



CITY OF CONCORD
New Hampshire's Main Street™
Community Development Department

REPORT TO THE MAYOR AND CITY COUNCIL

FROM: Heather Shank, City Planner

DATE: January 20, 2017

SUBJECT: Annual Review of the Public Capital Facilities Impact Fee Ordinance - 2017

Recommendation

Accept this report and the recommendation from the Planning Board to delay an inflationary adjustment of the impact fee tables, due to the need for an update of the methodology used in the impact fee ordinance.

Background

The Public Capital Facilities Impact Fee Ordinance was adopted in June 2001 and contains a requirement that the impact fee tables be reviewed annually and revised as appropriate. In the past, Staff has recommended that the fees be increased on an annual basis to keep steady pace with inflation. Based on Staff's review, the School and Recreation Facility Impact Fee Tables would be increased by 3.29%, and the Transportation Facility Impact Fee Table would be increased by 7.79%. These rates reflect the inflationary increase as of November 2014, the last time the inflationary adjustment was approved by Council.

The Planning Board held a public hearing on December 21, 2016 to review the inflationary adjustment rates, and recommended approval of an amendment to increase the rates at that time. However, Staff re-introduced the topic for consideration during the January 18, 2017 Planning Board meeting, in light of the need for an update of the methodology used in the ordinance. Staff recommended that the Board not support the inflationary adjustment at that time.

Discussion

Impact fee ordinances should be updated periodically; the methodology of Concord's ordinance has not been updated since it was adopted in 2001. An update will address the following: align the methodology with the most recent ITE Trip Generation rates, correct "drift" in the accuracy of the unit fees due to repeated inflationary adjustments, review assumptions regarding trip length and percent of new trips, and review the economic competitiveness of Concord's ordinance with regard to neighboring communities.

Staff will be seeking funds in the FY 2018 budget to update the ordinance and address these issues. Since updated tables may differ from existing tables, the Planning Board unanimously voted to recommend that Council maintain the current unit fee rates.