CITY OF CONCORD
New Hampshire's Main Street™
41 Green Street, Concord NH 03301
(603) 225-8570

AD-HOC IMPACT FEE REVIEW COMMITTEE
Minutes
February 4, 2026 @ 4:00PM
City Hall Large 2nd Floor Conference Room
41 Green Street, Concord NH 03301

Attendees:

- Byron Champlin, Mayor
- Judith Kurtz, At-Large City Councilor
- Brent Todd, Ward 1 City Councilor
- Jeff Foote, Ward 10 City Councilor
- Bill Norton, Resident, representative of the Greater Concord Chamber of Commerce
- Chuck Gilboy, guest / member of the Economic Development Advisory Committee

Staff:

- Matt Walsh, Deputy City Manager, Development

The meeting was called to order at 4:02PM.

1. **Approval of Minutes:**
   Councilor Foote moved adoption of the December 18, 2025 minutes as presented. Councilor Todd seconded. The motion carried unanimously.

2. **Impact Fees & Capital Improvement Projects**
   Matt Walsh exhibited a PowerPoint presentation which provided an overview of impact fees as they pertained to the City's Capital Improvement Program (CIP). Specifically, the presentation discussed how impact fees were used as a funding source to support capital improvement project budgets, or to pay debt service on previously completed capital projects which created capacity to support new development.

   The presentation also provided a summary of the City's Capital Improvement Program total appropriations (all funds), as well as general fund appropriations, and review of impact fees appropriated therewith for the period of FY2021-FY2026.

   Additionally, the presentation provided a detailed overview of how transportation and recreation impact fees were used to support project budgets and debt service from the early 2000s through 2026. It was also noted that during FY2018-2026, $893,741 of impact fees were used to pay debt service on previously completed capital projects which created transportation or recreation capacity to serve new development.

   The presentation also reported that approximately $942,000 of impact fees were currently available, and included an analysis of how these funds might be used to pay debt service on previously completed capital

projects which expanded transportation or recreation capacity to serve new development, thus helping to mitigate future tax rate increases.

The presentation also provided an overview of six capital projects, and detailed how impact fees support project budgets or subsequent debt service payments associated therewith. Specific projects that were discussed were: CIP #443 City-wide Community Center, CIP 567 Canal Street Riverfront Park, CIP 557 Memorial Field, CIP 24 Exit 16 Roundabout, CIP 30 Hoit/ Whitney Road Intersection, CIP 570 Pleasant Street Corridor Improvements.

3. **Private Development Case Studies**

Mr. Walsh continued his presentation and provided analysis of what percentage total City development fees (Zoning Board of Adjustment, Planning Board, Engineering permits, Code Division permits, water investment and sewer investment fees), as well as impact fees comprised of either the total development cost, or sale price, of six recently completed private development projects throughout Concord. Properties reviewed included Penacook Landing Phase 2 located at 35 Canal Street (an income restricted multifamily housing development featuring 20 units), the First Church Redevelopment Project located at 177 North Main Street (a market rate apartment building featuring 30 units), a 15,000SF office building located in the Concord Heights, two new single family detached condominium units (Midmark Lane and Shelburne Drive), as well as a townhouse unit located at Suffolk Drive. Mr. Walsh noted that the multifamily and commercial office buildings were selected as the City had detailed information about total development costs due to their association with the City's Revolving Loan Fund or RSA 79-E Community Revitalization Tax Relief Incentive Programs. Generally, City development fees (all fees, combined) accounted for approximately 2.0-2.6% of the total development cost of multifamily and office projects profiled, and 1.26-1.56% of the sale price of the single family / townhouse examples profiled.

Impact fees for the two multifamily residential projects were 0.28-0.78% of total development cost. Concerning the office building, if the impact fee had not been waived, it would have accounted for approximately 0.69% of the total development cost. The impact fee for the two single family detached condominiums was 0.49-0.53% of total sale price for each unit. Lastly, the impact fee for the townhouse unit equated to 0.58% of the sale price of that unit.

As requested by the Committee, staff also presented a calculation detailing the total amount of impact fees which have been waived to date for the Merchants Way development project, as well as adjacent Chipotle and Starbucks restaurants (which are separate from Merchants Way, but being developed simultaneously therewith by related developers). To date, impact fees waived for said development total approximately $860,000. Recognizing that additional development opportunities remain at Merchants Way, it was noted that the total impact fees waived for these projects could amount to approximately $1 million once the Merchants Way development project is fully built out.

Based upon the information provided for the Merchants Way development, as well as information about impact fees waived for the Raising Canes and Service Credit Union projects on Loudon Road ($100,000 of waive impact fees, combined), members of the Committee expressed concerns about the amount of impact fee revenue the City has forgone since the commercial / industrial impact fee waiver was enacted in 2017. Mr. Walsh explained that the City has not tracked the total amount of impact fees which have been waived under this commercial / industrial waiver provision. He also explained staff would have to review Planning Board and building permit files in order to calculate the amount of commercial / industrial transportation impact fees waived since 2017.

Members of the Committee noted there are no specific requirements / criteria for granting the commercial / industrial impact fee waiver. Some members of the Committee suggested that one potential recommendation to City Council could be to reform the commercial / industrial waiver process so that

applicants would need to provide financial information (such as pro formas with developer rate of return in debt service coverage ratios) with their impact fee waiver application to demonstrate financial need and thus provide justification for an impact fee waiver in order to make a development project economically viable. Building on that concept, other members of the Committee suggested revising the waiver provisions for commercial / industrial projects, and potentially residential projects, to target specific areas of the City, such as the Opportunity Corridor, thus providing an incentive for development to help implement Master Plan goals. Other ideas included terminating the commercial / industrial waiver, but not increasing impact fees for inflation (or reducing the amount of increase suggested by the Planning Board).

Discussion ensued about residential projects. It was noted that impact fees for the two detached single-family condominium units, as well as the townhouse unit were approximately 0.5-0.6% of the total sale prices of said units. Members of the Committee noted, if the impact fee had been waived, it was likely the waiver would have made no difference in the sale price of these units given strong demand in the current housing market. Discussion ensued regarding concerns of unnecessarily subsidizing / enriching real estate developers at taxpayers' expense by waiving impact fees for projects that do not require financial assistance for viability.

Discussion also ensued about waiving impact fees for affordable housing projects. Members of the Committee noted that, the Central New Hampshire Regional Planning Commission's 2023 Regional Housing Needs Assessment, Concord has 36% of the regional population but 58% of the region's total affordable housing (income restricted) housing stock. It was also noted that the City has actively incentivized affordable housing through sale of real estate (Penacook Landing, Rosemary's Way), the Community Development Block Grant Program, as well as the City's Revolving Loan Fund Program. Therefore, members of the Committee expressed concerns about providing additional incentives by waiving impact fees. It was also noted that affordable housing projects financed by Low Income Housing Tax Credits are eligible to have their assessed value (and thus property taxes) determined via NH State Law RSA 75:1-a, which has the effect of reducing the assessed values (and property taxes) of such units significantly. As such, the assessed value of affordable housing typically is approximately 50% less than market rate units. This circumstance has tax base and revenue implications for the City.

4. **Other Business**
The Committee determined that its next meeting will occur on March 4, 2026 at 4PM. The purpose of the meeting will be to review the Planning Board's previous recommendations regarding impact fee rates and to have a workshop about potential changes to the impact fee ordinance related thereto, as well as per the Committee's recent research and discussions.

The Committee also decided to schedule a subsequent meeting for April 8th at 4PM.

5. **Adjourn**
The meeting adjourned at 5:30PM.

Respectfully Submitted;

Matthew R. Walsh
Deputy City Manager – Development