

**SCHOOL IMPACT FEE
UPDATE – 2013**

**Town of Newton
New Hampshire**

Date Completed:
May 3, 2013

Prepared for:

Town of Newton
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OFFICE OF THE SELECTMEN

MAY 3 2013

NEWTON, NH

A. History of Fee and Purpose of Update

The purpose of this report is to update the basis for school impact fee assessments in the Town of Newton, New Hampshire. The original basis of assessment adopted by the Town was: Methodology for the Calculation of School Impact Fees in the Town of Newton, NH (November 22, 1999). The original methodology was subsequently updated in a report titled Basis Of Assessment For School Impact Fees: Town of Newton, NH - 2005 Update (August 8, 2005). Both reports were prepared by BCM Planning. The 2005 update was prepared in anticipation of the development of the Sanborn Regional High School, but prior to its completion. This 2013 report reviews and updates all of the elements of the impact fee calculation, including average enrollment ratios per dwelling unit, which is central to the proportionality of the assessment. If this report is adopted by the Town as a revised basis for school impact fee assessment, the original study (1999) and the prior update (2005) should also be retained to document the historical basis for impact fee assessment.

B. Summary of Fee Schedule Update 2013

This 2013 analysis has included the update of the existing fee structure (per unit assessment for five structural types), and an optional schedule with a simplified format which provides a fee schedule for only two structural groupings. Impact fee assessment schedules per dwelling unit and per square foot of living area are provided as alternatives. (See Table 1.)

Because overall enrollment per dwelling unit is expected to trend down, the enrollment multiplier in the assessment formula based on today's ratios may prove to be high in later years. In order to provide a cushion against the possibility of a disproportionate future assessment, discounted fees may be applied. Table 1 illustrates a maximum fee amount as well as fees discounted by 10% to 20%. Other proportionate reductions may also be made by the Town, provided that the reductions are made at the same percentage for all types of housing units.

Table 1: Newton School Impact Fee 2013 - Fee Schedule Options

Options for Updated Newton School Impact Schedule						
Type of Housing Construction	Maximum Fee		Fee Schedule With 10% Discount		Fee Schedule With 20% Discount	
	Impact Fee Per Unit	Impact Fee Per Sq. Ft.	Impact Fee Per Unit	Impact Fee Per Sq. Ft.	Impact Fee Per Unit	Impact Fee Per Sq. Ft.
Single Family Detached	\$4,332	\$2.02	\$3,899	\$1.81	\$3,466	\$1.61
Single Family Att. or Townhouse	\$2,755	\$2.31	\$2,480	\$2.08	\$2,204	\$1.85
Two Unit Structure	\$3,302	\$2.46	\$2,972	\$2.21	\$2,642	\$1.97
Multifamily Structures 3+ Units	\$1,505	\$1.69	\$1,355	\$1.52	\$1,204	\$1.35
Manufactured Housing	\$2,194	\$1.99	\$1,975	\$1.79	\$1,755	\$1.60

If the assessment per square foot option is implemented, it is recommended that the fee assessment be capped at a maximum of assessment of between 2,500 to 2,750 square feet of living area to avoid a disproportionate assessment when applied to the largest units.

Newton has had a policy of assessing school impact fees to accessory apartment units. If this policy is continued, impact fees assessed for accessory units should not exceed the following:

[Faded text area, likely containing a list or table of values for accessory units, which is illegible due to fading.]

School Fees for Accessory Units:

- \$ 627 per unit at maximum fee schedule
- \$ 564 per unit if a 10% discount is applied
- \$ 502 per unit if a 20% discount is applied

Even if the Town elects to use a fee per square foot basis for future school impact fee assessment, the above dollar amounts should serve as the maximum fee amount applied to accessory units that meet the zoning criteria. Since enrollment impacts from one bedroom apartments tend to be quite low, the Town could consider applying this fee to other small one bedroom units in multifamily housing that meet similar standards.

C. Population, Housing, and Enrollment Change 1990-2010

As shown in Table 2, the school age population (age 5-17) increased by 257 (+39.6%) during the decade 1990-2000, followed by a decline from 2000-2010 of (38) or (-4.2%). Actual enrollment followed a similar pattern. During the 1990-2000 period, resident public school enrollment in Newton increased by 33% (+195) followed by a small decline from 2000-2010 of (15) or (-1.9%).

Table 2

NEWTON HOUSING AND DEMOGRAPHIC CHANGE 1990-2010							
NEWTON, New Hampshire	1990	2000	2010	Change 1990-2000		Change 2000-2010	
				Number	Percent	Number	Percent
Population	3,473	4,289	4,603	816	23.5%	314	7.3%
In Group Quarters	0	0	0	0	0.0%		
In Households	3,473	4,289	4,603	816	23.5%	314	7.3%
Total Housing Units	1,251	1,552	1,751	301	24.1%	199	12.8%
Households (Occupied Units)	1,198	1,518	1,667	320	26.7%	149	9.8%
Owner Occupied	973	1,279	1,404	306	31.4%	125	9.8%
Renter Occupied	225	239	263	14	6.2%	24	10.0%
% Renter	18.8%	15.7%	15.8%				
Average Household Size	2.90	2.83	2.76	-0.07	-2.5%	-0.06	-2.3%
Population < 5 (Pre-School)	308	328	273	20	6.5%	(55)	-16.8%
Population 5-17 (School Age)	649	906	868	257	39.6%	(38)	-4.2%
Pre-School Population Per Household	0.257	0.216	0.164				
School Age Population Per Household	0.542	0.597	0.521	0.06	10.2%	-0.08	-12.8%
Resident Public School Enrollment*	593	788	773	195	32.9%	(15)	-1.9%
Per Occupied Housing Unit	0.495	0.519	0.464	0.02	4.9%	-0.06	-10.7%

Source of demographic data: U. S. Census 100% count data for 1980, 1990, 2000 and 2010.

** Enrollment based on ADM in residence (NH Dept. of Education) for academic years: 1979-1980; 1989-1990, 1999-2000, 2009-2010*

D. Update of Enrollment per Dwelling Unit

In the original 1999 analysis and in the 2005 update, local enrollment per dwelling unit was estimated based on adjusted statewide Census data (Public Use Microdata Samples or PUMS) for 1990 and 2000. For the 2012-13 update, a more accurate enrollment ratio has been developed for Newton using actual enrollment by address, matched to property assessment

characteristics. The tabulation of this data allowed BCM Planning to compute actual enrollment averages for Newton housing units by type of structure, year built, size of the unit, and number of bedrooms. These tabulations excluded dwelling units in Newton that are age-restricted (limited to occupants age 55+ by covenants and rental developments for the elderly that are limited to occupants age 62+).

The number of single family detached homes within the housing inventory was deemed to provide a reliable average enrollment ratio in Newton for such housing. But in the opinion of BCM Planning, the relatively small number of Newton dwelling units in other types of structures is probably insufficient to represent reliable ratios for the other four distinct structural categories used in the past for the school fee assessment.

Therefore detailed multipliers for other structure types were estimated by comparing Statewide data from the ACS - American Community Survey (2005-2009). The baseline for these estimates is the actual Newton enrollment per unit found in single family housing (BCM Planning tabulations of enrollment by address data). That average was compared to the New Hampshire single family average enrollment per unit in the referenced ACS data. The resulting ratio of the Newton to the New Hampshire average for single family homes was then applied to the ACS statewide ratios for other structural categories. The estimated split between grade K-8 vs. grade 9-12 enrollment per unit for single family homes in Newton was assumed to apply to the other structural categories.

The summary in Table 3 shows the enrollment ratios used for the impact fee assessment update. The ratios for single family homes are based on the actual Newton average per unit and per square foot. The other ratios per unit are based on ACS sample data for New Hampshire, adjusted to Newton. The ratios of expected enrollment per 1000 square feet of living area for non-single family units is based on the average living area of Newton dwellings units in these structural categories, based on assessment data.

Table 3

Structure Type	Average Pupils Per Unit			Enrollment Per 1000 Sq.Ft. Living Area		
	K-8	9-12	Total K-12	K-8	9-12	Total K-12
Single Family Detached	0.343	0.147	0.490	0.1598	0.0685	0.2283
Townhouse Structure	0.238	0.102	0.340	0.1984	0.0850	0.2834
Two Unit Structure	0.229	0.098	0.328	0.1712	0.0734	0.2446
Multifamily Structures 3+ Units	0.123	0.053	0.175	0.1376	0.0590	0.1966
Manufactured Housing	0.184	0.079	0.262	0.1669	0.0715	0.2384

Figures 1 through 5 on the next pages summarize the enrollment characteristics of Newton housing units based on the local data analyzed by BCM Planning. It should be noted that the information for units other than single family homes is based on a relatively small number of dwelling units.

Figure 1

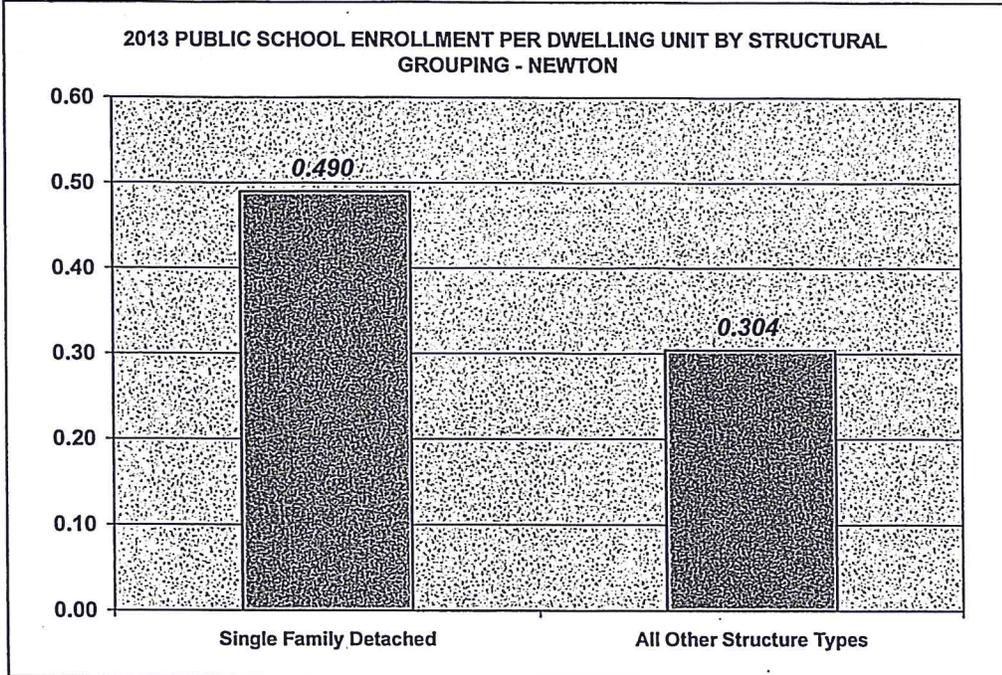
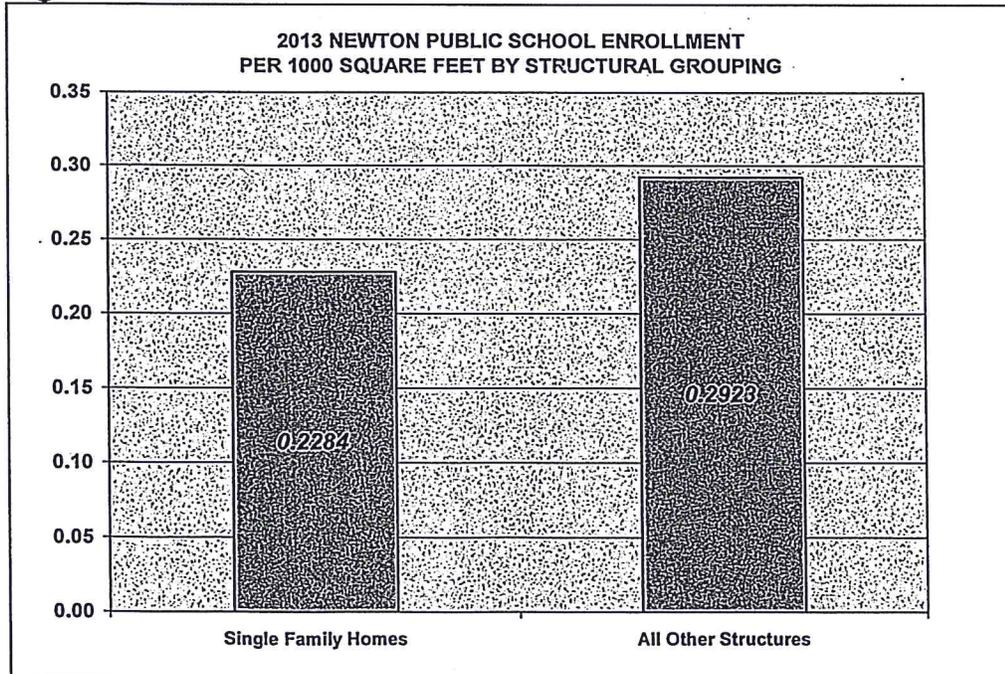


Figure 2



Tabulation of the data also indicate that newer units (those built since 1990) have significantly higher ratios of pupils per dwelling (and per square foot) than older units (See Figures 3 and 4.) Nevertheless, the school impact fee basis of assessment will consider the average for all housing units as the most representative measure of long-term demand per housing unit on school capacity.

Figure 3

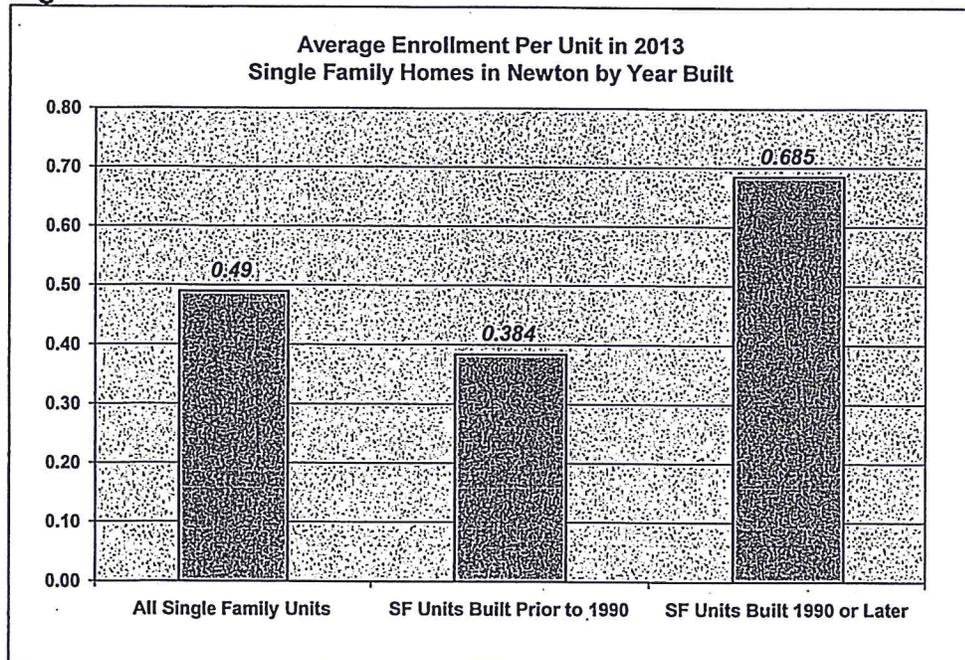
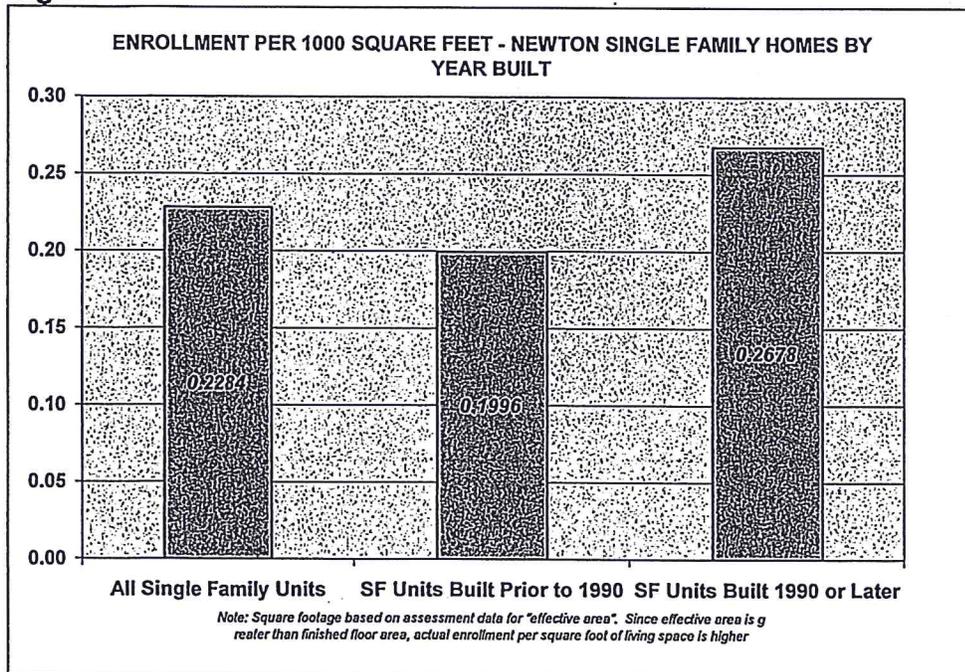


Figure 4



Tabulations were also prepared based on the number of bedrooms per dwelling unit. Figures 5 and 6 show the average enrollment per unit, and enrollment per 1000 square feet, for two, three and four or more bedroom units in Newton. These averages include all structure types, but are predominantly within single family homes.

Figure 5

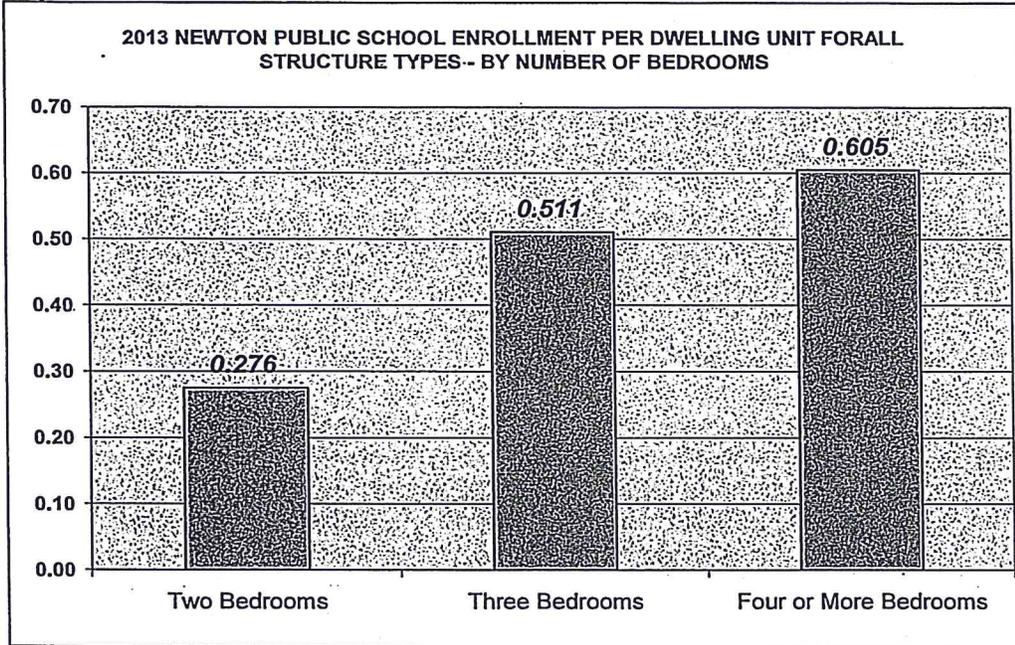
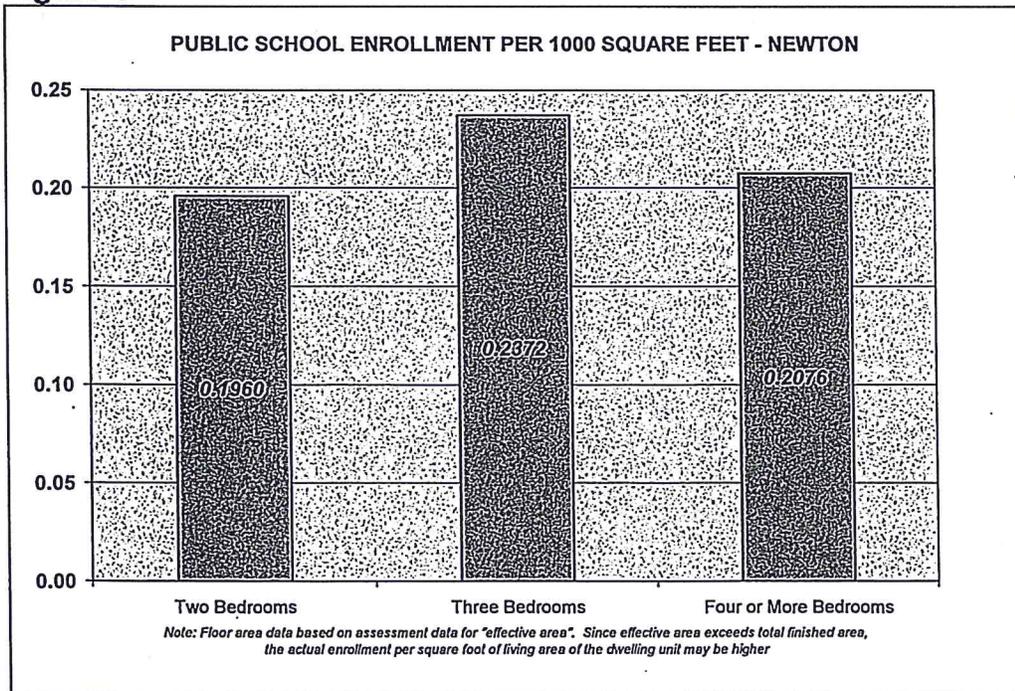


Figure 6



E. District Facility Capacity and School Floor Area per Pupil

Elementary Schools: The D. J. Bakie Elementary school (Kingston) was last expanded in 1989 when 13 classrooms, a cafeteria and kitchen were added. The capacity of the school is estimated at 457. Fall 2012 enrollment was 379 or about 83% of capacity. Memorial Elementary School in Newton also added 5 permanent classrooms, a gym, and kitchen in 1989. A modular addition was added to the building in 2000. Other changes since that time have involved detached modular classrooms (free-standing). Memorial School enrollment as of Fall 2012 was 72% of capacity. Overall the two elementary schools have an estimated capacity of 926; enrollment in the schools is 716, representing 77% of total capacity.

Sanborn Regional Middle School. The Sanborn Regional Middle School added 9 classrooms in 1995, and modular classroom additions in 1999 (4 classrooms) and 2002 (2 classrooms). Total classroom capacity is estimated at 466 with October 2012 enrollment at 373 or about 80% of capacity. In total the enrollment of the K-8 schools of the District is about 78% of capacity, which indicates there is classroom capacity available to meet increased demand from additional enrollment should it occur.

Sanborn Regional High School. The District's major facility investment was the new regional high school located in Kingston, completed in 2006 at a total development cost of \$31.47 million. This facility has a floor area of 206,000 square feet with an estimated classroom capacity of 1,200. Core facility space was sized to accommodate up to 1,400 students and could therefore accommodate increased classroom space for another 200 pupils should additional rooms be required in the future.

The high school was designed to provide for the needs of the District (Newton and Kingston) as well as Fremont. Fremont is not a member of the District, but has entered into a cost-sharing agreement with the Sanborn Regional School District to fund part of the debt service costs as part of a long-term tuition agreement for educating Fremont high school students.

At the time of its construction, the new high school was constructed to accommodate an estimated 1,200 pupils (classroom capacity), while the public high school enrollment of Newton, Kingston, and Fremont prior to construction was about 750 (October 2004). Therefore the initial construction of the high school established a reserve classroom capacity for an additional 450 students beyond baseline enrollment, and significant capacity to accommodate the enrollment impacts of new development. As of Fall 2012, total enrollment at the high school was 747 or 62% of classroom capacity.

At the time of this update, total enrollment in the District's school facilities average about 71% of facility capacity, with up to 29% of total system capacity available to accommodate additional enrollment including pupils who will reside in new development.

Table 4 summarizes the current capacity and enrollment in the schools of the District:

Newton School Impact Fee Update - 2013

Table 4

SANBORN REGIONAL SCHOOL DISTRICT: PUBLIC SCHOOLS OCTOBER 2012 FACILITY INVENTORY AND ESTIMATED CAPACITY FACILITY STANDARD FOR IMPACT FEES USING NET CAPACITY OF EXISTING FACILITIES													
School Facilities	Original Yr. Built and Expansion Dates	Location	Site Area (Acres)	Grades Served	Building Area Square Feet (1)	Net Capacity (1)	Square Feet Per Pupil Capacity	Fall 2012 Enrollment	Enrollment as % of Capacity				
ELEMENTARY SCHOOLS													
D. J. Bakie Elementary	1937; 1955; 1989 Added 13 classrooms, cafeteria, kitchen	179 Main, Kingston	29.0	Pre-K; K-5	58,785	457	129	379	83%				
Memorial Elementary (1)	1956; 1964; 1989 Added 5 classrooms, gym, kitchen. Modular addition 2000: (2 classrooms). Detached modulars added 2006 (2 classrooms)	31 W. Main, Newton	Site shared w/Middle School	K-5	42,904	469	91	337	72%				
Total Elementary				Pre-K to 5	101,689	926	110	716	77%				
MIDDLE SCHOOL													
Sanborn Regional (1)	1978; 1995 addition with 8 classrooms. Modular addition 1999: 4 classrooms. Modular addition 2002: 2 classrooms	31A W. Main, Newton	26.55	6-8	52,306	466	112	373	80%				
Total Grades Pre-K to Grade 8			55.55	Pre-K to 8	153,995	1,392	111	1,089	78%				
HIGH SCHOOL													
Sanborn Regional High School	New Construction 2005-2006	Main St. Kingston	86.00	9-12	206,000			Includes Fremont Students					
									Academic & circulation: 100,462	1,200	84	747	62%
									Core facility space: 105,538	1,400	75	747	53%
											159		
TOTAL SCHOOL SPACE, CAPACITY AND ENROLLMENT			141.55	Pre-K to 12	359,995	2,592	139	1,836	71%				
<i>(1) Source of Capacity and Building Area Estimates for the K-8 schools: Team Design, Inc., Londonderry NH, estimates of school capacity, July 1999, updated in 2005 to include modular classrooms. This 2012 estimate is based on changes in modular classrooms in place since the time of the original estimates estimates. High School size and capacity as estimated in June 2005 by the Business Administrator, Sanborn Regional School District.</i>													
<i>Current School District policy on desired maximum classroom size by grade level : Grade K:18 students; Grades 1-3: 20 students; Grades 4-8: 25 students</i>													

F. Facility Space per Pupil

At the elementary school and middle school levels, there has been no change in the floor area of permanent facilities, and space needs have been accommodated by portable classrooms. Based on the content of Table 5, the revised estimates of total facility floor area per pupil capacity are summarized as:

Elementary	110 sq. ft. per pupil capacity
Middle School	112 sq. ft. per pupil capacity
K-8 Facilities Combined	111 sq. ft. per pupil capacity
High School	159 sq. ft. per pupil capacity
Total System Average	139 sq. ft. per pupil capacity

For the purpose of impact fee assessment, a level of service standard for facility space is applied at the K-8 level at 111 square feet per pupil capacity, and at 159 square feet per pupil capacity at the high school (grades 9-12).

G. Facility Cost

For impact fee assessment purposes, the 2013 update of estimated capital cost of the Sanborn Regional District school facilities is based on replacement costs of buildings and contents as estimated from the District's property insurance schedule (March 2012).

Both the capacity of the schools as well as the capital values assigned include the portable classrooms owned by the District, which comprise a portion of total classroom capacity in the system. As shown in Table 5, the average replacement cost of buildings and contents averages \$186 per square foot for K-8 facilities and \$187 per square foot for the high school. If the modular classrooms in the K-8 system are excluded, the average for K-8 permanent primary facility space is \$189 per square foot.

These values will not necessarily incorporate the additional costs inherent in land acquisition, site development, or outdoor athletic facilities. However, given that no new construction is currently anticipated, replacement cost values seem appropriate to define a reasonable fee for recoupment of part of the capital cost of school capacity of existing facilities.

Table 5

SANBORN REGIONAL SCHOOL DISTRICT - INSURED VALUE OF SCHOOLS - MARCH 2012					
Facility Name	Square Feet	Insured Value Buildings	Insured Value Contents	Total Insured Value	Total Insured Value Per Square Foot
D. J. Bakie Elementary School	58,755	\$10,264,000	\$1,243,500	\$11,507,500	\$196
Memorial Elementary School	39,004	\$6,813,400	\$824,300	\$7,637,700	\$196
Modular Classroom Bldg	1,828	\$195,500	\$47,400	\$242,900	\$133
Modular Classroom Bldg	1,800	\$193,000	\$46,300	\$239,300	\$133
Total Memorial Elementary	42,632	\$7,201,900	\$918,000	\$8,119,900	\$190
Sanborn Regional Middle School	47,850	\$7,570,000	\$974,200	\$8,359,200	\$175
Modular Classroom 1	1,800	\$193,000	\$46,300	\$239,300	\$133
Modular Classroom 2	2,000	\$213,300	\$51,400	\$264,700	\$132
Modular Classroom 3	1,800	\$193,000	\$46,300	\$239,300	\$133
Total Middle School	53,450	\$8,169,300	\$1,118,200	\$9,102,500	\$170
Total for K-8 Facilities	154,837	\$25,635,200	\$3,279,700	\$28,729,900	\$186
Subtotal Non-Modular Space	145,609	\$24,647,400	\$3,042,000	\$27,504,400	\$189
Subtotal for Modular Classrooms	9,228	\$987,800	\$237,700	\$1,225,500	\$133
Sanborn Regional High School	203,110	\$33,707,700	\$4,276,600	\$37,984,300	\$187
Total School Facilities	357,947	\$59,342,900	\$7,556,300	\$66,714,200	\$186

In assigning the net local capital costs in the impact fee formula, State building aid has been assumed at 40% of capital costs at the elementary and middle schools. For the new high school, however, the District received 45% state building aid because a third town, Fremont, was participating in the cost of the new facility. A tuition agreement between Fremont and the Sanborn Regional School District allows the District to be reimbursed for a pro-rated share of high school debt service costs, pro-rated based on proportionate enrollment.

H. Credit Allowances

Updated credit allowances for past and projected debt service have been updated and incorporated into the net impact fee calculation. Estimates of the average assessed value of newer housing units have been updated based on assessed valuation data provided by the Town and analyzed by the Consultant. Credits are calculated as an amount per thousand assessed valuation, and assigned on a per unit basis to each structural category. The first credit allowance calculation is for past debt service on the original bond that financed construction of the middle school and renovation of the elementary schools. The second credit allowance is computed to adjust for the use of modular classrooms (lower value classroom space) within the K-8 schools of the District. The third credit calculation is for past and future debt service on a portion of the cost of constructing the new high school.

The credited portion of the high school bond cost is the amount required to provide the replacement of high school space for District high school pupils at the time of construction. The pre-existing high school enrollment of the District (Newton-Kingston) at the time of construction was 553. At the facility space standard of 159 square feet per high school pupil, 87,927 square feet were required to serve the Newton-Kingston baseline high school enrollment. This represents 42.7% of the total facility floor area of 206,000 square feet. The construction of the new facility has rectified prior space deficiencies within the District's grade 9-12 facility space, provided adequate space for Fremont pupils, and allows substantial additional capacity to accommodate additional enrollment including pupils who will reside in new development.

Tables 6 and 7 summarize the derivation of the credit allowances for K-8 schools. The credit allowances for this bond are limited to a 20-year "lookback" period, limited to payments made 1993 or later.

The K-8 schools have relied on modular additions and free-standing modular classrooms to meet classroom expansion needs for many years. The value of these classrooms is lower than the standard for permanent buildings that is assigned in the cost basis. Therefore, a credit allowance is computed in Table 8 based on the cost of replacing modulars with permanent space. The costs per square foot assigned are based on current replacement costs per square foot for the main K-8 buildings.

Table 9 summarizes the credit allowance amounts assigned for Newton's net tax cost to support a portion of the high school bond. Table 10 shows the details of the amortization period of the bond and the estimated net tax cost to Newton.

Tables 12 and 13 summarize the two alternative approaches to an updated Newton school impact fee assessment and the resulting net impact fees that may be assessed to new development. These options include per unit as well as per square foot assessments using the same structural categories (5 structure types) used in the past for the fee schedule.

The Town may also consider using a discounted fee schedule. Enrollment per dwelling unit is expected to decline, but the future change in the average enrollment per unit is unknown. BCM Planning suggests that a discount of 10% to 20% would be reasonable in anticipation of future demographic trends. If a discounted schedule is used, the same percentage reduction in fees must be applied to each structural category.

Table 6: Credit Allowances for K-8 Schools – Past Debt Service

NEWTON CREDIT CALCULATIONS K-8 SCHOOLS - PAST DEBT SERVICE			
Type of Structure	Avg Assessment Per Housing Unit	Credit Per Unit for Past Payments	Alternative Credit Per Square Foot
Single Family Detached	\$269,000	\$230	\$0.11
Single Family Attached	\$215,000	\$184	\$0.15
Duplex & 2-Unit	\$134,000	\$115	\$0.09
Multifamily 3+ Units	\$101,000	\$87	\$0.10
Manufactured Housing	\$158,000	\$135	\$0.12

(1) Raw land value assigned at 12% of total assessed value of completed housing unit.

Table 7: Credit Allowance Derivation for K-8 Schools – Past Debt Service

IMPACT FEE CREDIT CALCULATION FOR PROPERTY TAX PAYMENTS SANBORN REGIONAL SCHOOL DISTRICT									
ASSUMPTIONS									
Principal Amount:	\$4,300,000 (NH Municipal Bond Bank - 1991 Refunding)								
Term In Years:	20								
Interest Rate On Bonds:	Appr. 7.5% Avg								
State Aid To District:	40.00% Of Principal Due on Bonds								
Discount Rate:	5.00%								
Calendar Year	Principal Payment	Interest Payment	Less Rebate (Refinance)	Total Payment	Less State Aid @ 40% of Principal	Net Debt Service Of District	Newton Share of Cost	Newton Share of District Debt	
PAST PAYMENTS (1993 or Later)									
1993	\$215,000	\$250,443	(\$15,507.14)	\$449,935	(\$86,000)	\$363,935	0.362200	\$131,817	
1994	\$215,000	\$235,415	(\$5,533.26)	\$444,882	(\$86,000)	\$358,882	0.348500	\$125,070	
1995	\$215,000	\$220,388	(\$3,536.63)	\$431,851	(\$86,000)	\$345,851	0.375000	\$129,694	
1996	\$215,000	\$205,360	(\$149.66)	\$420,210	(\$86,000)	\$334,210	0.399500	\$133,517	
1997	\$215,000	\$190,333	(\$151.81)	\$405,181	(\$86,000)	\$319,181	0.424992	\$135,649	
1998	\$215,000	\$175,305	(\$106.61)	\$390,198	(\$86,000)	\$304,198	0.406841	\$123,760	
1999	\$215,000	\$160,278	(\$310.20)	\$374,967	(\$86,000)	\$288,967	0.442539	\$127,879	
2000	\$215,000	\$145,035	(\$267.60)	\$359,767	(\$86,000)	\$273,767	0.468782	\$128,337	
2001	\$215,000	\$129,578	(\$609.78)	\$343,968	(\$86,000)	\$257,968	0.470058	\$121,260	
2002	\$215,000	\$113,905	(\$169.39)	\$328,736	(\$86,000)	\$242,736	0.468285	\$113,669	
2003	\$215,000	\$98,018		\$313,018	(\$86,000)	\$227,018	0.498686	\$113,210	
2004	\$215,000	\$81,948		\$296,948	(\$86,000)	\$210,948	0.486501	\$102,626	
2005	\$215,000	\$65,695		\$280,695	(\$86,000)	\$194,695	0.492431	\$95,874	
2006	\$215,000	\$49,228		\$264,228	(\$86,000)	\$178,228	0.475182	\$84,690	
2007	\$210,000	\$32,610		\$242,610	(\$84,000)	\$158,610	0.468232	\$74,266	
2008	\$210,000	\$16,305		\$226,305	(\$84,000)	\$142,305	0.445985	\$63,466	
1993 or Later	\$3,430,000	\$2,169,840	(\$26,342)	\$5,573,498	(\$1,372,000)	\$4,201,498		\$1,804,787	
PRESENT VALUE OF LOCAL PROPERTY TAX PAYMENTS - 20 YEAR LOOKBACK									Newton
Present Worth of Past Payments @ 5% (1993-2013):									\$3,361,586
2012 Net Local Assessed Valuation:									\$470,920,585
Portion Included in Credit Allowance									100%
Credited Amount for Capacity Development									\$3,361,586
Credit Per Thousand Val. For Vacanc Land (Pre-Development)									\$7.14

Table 8: Credit Allowance for K-8 Modular Classroom Space

NEWTON CREDIT CALCULATIONS K-8 SCHOOLS ADJUSTMENT FOR MODULAR CLASSROOMS			
Square Feet Modular Space	9,228		
Cost/Sq. Ft. Replace as Permanent	\$189		
Cost to Replace w/Permanent	\$1,744,092		
District Cost After 40% State Bulding Aid	\$1,046,455		
Newton Share of District Cost	0.463245		
Newton Credited Amount Modular Space	\$484,765		
Newton Assessed Valuation Fall 2012	\$470,920,585		
Credit per Thousand Valuation	\$1.03		
NEWTON CREDIT CALCULATIONS FOR FIVE STRUCTURE GROUPS - K-8			
Type of Structure	Avg Assessment Per Housing Unit	Credit Allowance Per Unit	Alternative Credit Per Square Foot
Single Family Detached	\$269,000	\$277	\$0.13
Single Family Attached	\$215,000	\$221	\$0.18
Duplex & 2-Unit	\$134,000	\$138	\$0.10
Multifamily 3+ Units	\$101,000	\$104	\$0.12
Manufactured Housing	\$158,000	\$163	\$0.15

Table 9: Credit Allowances for Portion of High School Debt Service Costs

CREDIT CALCULATIONS FOR HIGH SCHOOL (PER DWELLING UNIT) NEWTON - 2013				
Type of Structure	Average Assessed Value Per Housing Unit	Past Payment Credit - Payments from Vacant Land	Credit Allowance Future Debt Payments - Completed Unit	Total Credit Allowance Per Unit
Average Per Unit By Structure Type				
Single Family Detached	\$269,000	\$154	\$1,716	\$1,870
Single Family Attached	\$215,000	\$123	\$1,372	\$1,495
Duplex & 2-Unit	\$134,000	\$77	\$855	\$932
Multifamily 3+ Units	\$101,000	\$58	\$644	\$702
Manufactured Housing	\$158,000	\$90	\$1,008	\$1,098
Average Per Square Foot for Five Structural Groupings				
Single Family Detached	\$125	\$0.07	\$0.80	\$0.87
Single Family Attached	\$179	\$0.10	\$1.14	\$1.24
Duplex & 2-Unit	\$100	\$0.06	\$0.64	\$0.70
Multifamily 3+ Units	\$113	\$0.06	\$0.72	\$0.78
Manufactured Housing	\$144	\$0.08	\$0.92	\$1.00
<i>(1) Raw land value assigned at 12% of total assessed value of completed housing unit.</i>				

Table 10: High School Credit Allowance Derivation

IMPACT FEE CREDIT CALCULATION FOR PROPERTY TAX PAYMENTS SANBORN REGIONAL SCHOOL DISTRICT - HIGH SCHOOL									
ASSUMPTIONS									
Principal Amount:	\$29,770,200								
Term In Years:	20 Capital Appreciation Bond								
State Aid To District:	45.00% Of Principal Due on Bonds Due to Participation by Fremont								
Discount Rate:	5.00%								
Calendar Year	Principal Payment	Interest Payment After Refunding	Total Payment	Less State Building Aid @ 45% of Principal	Net Debt Service of District	Less Est. Fremont Contribution (1)	Remaining Debt Supported by Newton & Kingston	Newton Share Remaining District Debt	Newton Share of Net Debt Service
2005	\$2,349,782	\$100,018	\$2,449,800	(\$1,057,402)	\$1,392,398	(\$50,589)	\$1,341,809	0.492431	\$660,748
2006	\$2,162,073	\$202,615	\$2,364,688	(\$972,933)	\$1,391,755	(\$135,988)	\$1,255,767	0.475182	\$596,718
2007	\$2,068,565	\$303,522	\$2,372,088	(\$930,854)	\$1,441,233	(\$253,163)	\$1,188,071	0.468232	\$556,293
2008	\$1,973,830	\$399,007	\$2,372,838	(\$888,224)	\$1,484,614	(\$374,698)	\$1,109,916	0.445985	\$495,006
2009	\$1,881,451	\$489,637	\$2,371,088	(\$846,653)	\$1,524,435	(\$402,451)	\$1,121,984	0.445362	\$499,689
2010	\$1,790,042	\$581,796	\$2,371,838	(\$805,519)	\$1,566,319	(\$428,873)	\$1,137,446	0.449360	\$511,123
2011	\$1,708,784	\$637,736	\$2,346,520	(\$768,953)	\$1,577,567	(\$461,465)	\$1,116,102	0.467077	\$521,305
2012	\$1,617,965	\$728,551	\$2,346,516	(\$728,084)	\$1,618,431	(\$480,679)	\$1,137,753	0.462330	\$526,017
2013	\$1,534,215	\$814,300	\$2,348,516	(\$690,397)	\$1,658,119	(\$503,873)	\$1,154,246	0.463245	\$534,699
2014	\$1,455,702	\$853,564	\$2,309,266	(\$655,066)	\$1,654,200	(\$496,260)	\$1,157,940	0.463245	\$536,410
2015	\$1,385,207	\$942,309	\$2,327,516	(\$623,343)	\$1,704,172	(\$511,252)	\$1,192,921	0.463245	\$552,614
2016	\$1,318,921	\$995,345	\$2,314,266	(\$593,514)	\$1,720,751	(\$516,225)	\$1,204,526	0.463245	\$557,990
2017	\$1,256,430	\$1,089,581	\$2,346,011	(\$565,393)	\$1,780,617	(\$534,185)	\$1,246,432	0.463245	\$577,403
2018	\$1,197,372	\$1,152,638	\$2,350,011	(\$538,818)	\$1,811,193	(\$543,358)	\$1,267,835	0.463245	\$587,318
2019	\$1,139,069	\$1,210,692	\$2,349,761	(\$512,581)	\$1,837,180	(\$551,154)	\$1,286,026	0.463245	\$595,745
2020	\$1,083,687	\$1,261,014	\$2,344,702	(\$487,659)	\$1,857,042	(\$557,113)	\$1,299,929	0.463245	\$602,186
2021	\$1,033,539	\$1,317,100	\$2,350,639	(\$465,092)	\$1,885,547	(\$565,664)	\$1,319,883	0.463245	\$611,429
2022	\$983,839	\$1,368,300	\$2,352,139	(\$442,727)	\$1,909,412	(\$572,823)	\$1,336,588	0.463245	\$619,168
2023	\$936,526	\$1,417,113	\$2,353,639	(\$421,437)	\$1,932,202	(\$579,661)	\$1,352,542	0.463245	\$626,558
2024	\$893,202	\$1,475,807	\$2,369,009	(\$401,941)	\$1,967,068	(\$590,120)	\$1,376,948	0.463245	\$637,864
Total Bond Period	\$29,770,200	\$17,340,644	\$47,110,843	(\$13,396,590)	\$33,714,253	(\$9,109,593)	\$24,604,661		\$11,406,282
PRESENT VALUE OF LOCAL PROPERTY TAX PAYMENTS									
								NEWTON	
								Net Present Value of Past Payments @ 5% (2005-2012): \$ 5,256,420	
								Present Worth of Future Payments (2013-2025) \$ 7,039,383	
								2012 Net Local Assessed Valuation: \$ 470,920,585	
								Past Payment Credit Per \$1,000 Valuation \$ 11.16	
								Future Payment Credit Per \$1,000 Valuation \$ 14.95	
								% of Costs Attributable to Base Year District Enrollment (% of HS Capacity) 42.7%	
								Amount Credited Per 1000 Valuation - Past \$ 4.76	
								Amount Credited Per 1000 Valuation - Future \$ 6.38	

(1) Amount estimated based on tuition agreement terms (Fremont share of HS enrollment); may not equal actual payments. For years 2013 and later, Fremont share estimated at 30% of HS enrollment

I. Alternative Impact Fee Calculations and Schedules

Table 11 – School Fee per Unit for Five Structural Categories

NEWTON SCHOOL IMPACT FEE CALCULATION SUMMARY - FEE BY DWELLING UNIT TYPE - 2013									
Type of Housing Construction	School Facility Spatial Demands of Average Housing Units						Cost of Permanent School Space @ Indicated \$/Sq. Ft.		
	Public School Enrollment Per Household			Floor Area Per Pupil Capacity			\$189	\$187	Total Public School Development Cost
	K-8 Schools	High School	Total Public Schools	K-8 Schools	High School	Total Public Schools	K-8 Schools	High School	
Single Family Detached	0.343	0.147	0.490	111	159	125	\$7,172	\$4,374	\$11,546
Townhouse Structure	0.238	0.102	0.340	111	159	125	\$4,977	\$3,035	\$8,012
Two Unit Structure	0.229	0.098	0.328	111	159	125	\$4,796	\$2,925	\$7,721
Multifamily Structures 3+ Units	0.123	0.053	0.175	111	159	125	\$2,564	\$1,563	\$4,127
Manufactured Housing	0.184	0.079	0.262	111	159	125	\$3,838	\$2,340	\$6,178

Type of Housing Construction	District Cost Per Housing Unit (Capital Cost Less State Building Aid % of Principal)			Credit Allowances (See Worksheets for Details)	Impact Fee Per Dwelling Unit
	K-8 Schools @ 40%	High School @ 45%	Total Public Schools		
	Single Family Detached	\$4,303	\$2,406	\$6,709	(\$2,377)
Townhouse Structure	\$2,986	\$1,669	\$4,655	(\$1,900)	\$2,755
Two Unit Structure	\$2,878	\$1,609	\$4,487	(\$1,185)	\$3,302
Multifamily Structures 3+ Units	\$1,538	\$860	\$2,398	(\$893)	\$1,505
Manufactured Housing	\$2,303	\$1,287	\$3,590	(\$1,396)	\$2,194

Table 12: Alternative School Fee per Square Foot – 5 Structural Categories

NEWTON SCHOOL FACILITIES IMPACT FEE CALCULATION SUMMARY - FEE PER SQUARE FOOT OPTION 2013									
Type of Housing Construction	School Facility Spatial Demands of Average Housing Units						Cost of Permanent School Space @ Indicated \$/Sq. Ft.		
	Public School Enrollment Per 1000 Square Feet			Floor Area Per Pupil Capacity			\$189	\$187	Total Public School Development Cost Per Sq. Ft. of Dwelling Area
	K-8 Schools	High School	Total Public Schools	K-8 Schools	High School	Total Public Schools	K-8 Schools Cost Per Sq. Ft. Dwelling Area	High School Cost Per Sq. Ft. Dwelling Area	
Single Family Detached	0.1598	0.0685	0.2283	111	159	125	\$3.34	\$2.04	\$5.38
Townhouse Structure	0.1984	0.0850	0.2834	111	159	125	\$4.15	\$2.53	\$6.68
Two Unit Structure	0.1712	0.0734	0.2446	111	159	125	\$3.58	\$2.18	\$5.76
Multifamily Structures 3+ Units	0.1376	0.0590	0.1966	111	159	125	\$2.88	\$1.76	\$4.64
Manufactured Housing	0.1669	0.0715	0.2384	111	159	125	\$3.49	\$2.13	\$5.62

Type of Housing Construction	District Cost Per Housing (Capital Cost Less State Building Aid % of Principal)			Credit Allowances (See Worksheets for Details)	Impact Fee Per Sq. Ft. of Living Area
	K-8 Schools @ 40%	High School @ 45%	Total Public Schools		
	Single Family Detached	\$2.00	\$1.12	\$3.13	(\$1.11)
Townhouse Structure	\$2.49	\$1.39	\$3.88	(\$1.57)	\$2.31
Two Unit Structure	\$2.15	\$1.20	\$3.35	(\$0.89)	\$2.46
Multifamily Structures 3+ Units	\$1.73	\$0.97	\$2.69	(\$1.00)	\$1.69
Manufactured Housing	\$2.09	\$1.17	\$3.26	(\$1.27)	\$1.99

J. Application of Fees for Change in Use and Accessory Apartments

Application to Conversions

Changes in use, such as a conversion of a single family to a two-unit structure can be accommodating by computing the fee which would be applicable to the new use compared to the fee that would have been applicable to the prior use. In the following example, a fee is calculated by applying the fee schedule in Table 11 to the conversion of a single-family home to a duplex (with no restriction on size or occupancy):

Example Based on Maximum Fee Schedule

New use (duplex):	2 units @ \$3,302 / unit = \$ 6,604	LESS
Prior use (single family)	1 unit @ \$4,332 / unit = <u>(\$ 4,332)</u>	
Equals fee for conversion		\$ 2,272

Impact Fee for Accessory Apartments

An accessory apartment created under the limitations of the Newton Zoning Ordinance would be limited to 1 bedroom, and a living area of 500 square feet. The recommended fee for an accessory unit is based on the relative enrollment anticipated for a one-bedroom apartment within a 2-4 family structure compared to the average for a typical single family home in New Hampshire.

Based on statewide American Community Survey data (2006-2009) the average 1-bedroom housing unit within structures having two to four units had an average enrollment ratio equal to 19% of the average for all two to four family units in New Hampshire.¹

The maximum school impact fee for a unit in a two-family structure in Newton under the 2013 update would be \$3,302 per unit. Multiplying this standard fee by the relative impact of a one bedroom unit within a two to four unit structure yields: $\$3,302 \times 0.19 = \627 per accessory unit. This fee would apply only to accessory units authorized and in compliance with the specific limitations of the zoning ordinance (one bedroom occupancy and not more than 500 square feet of living area). However, the Town could also extend this reduced fee to other small one bedroom units in new multifamily construction.

Maximum Fee Accessory Unit:	\$ 627
With 10% Discount	\$ 564
With 20% Discount	\$ 502

¹ Based on tables prepared by the NH Housing Finance Authority tabulated from the 2005-2009 American Community Survey

K. Recommended Use of School Impact Fees

Under RSA 674:21, V, impact fees may be used to recoup the cost of capital improvements provided in anticipation of the needs of new development. Impact fees may also be applied to pay existing (or future) debt service on facilities that have the capacity to provide for the needs of new development.

Therefore, using impact fees to fund a portion of Newton's share of District debt service costs, presently centered on the high school, is a prudent way to apply the impact fee funds periodically to fund the improvements that the fee is intended to support. The Town has in the past provided impact fees to the District to be applied toward debt service costs, consequently reducing the amount necessary to be raised by taxes for Newton's share of debt service costs. Since the amortization period for the debt on the high school runs to the year 2024, it provides an appropriate subject for reimbursement through school impact fees.