



CITY OF CONCORD

REPORT TO THE MAYOR AND CITY COUNCIL

FROM: Heather Shank, Assistant City Planner

DATE: December 1, 2015

SUBJECT: Proposed Amendments to the Public Capital Facilities Impact Fee Ordinance

Recommendations

Set a public hearing to adopt an amendment to Chapter 29.2, Public Capital Facilities Impact Fee Ordinance, adding “Senior Housing” as a residential use category to the Transportation Facilities Impact Fee Table, adding “Senior Housing” to the Public Facilities Impact Fees Definition section, adding criteria for utilizing the Senior Housing category, and revising the waivers section to allow any qualifying age-restricted housing development to request a waiver from the School Facilities Impact Fee.

Background

The Public Capital Facilities Impact Fee Ordinance was adopted in June 2001. The use categories and calculations listed were originally generated from a study done by VHB et al. in May 2001 (Concord Impact Fee Feasibility Analysis), which included a traffic impact fee for senior housing. At the time, there were few senior housing developments in Concord, and the national sample size used to generate the fee amount was relatively small. As a result, City Council chose to omit the senior housing category from the impact fee ordinance. Subsequent senior housing developments were assessed traffic impact fees based on the standard residential use development types (i.e., multi-family, duplex, single-family).

At this time, we have several senior housing developments in Concord, with more anticipated due to aging demographics. While sample sizes are still small relative to long standing residential use categories, there are now more studies to support VHB’s original recommendation. The studies indicate that vehicle trips generated from age restricted housing are far less than for non-age restricted housing, regardless of development type. A residential use category for senior housing would more accurately reflect the lower levels of traffic generated by age restricted housing.

In addition, research was gathered to identify trends in administering school facilities impact fees, specifically, application of waiver requests for age restricted housing.

Discussion – Senior Housing

Currently, an application for an age restricted multifamily housing development is charged the same traffic impact fee as a non-age restricted development, or approximately \$1,450 per dwelling unit for a multifamily development. However, according to the ITE (Institute of Transportation Engineers) Trip Generation Manual, an age-restricted development is estimated to generate about half the number of vehicle trips. The VHB recommendation for a similar development is approximately \$850 (adjusted for inflation in accordance with the City of Concord Impact Fee Ordinance).

Amending the ordinance to more accurately reflect the trip generation studies distributes the burden of transportation infrastructure improvements more fairly across that demographic. It also minimizes the necessity for applicants to dispute assessed fees, request Planning Board review of assessments, and/or conduct post-occupancy traffic studies, which occurred recently with the Cobblestone Pointe senior housing development currently under construction at Triangle Park Drive.

The Planning Board, at the regular meeting held on November 18, 2015, considered a report from the Planning Division relative to adding “Senior Housing” as a new use category. The majority of Planning Board members were in support of adding the Senior Housing category.

Discussion – School Facilities Impact Fee Waiver

Research was also gathered to identify trends in administering school facilities impact fees. Section 29.2-1-2(f) of the Public Capital Facilities Impact Fee Ordinance currently allows a full or partial waiver of the school facilities impact fee for attached or multi-family developments that are restricted to persons 62 years of age and older.

Of seven regional New Hampshire municipalities surveyed, five were found to offer exemptions or waivers for any senior housing development restricted to persons 55 years or older. This is in keeping with the guidelines and recommendations of the Southern New Hampshire Planning Commission, as noted in their 1999 publication, “Impact Fee Development for New Hampshire Communities.” The rationale for the waiver or exemption is that the likelihood of those qualifying for age-restricted housing having school aged children is much less than for the general population. Therefore, the demographic qualifying for age restricted housing is less likely to see a benefit from the fee.

The waiver provision also requires an agreement from the developer that the housing will be age restricted for a minimum of 20 years. Staff notes that this requirement is unnecessary; as the ordinance already states that the waiver will be revoked if there is a change in use to non-age restricted housing. Further, the success of a development is largely market driven. In the event that an age restricted development is not successful, it is unlikely that the City would want to hold the developer to an agreement. If a developer wishes to remove the age restriction from a site plan or subdivision plan previously approved by the Planning Board, a change-in-use approval from the Planning Board to remove the age restriction would be required. Additionally,

impact fees would be re-assessed by the Planning Board Clerk based on the type of residential use.

The majority of Planning Board members were in support of modifying the school impact fee waiver provision.

Summary of Changes

The amendments propose the following:

- Adds “Senior Housing” as a residential use in the Transportation Facilities Impact Fee Table; and revises the “All other uses” category to include residential and nonresidential uses, to clarify the original intent of the VHB study.
- Adds a definition for Senior Housing, encompassing all permitted non-medical care based categories of age restricted housing, in accordance with RSA definitions; and adds criteria to Section 29.2-1-2(b), “Computation of the Amount of Impact Fee,” specifying that only the percentage of units that are age-restricted qualifies for assessment using the Senior Housing category, and that proof of an age restricted covenant must be provided.
- Revises the provisions for the waiver of school impact fees to allow any age restricted development type to request the waiver for the percentage of units that is documented as age restricted, and removes the requirement for a 20-year agreement.

A draft ordinance that implements the proposed amendments is attached.