerations, the proposed new police station will also accommodate future community growth and development as discussed further in **Section I** of this report. The Town of Candia Police Department currently serves a population of 4,013 with five (5) full-time sworn officers and two (2) part-time sworn officers. It is estimated that the future police station would allow seven (7) full-time police officers. It is further assumed, for the purpose of this impact fee assessment, that the ratio of full-time officers to population and employment in the Town of Candia will remain constant.

As such, it is estimated that the new police station could serve a maximum town population of 5,618 and maximum town employment of 1,105 as detailed in Figure 5 below.

Figure 5: Town of Candia Police Station Maximum Service Population and Employment

Facility	Existing Conditions			Future Conditions			
	Existing SF	Town Population	Existing FT Officers	Future SF	Est. Max. FT Officers Served by New Facility	Est. Max. Service Population	Est. Max. Service Employment
Police Station	1,900	4,013	5	4,464	7	5,618	1,105

Fire Station and Major Vehicles/Apparatus

The Candia Fire Department is currently housed in a 6,160 SF building located at 11 Deerfield Road. The existing fire station has significant space and safety deficiencies. Fire Department staff advise that the station has no ventilation system for vehicle exhaust, no storage area for protective clothing, no decontamination area, insufficient workspace for equipment repairs, no sprinkler system, inadequate floor drainage, no washing apparatus for the equipment, inadequate door height for fire equipment, inadequate heating and water pressure, no office space or meeting area, and no handicap access.

To address these deficiencies and accommodate future needs resulting from community growth, the Candia Fire Department has proposed a renovation of the fire station, including the addition of a new 1,100 SF bay on north side of the building. The Town of Candia’s Capital Improvements Program for 2024-2029 includes \$850,000 for the construction of these improvements. This addition would not address all of the deficiencies with the fire station but would address the most urgent issues by providing shower facilities, a decontamination area, and space for additional apparatus to be stored inside.

While the existing fire station is undersized relative to both current demand and modern design considerations, the pending addition is expected to accommodate future community growth and development as discussed further in **Section I** of this report. It is estimated that the improved fire station could serve a maximum town population of 4,478 and a maximum town employment of 895, commensurate with the Town of Candia’s 2040 projections as detailed in Figure 6A below.

Figure 6A: Town of Candia Fire Station Maximum Service Population and Employment

Facility	Existing Conditions		Future Conditions		
	Existing SF	Town Population	Future SF	Est. Max. Service Population (2040)	Est. Max. Service Employment (2040)
Fire Station	6,160	4,013	7,260	4,478	895

The Candia Fire Department’s rolling stock of vehicles and major apparatus consists of three engines, a structural tanker, forestry truck, a utility pickup, a utility UTV, and two ambulances. The Town of Candia’s Capital Improvements Program (CIP) for 2024-2029 includes the replacement of Engine #1 and Ambulance #1. Other than these vehicle replacements, no significant expansions of the fleet are anticipated to occur during the 2024-2029 CIP horizon as detailed in Figure 6B below.

Figure 6B: Town of Candia Fire Vehicles and Major Apparatus Inventory

Vehicles and Major Apparatus	Existing Inventory	Replacements Needed to Accommodate New Development	
		During CIP Period (2024-2029)	Beyond CIP Period
Engine #1	1	1	N/A
Engine #2	1	0	N/A
Engine #3	1	0	N/A
Forestry Truck	1	0	N/A
Tanker	1	0	N/A
Utility Pickup	1	0	N/A
Utility UTV	1	0	N/A
Ambulance #1	1	1	N/A
Ambulance #2	1	0	N/A

H. Residential and Nonresidential Proportionate Share Factors

A series of proportionate share factors are used to allocate public safety facility costs to residential and nonresidential development within the community. These factors include the community’s functional (“daytime”) population, the community’s jobs/population ratio, and the community’s relative share of assessed valuation.

To estimate the proportionate share based on functional (“daytime”) population, there are factors which are used in this impact fee analysis to account for time spent at either residential or nonresidential development within the community as follows:

- Residents who are not participating in the labor force (e.g. retired, etc.) and unemployed residents are assigned 20 hours per day to residential development and 4 hours per day to nonresidential development (annualized averages).
- Employed residents (including those who work in the Town of Candia and those who work outside of the Town of Candia) are assigned 14 hours to residential development and 10 hours to nonresidential development.
- Nonresident workers are assigned 10 hours to nonresidential development.

Given the Town of Candia’s population of 4,013 persons and the analysis presented in Figure 7 below, the proportionate share of the Town’s functional (“daytime”) population for residential development is 82.4% while nonresidential development is 17.6% percent.

Figure 7: Town of Candia Functional (“Daytime”) Population

Town of Candia "Daytime" Population Analysis			
Town Population (Total) ¹	4,013		
Residential Proportionate Share Analysis	Population	Residential Demand (Hours/Day)	Residential Person Hours (Townwide/Day)
Residents Employed in Candia ²	120	14	1,680
Residents Employed Outside of Candia ²	2,395	14	33,530
Unemployed Residents ³	104	20	2,087
Residents Not Participating In Labor Force	1,394	20	27,873
Residential Person Hours (Subtotal)			65,170
Nonresidential Proportionate Share Analysis	Population	Nonresidential Demand (Hours/Day)	Nonresidential Person Hours (Townwide/Day)
Residents Employed in Candia ²	120	10	1,200
Unemployed Residents ³	104	4	417
Residents Not Participating In Labor Force	1,394	4	5,575
Nonresident Workers (Inflow Commuters) ²	669	10	6,690
Nonresidential Person Hours (Subtotal)			13,882
Total Residential + Nonresidential Person Hours			79,052
Residential Proportional Share			82.4%
Nonresidential Proportional Share			17.6%

Notes/Sources:

- 1) Based on the 2020 U.S. Census.
- 2) Based on U.S. Census Longitudinal Employer-Household Dynamics data.
- 3) Unemployment rate for Rockingham County of 2.6% as reported by NH Employment Security.

By averaging the “daytime population” information above, along with the townwide jobs/population ratio (based on the 2020 figures presented in Figure 3) and relative shares of assessed valuation for residential and nonresidential properties, Figure 8 below presents the proportionate share determination for the Town of Candia’s public safety facilities.

Figure 8: Town of Candia Public Safety Proportionate Share Determination

Town of Candia Public Safety Proportionate Share Determination				
	Daytime Population	Jobs to Population Ratio¹	Share of Assessed Valuation²	Average
Residential	82.4%	83.6%	84.8%	83.6%
Nonresidential	17.6%	16.4%	15.2%	16.4%

Notes/Sources:

- 1) Jobs to Population Ratio based on 789 jobs and a population of 4,013 in the Town of Candia.
- 2) Derived from Town of Candia assessing data. Nonresidential valuation share includes tax exempt nonresidential properties.

As shown in Figure 8 above, the overall proportionate share for public safety facilities for residential development is calculated to be **83.6%** while nonresidential development is calculated to be **16.4%** percent.

I. Capital Investment in Public Safety Facilities

Police Station

As detailed in Figure 9A below, the replacement cost of the Candia Police Station is estimated to be \$2,500,000 based on current construction cost estimates detailed in the Town of Candia’s 2024-2029 Capital Improvements Program. The town has also identified a capital improvement need for the police department during the 2024-2029 CIP period totaling \$35,000 for replacement of the body camera system. As such, the total capital investment in the Candia Police Station is estimated to be \$2,535,000.

However, because the existing police station is undersized relative to both current demand and modern design considerations, a substantial portion of the cost of the new police station is required to replace existing space and meet current needs. The proportion of total investment in the new police station attributable to current needs is estimated to be 71% and the proportion attributable to new development is estimated to be 29%. This estimate is based on station square footage per full-time officer. Based on the needs assessment work completed by the Candia Safety Facility Committee and the assumption that seven (7) full-time officers could be accommodated in the new police station, it is estimated that each full-time offer requires approximately 638 SF of space. Therefore, the current roster of 5 full-time police officers serving the Town’s existing population would require 3,189 SF of space to meet current needs (or 71% of the proposed 4,464 SF facility).

As such, the amount of police facility investment attributable to new development in the Town of Candia is estimated to be \$735,150 as detailed in Figure 9 below.

Figure 9: Town of Candia Capital Investment in Police Facilities

Town of Candia Police Station Investments						
Facility	Existing SF	Future SF	Improvement Needs (During CIP Period)	Improvement Costs ¹	Improvement Costs Allocable to New Development ²	Total
Police Station	1,900	4,464	New Police Station, Body Camera System	\$2,535,000	\$735,150	\$735,150
Total	1,900	4,464				\$735,150

Notes/Sources:

- 1) Improvement Costs from the Town of Candia 2024-2029 Capital Improvements Program.
- 2) It is assumed that 29% of the cost of the new police station is attributable to new development based on the Candia Police Department's space needs per full-time officer.

Fire Station and Major Vehicles/Apparatus

As detailed in Figure 10 below, the replacement cost of the existing Candia Fire Station (with its contents) is estimated to be \$526,100 based on insurance records. The town has also identified capital improvement needs for the fire department during the 2024-2029 CIP period totaling \$850,000. These improvement needs include a fire station renovation and addition as previously discussed in **Section G** of this report. As such, the total capital investment in the Candia Fire Station is estimated to be \$1,376,100.

However, because the existing fire station is undersized relative to both current demand and modern design considerations, a substantial portion of the cost of the new fire station renovation and addition is required to replace existing space and meet current needs. The proportion of total investment in the improved fire station attributable to current needs is estimated to be 91% and the proportion attributable to new development is estimated to be 9%. This estimate is based on station square footage per full-time fire department staff member. Based on the assumption that a fire department staff of eleven (11) could be accommodated in the improved fire station, it is estimated that each staff member requires an average of 660 SF of space. Therefore, the current roster of 10 fire department staff serving the Town's existing population would require 6,600 SF of space to meet current needs (or 91% of the proposed 7,260 SF facility).

Additionally, the Candia Fire Department's rolling stock consists of three engines, a forestry truck, a tanker, a utility pickup, a utility UTV, and two ambulances. The replacement cost of each of these vehicles differs and is presented in Figure 10 below. While the Town of Candia's 2024-2029 CIP does include replacement of Engine #1 and Ambulance #1, an expansion of the fleet is not anticipated during the CIP horizon. Based on replacement values provided by the Candia Fire Chief, the total investment in the Candia Fire Department rolling stock is estimated to be \$3,935,000.

Since the Town's existing capital investment in fire vehicles and major apparatus benefits new development, recoupment of a portion of these capital costs is allowable. Based on projected fire service

calls for the estimated maximum service population and employment previously detailed in Figure 6A of this report, it is assumed that the proportion of total investment in fire vehicles and major apparatus attributable to current needs is 87% and the proportion attributable to new development is 13% as detailed in Figure 10 below.

Figure 10: Town of Candia Capital Investment in Fire Facilities

Town of Candia Fire Station Investments							
Facility	Existing SF	Future SF	Replacement Cost (Existing Station) ⁴	Improvement Needs (During CIP Period)	Improvement Costs ¹	Total Facility Investments	Investments Allocable to New Development ²
Fire Station	6,160	7,260	\$526,100	Fire Station Renovation and Addition	\$850,000	\$1,376,100	\$123,849
Total		7,260	\$526,100		\$850,000	\$1,376,100	\$123,849
Town of Candia Fire Vehicles and Major Apparatus Investments							
Vehicles and Major Apparatus	Existing	Replacement Cost	Improvement Needs (During CIP Period)	Improvement Costs	Total Facility Investments	Investments Allocable to New Development ²	
Engine #1	1	\$900,000	Replacement	N/A	\$900,000	\$117,000	
Engine #2	1	\$900,000	N/A	N/A	\$900,000	\$117,000	
Engine #3	1	\$500,000	N/A	N/A	\$500,000	\$65,000	
Forestry Truck	1	\$150,000	N/A	N/A	\$150,000	\$19,500	
Tanker	1	\$500,000	N/A	N/A	\$500,000	\$65,000	
Utility Pickup	1	\$50,000	N/A	N/A	\$50,000	\$6,500	
Utility UTV	1	\$35,000	N/A	N/A	\$35,000	\$4,550	
Ambulance #1	1	\$450,000	Replacement	N/A	\$450,000	\$58,500	
Ambulance #2	1	\$450,000	N/A	N/A	\$450,000	\$58,500	
Total	9	\$3,935,000			\$3,935,000	\$511,550	

Notes/Sources:

- 1) Improvement Costs from the Town of Candia 2024-2029 Capital Improvements Program.
- 2) It is assumed that 9% of the cost of the improved fire station is attributable to new development based on an estimate of the Candia Fire Department's space needs per staff member.
- 3) It is assumed that 13% of the Town of Candia's investment in fire vehicles and major apparatus is allocable to new development based on projected fire service calls for the maximum service population and employment.
- 4) Replacement cost of Fire Station based on Town of Candia insurance records.

Based on the capital investment data presented in Figure 9 and Figure 10 above, the cost per unit attributable to new development for the Town of Candia’s police and fire facilities can be calculated as presented in Figure 11A and Figure 11B below.

Figure 11A: Town of Candia Capital Investment in Police Facilities Allocable to New Development (Cost/Unit Summary)

Town of Candia Police Station Investments				
Facility	Total Cost Allocable to New Development	Units		Cost/Unit
Police Station	\$735,150	4,464	SF	\$165
Total	\$735,150			\$165

Figure 11B: Town of Candia Capital Investment in Fire Facilities Allocable to New Development (Cost/Unit Summary)

Town of Candia Fire Station Investments				
Facility	Total Cost Allocable to New Development	Units		Cost/Unit
Fire Station	\$123,849	7,260	SF	\$17
Total	\$123,849			\$17

Town of Candia Fire Vehicles and Major Apparatus Investments				
Vehicles and Major Apparatus	Total Cost Allocable to New Development	Units (Vehicles)		Cost/Unit
Engine #1	\$117,000	1	Each	\$117,000
Engine #2	\$117,000	1	Each	\$117,000
Engine #3	\$65,000	1	Each	\$65,000
Forestry Truck	\$19,500	1	Each	\$19,500
Tanker	\$65,000	1	Each	\$65,000
Utility Pickup	\$6,500	1	Each	\$6,500
Utility UTV	\$4,550	1	Each	\$4,550
Ambulance #1	\$58,500	1	Each	\$58,500
Ambulance #2	\$58,500	1	Each	\$58,500
Total	\$511,550	9		\$56,839

J. Service Standards for Public Safety Facilities

Police Station

A central component of this impact fee methodology is defining the Town’s service standards for public safety facilities. As detailed in previous sections of this report, it is anticipated that the Town’s new police facilities can accommodate an estimated future service population of 5,618 and an estimated future service employment of 1,105. The Town of Candia’s police facility service standards are presented in Figure 12A below.

Figure 12A: Town of Candia Police Facility Service Standards

Candia Police Station	Proportionate Service Demand	Demand on Police Station Space		Future Service Population and Employment	Units	Service Standard (SF/Unit)
Residential	83.6%	3,732	SF	5,618	Person	0.66
Nonresidential	16.4%	732	SF	1,105	Job	0.66

The preceding items calculated in this report are used to determine the Cost/Unit for police facilities attributable to new development in the Town of Candia. Specifically, the service standard (Figure 12A) is multiplied by the cost/unit for police facilities (Figure 11A) to determine the cost/person (residential) and cost/job (nonresidential) for new development in each category. This calculation is presented in Figure 12B below.

Figure 12B: Determination of Police Facility Cost/Unit Attributable to New Development

Candia Police Station	Units	Service Standard (SF/Unit)	Cost/SF	Cost/Unit
Residential	Person	0.66	\$165	\$109
Nonresidential	Job	0.66	\$165	\$109
Total Residential (Per Person)				\$109
Total Nonresidential (Per Job)				\$109

Fire Station and Major Vehicles/Apparatus

Defining the Town’s service standards for fire facilities follows the same process as for police facilities. As detailed in previous sections of this report, it is anticipated that the Town’s existing and planned fire facilities can accommodate an estimated future service population of 4,478 and an estimated future service employment of 895. The Town of Candia’s fire facility service standards are presented in Figure 13A below.

Figure 13A: Town of Candia Fire Facility Service Standards

Candia Fire Station	Proportionate Service Demand	Demand on Fire Station Space		Future Service Population and Employment	Units	Service Standard (SF/Unit)
Residential	83.6%	6,070	SF	4,478	Person	1.36
Nonresidential	16.4%	1,190	SF	895	Job	1.33
Candia Fire Vehicles and Major Apparatus	Proportionate Service Demand	Demand on Fire Rolling Stock		Future Service Population and Employment	Units	Service Standard (Rolling Stock/1,000 Units)
Residential	83.6%	7.52	Each	4,478	Person	1.68
Nonresidential	16.4%	1.48	Each	895	Job	1.65

Again, the preceding items calculated in this report are used to determine the Cost/Unit for fire facilities attributable to new development in the Town of Candia. Specifically, the service standard (Figure 13A) is multiplied by the cost/unit for fire facilities (Figure 11B) to determine the cost/person (residential) and cost/job (nonresidential) for new development in each category. This calculation is presented in Figure 13B below.

Figure 13B: Determination of Fire Facility Cost/Unit Attributable to New Development

Candia Fire Station	Units	Service Standard (SF/Unit)	Cost/SF	Cost/Unit
Residential	Person	1.36	\$17	\$23
Nonresidential	Job	1.33	\$17	\$23
Candia Fire Vehicles and Major Apparatus	Units	Service Standard (Rolling Stock/1,000 Units)	Cost/Rolling Stock	Cost/Unit
Residential	Person	1.68	\$56,839	\$96
Nonresidential	Job	1.65	\$56,839	\$94
Total Residential (Per Person)				\$119
Total Nonresidential (Per Job)				\$116

K. Credit Evaluation

The Town of Candia does not have any outstanding property tax-backed debt for public safety facility improvements, and therefore no credit is included in this impact fee analysis.

L. Residential Impact Fees for Public Safety Facilities

Figures 14A (Police) and 14B (Fire) below provide the schedule of impact fees by housing unit type for residential development based on the capital cost per person for police (Figure 12B) and fire (Figure 13B) multiplied by persons per housing unit.

Figure 14A: Residential Impact Fees for Police Facilities

Housing Type	Development Unit	Estimated Number of Persons/Unit	Cost/Person	Police Impact Fee (per Dwelling Unit)
Single Family Detached	Dwelling Unit	2.62	\$109	\$287
Duplex	Dwelling Unit	2.19	\$109	\$240
Multi-Family (3+ Units)	Dwelling Unit	1.71	\$109	\$187
Manufactured Housing	Dwelling Unit	2.09	\$109	\$229

Figure 14B: Residential Impact Fees for Fire Facilities

Housing Type	Development Unit	Estimated Number of Persons/Unit	Cost/Person	Fire Impact Fee (per Dwelling Unit)
Single Family Detached	Dwelling Unit	2.62	\$119	\$311
Duplex	Dwelling Unit	2.19	\$119	\$260
Multi-Family (3+ Units)	Dwelling Unit	1.71	\$119	\$203
Manufactured Housing	Dwelling Unit	2.09	\$119	\$248

The residential police and fire impact fees can then be consolidated into a single public safety impact fee as presented in Figure 15 below.

Figure 15: Town of Candia Public Safety Impact Fees (Residential)

Housing Type	Development Unit	Police Impact Fee (per Dwelling Unit)	Fire Impact Fee (per Dwelling Unit)	Public Safety Impact Fee (Total)
Single Family Detached	Dwelling Unit	\$287	\$311	\$597
Duplex	Dwelling Unit	\$240	\$260	\$499
Multi-Family (3+ Units)	Dwelling Unit	\$187	\$203	\$390
Manufactured Housing	Dwelling Unit	\$229	\$248	\$477

M. Nonresidential Impact Fees for Public Safety Facilities

Figures 16A (Police) and 16B (Fire) below provide the schedule of impact fees by square foot for nonresidential development based on the capital cost per job for police (Figure 12B) and fire (Figure 13B) multiplied by the average number of jobs per square foot for nonresidential development.

Figure 16A: Nonresidential Impact Fees for Police Facilities

Nonresidential Development Type	Development Unit	Average SF/Job	Average Jobs/SF	Cost/Job	Police Impact Fee (per SF)
General Retail	SF	1,211	0.0008	\$109	\$0.09
Restaurants/Food Service	SF	479	0.0021	\$109	\$0.23
Office	SF	508	0.0020	\$109	\$0.21
Educational Services	SF	1,319	0.0008	\$109	\$0.08
Industrial, Warehousing, and Distribution	SF	2,214	0.0005	\$109	\$0.05
Lodging and Accommodation	SF	2,291	0.0004	\$109	\$0.05
Health Care	SF	603	0.0017	\$109	\$0.18
Religious Worship	SF	2,767	0.0004	\$109	\$0.04
Other Services (except Public Administration)	SF	1,351	0.0007	\$109	\$0.08

Notes/Sources:

1) Based on mean square feet per worker by industry as determined in the U.S. Energy Information Administration's 2018 Commercial Building Energy Consumption Survey.

Figure 16B: Nonresidential Impact Fees for Fire Facilities

Nonresidential Development Type	Development Unit	Average SF/Job	Average Jobs/SF	Cost/Job	Fire Impact Fee (per SF)
General Retail	SF	1,211	0.0008	\$116	\$0.10
Restaurants/Food Service	SF	479	0.0021	\$116	\$0.24
Office	SF	508	0.0020	\$116	\$0.23
Educational Services	SF	1,319	0.0008	\$116	\$0.09
Industrial, Warehousing, and Distribution	SF	2,214	0.0005	\$116	\$0.05
Lodging and Accommodation	SF	2,291	0.0004	\$116	\$0.05
Health Care	SF	603	0.0017	\$116	\$0.19
Religious Worship	SF	2,767	0.0004	\$116	\$0.04
Other Services (except Public Administration)	SF	1,351	0.0007	\$116	\$0.09

Notes/Sources:

1) Based on mean square feet per worker by industry as determined in the U.S. Energy Information Administration's 2018 Commercial Building Energy Consumption Survey.

The nonresidential police and fire impact fees can then be consolidated into a single public safety impact fee as presented in Figure 17 below.

Figure 17: Town of Candia Public Safety Impact Fees (Nonresidential)

Nonresidential Development Type	Development Unit	Police Impact Fee (per SF)	Fire Impact Fee (per SF)	Public Safety Impact Fee (Total)
General Retail	SF	\$0.09	\$0.10	\$0.19
Restaurants/Food Service	SF	\$0.23	\$0.24	\$0.47
Office	SF	\$0.21	\$0.23	\$0.44
Educational Services	SF	\$0.08	\$0.09	\$0.17
Industrial, Warehousing, and Distribution	SF	\$0.05	\$0.05	\$0.10
Lodging and Accommodation	SF	\$0.05	\$0.05	\$0.10
Health Care	SF	\$0.18	\$0.19	\$0.37
Religious Worship	SF	\$0.04	\$0.04	\$0.08
Other Services (except Public Administration)	SF	\$0.08	\$0.09	\$0.17

Notes/Sources:

1) Based on mean square feet per worker by industry as determined in the U.S. Energy Information Administration's 2018 Commercial Building Energy Consumption Survey.

N. Public Safety Impact Fee Assessment Procedure for Accessory Dwelling Units

Given that ADUs in the Town of Candia are limited to owner-occupied single-family residential properties, and that both NH RSA 674:71 and the Town of Candia Zoning Ordinance establish that an internal or attached ADU is an extension of a single-family residential use of a parcel, it is therefore most appropriate to derive the impact fee for ADUs as an extension of the single-family residential impact fee assessment. Accordingly, the procedure detailed herein considers an ADU's living area as a proportionate increase in the living area of an existing single-family parcel.

The methodology for determining the appropriate Public Safety Impact Fee for an ADU in the Town of Candia involves two steps as detailed below.

1. *Deriving a per square foot Public Safety Impact Fee for single-family residential development by using the average living area of a single-family home in the Town of Candia.*

Based on the Town's current assessing database, the average living area of a single-family home in the Town of Candia is **1,932 SF**. This figure can be used to calculate the per square foot Public Safety Impact Fee for single-family residential development as detailed in the table below.

Impact Fee Category	Single-Family Residential Impact Fee (Per Dwelling Unit)	Average Single-Family Home Size in the Town of Candia (SF)	Single-Family Residential Impact Fee (Per Square Foot)
Public Safety	\$597	1,932	\$0.31

2. *Applying the per square foot fee to the living area created by adding the ADU.*

The per square foot single-family Public Safety Impact Fee of **\$0.31/SF** calculated above can then be applied to the living area of the ADU.

Overall, this per square foot methodology enables more flexibility for assessing impact fees to ADUs in the Town of Candia. For instance, a 500 SF studio ADU would be assessed a lower impact fee than a 750 SF one-bedroom ADU. Thus, the difference in the assessed impact fees logically reflects the difference in each ADU’s probable impacts.

O. Additional Administrative Considerations

The residential impact fee schedule presented herein is applied, by type of structure, to any new construction or conversion activity that results in a net increase in the number of dwelling units within the Town of Candia. The nonresidential impact fee schedule presented herein is applied to new/increased square footage in floor area by nonresidential development type.

Conversions and Additions

In cases where a conversion or addition to a structure changes the number of dwelling units within the structure to a new housing type classification, the impact fee may be computed by calculating the impact fee for the new use and number of units and subtracting the fee that would have applied to the existing development if it were new.

For example, if a single-family detached home were converted to a duplex:

$$\begin{array}{rcl} \text{Impact Fee for Duplex housing type (2 units @ \$499)} & = & \$ 998 \\ \text{Less Impact Fee amount for Single-Family unit} & = & \underline{(\$ 597)} \\ & & \$ 401 \end{array}$$

By applying this procedure, the baseline impact already present in the form of an existing single-family home is considered. The conversion is then assessed only for the incremental impact generated by the change. In order to address these and other similar types of conversions and additions, the Town of Candia will be responsible for working with the fee-payer during the building permit process.

Updating the Fee Schedule

The impact fee methodology has been designed to allow for future updates or modification of the underlying assumptions. It is recommended that the variables in the impact fee model be updated based on new information and documentation to produce revised impact fee amounts every three (3) years. Updates to the fee schedule using the methodology described in this report should be made after consideration of all of the variables involved, as some of these elements are interdependent.

Assessment/Collection of the Impact Fees

The Town of Candia’s Public Safety impact fees represent a *one-time charge* collected at the point where new residential dwelling units or new nonresidential square footage is authorized by building

permit. As such, this methodology recognizes each new dwelling unit or new nonresidential square footage as a permanent addition to the base of demand placed on the Town of Candia's public safety facilities and recognizes that the use and need for facility improvements may vary by type of dwelling unit and nonresidential use within the community.

These requirements, however, do not prevent the Town of Candia and the assessed party from establishing an alternate, mutually acceptable schedule of payment of impact fees in effect at the time of subdivision plat or site plan approval by the Town of Candia Planning Board. If an alternative schedule of payment is established, the Town of Candia may require developers to post bonds, issue letters of credit, accept liens, or otherwise provide suitable measures of security so as to guarantee future payment of the assessed impact fees in accordance with RSA 674:21.

The actual implementation of this impact fee methodology and the resulting fee matrix developed herein are subject to the provisions of Section 16.03C of Town of Candia Zoning Ordinance. While this methodology establishes a rational basis for determining proportionate dollar amounts for impact fees that could be assessed for public safety facilities, the impact fees to be assessed and collected must be implemented primarily to ensure that adequate public facilities remain available to accommodate new development and to secure more of the revenues needed for such facilities at the time new development takes place.

Additionally, the Town of Candia Planning Board should continue to update the municipal Capital Improvements Program (CIP) on an annual basis to ensure that the revenues collected through adoption of this impact fee schedule are spent by the town within six years of collection and that the public safety facility needs outlined in the CIP remain consistent with the funding appropriated for them.

All impact fees assessed and collected by the Town of Candia must be spent within six years, otherwise the town is legally bound under RSA 674:21, V(e) to refund the fees with any accrued interest.

P. References and Acknowledgements

The following reference sources contributed to the development of this document.

- *Town of Chester Police and Fire Impact Fees* prepared by the Southern New Hampshire Planning Commission, July 2022.
- *Impact Fee Development – A Handbook for NH Communities* prepared by the Southern New Hampshire Planning Commission, 1999.

Additionally, the Southern New Hampshire Planning Commission recognizes the work of Bruce Mayberry of BCM Planning, LLC in Yarmouth, Maine. Mr. Mayberry's work on the development of impact fee methodologies has influenced not only the development of this document, but similar efforts for communities around Northern New England.