CITY OF CONCORD
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AD-HOC IMPACT FEE REVIEW COMMITTEE
Minutes
April 8, 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

Public:
- Jim Bouley, Greater Concord Chamber of Commerce Local Government Affairs Committee

Staff:
- Matt Walsh, Deputy City Manager, Development

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

1. **Approval of Minutes:**
   The minutes of March 4, 2026 were adopted as presented on a voice vote.

2. **Impact Fees for New Police Station and New Middle School Projects**
   Mr. Walsh explained that, during its March 4, 2026 meeting, the Ad-Hoc Committee directed staff to conduct research about the new Concord Middle School and Concord Police Station projects to determine capacity of both to support future development, as well as preliminary analysis concerning potential impact fees to support either project.

   Mr. Walsh exhibited a PowerPoint Presentation to the Committee. The presentation reviewed Concord's current development trends and associated population growth, details about the current capacity of the Rundlett Middle School, as well as financial and student capacity information for the new Middle School. He also discussed the financial and capacity information for the new Police Station.

   Mr. Walsh reminded the Committee that impact fees must be used to finance the construction of, or debt service for, infrastructure improvements which create capacity to support future growth. He then presented a summary of housing development and population trends. He explained that during the period of 2010 to 2020, approximately 233 new housing units were built in Concord (US Census). During the same period,

the City's population from 42,695 (2010) to 43,976 (2020) (US Census). During the period of 2020 – 2025, 774 units of housing were constructed, thus expanding the City's population to 45,675. Presently, another 2,008 units of housing are in development (283 units under construction, 599 units permitted awaiting construction, and 1,126 units in development permitting). Based upon these data, it is projected that by 2030 the City will have 21,867 housing units (an increase of 2,782 from 2020) and a total population of 50,374 (a 14.6% increase over 2020). Mr. Walsh noted that this is a significant increase. He also noted that the Central New Hampshire Regional Planning Commission's 2023 Housing Needs Assessment set a goal of 3,282 new housing units for Concord by 2040. Mr. Walsh noted that, based on current trends, the City will achieve 85% of this goal by 2030.

Discussion ensued about housing development in Concord. It was noted that Concord is consistently a top producer for new housing units in the State, and is experiencing more development than many other municipalities in New Hampshire. It was also noted that Concord was designated a "Housing Champion" by the State in December 2024.

Mr. Walsh then discussed the new Middle School Project. He explained that, in accordance with the Committee's request, he contacted the Concord School District to get financial and enrollment information pertaining to the New Middle School Project. Mr. Walsh reported that the current Rundlett Middle School was constructed in 1957, and consists of 165,000SF on a 19.85-acre site with a total capacity of 743 students (current enrollment is 754 students). He also reported that the new Middle School is projected to open in 2028, will be 206,800SF and will have capacity for 900 students (a net increase of 157 students over the capacity of the existing facility, or 21% increase).

Mr. Walsh then presented financial information for the new Middle School Project. The project has a gross cost of $168,777,840. After rebates and other projected savings, the project has an estimated net cost of $155,718,801. Mr. Walsh reiterated that the new School will expand student capacity by 157 students (or 21%) to serve future development. Thus, based upon this preliminary information, 21% of the cost of the new facility ($32,856,667) could potentially be eligible to be supported by impact fees. Mr. Walsh noted that the projected average annual debt service cost on the $32.85 million cost of the project which could be supported by impact fees is $1.731 million ($32.84 million; 30 years; projected interest rate of 3.75%). If an impact fee were enacted on new residential development to support the capacity being created at the new Middle School, it could be used to support debt service payments on that portion of the project (similar to how School Impact Fees were used to support debt service the 1995 expansion of Concord High School). Mr. Walsh emphasized this analysis was preliminary and subject to further review.

Mr. Walsh then presented financial and capacity information for the new Police Station Project (CIP #643). Mr. Walsh explained that the new facility will be 70,275SF, of which an estimated 3,500SF will be allocated to the Prosecutor's Office Division of the Legal Department, and 66,775SF will be allocated to the Police Department. (These figures are preliminary and must be verified). He explained that the new Police Station will have capacity for 180 staff (371SF per person); however, the current spaces needs are for 118 staff. Thus, approximately 43,775SF of the new facility accommodates current Police Department needs, and 23,000SF+/- provides capacity for future growth. Based upon this information, it is estimated that approximately $16,599,586 of the Police Station Project is capacity for future growth (or 34% of total cost), and thus could potentially be supported by impact fees. Mr. Walsh noted that the average annual debt service cost for $16.6 million (30 years at a projected interest rate of 3.75%) is approximately $875,000, which is approximately equivalent to 1.6% on the City portion of the tax rate.

Mr. Walsh reiterated that both analyses are preliminary and likely require refinement. However, it appears that impact fees on new development appear to be viable, and could be used to support debt service on both projects, thus reducing cost to taxpayers.

3. **Committee Work Session**
Following the staff presentation, the Committee continued its work session.

Councilor Todd, Chair of the Ad-Hoc Committee, provided a brief synopsis of the Committee's recent discussions. Specifically, Councilor Todd noted that during recent meetings, the Committee discussed potential impact fees for new Fire Stations; however, it was unclear what portion of new station projects would support future growth. Recognizing the 6-year statutory time frame to encumber impact fees for infrastructure projects which create capacity for future growth, it was uncertain if impact fees would be viable as it is unclear if the City would construct any new Fire Stations within the next 6 years or so. He also suggested that impact fees for future library expansion are likely not viable for similar reasons, plus the new Penacook Branch Library at 60 Community Drive only served to replace existing capacity at 3 Merrimack Street (not add new capacity).

Councilor Todd also discussed water and sewer impact fees, and noted that the General Services Department is currently completing a rate study, and thus the Committee should avoid duplicating this effort.

Councilor Todd recapped recent discussions about the transportation impact fee waiver for commercial / industrial developments, and suggested that more discussion would be appropriate about this item.

He also noted that it would be appropriate for the Committee to discuss impact fees for the Middle School and Police Station projects based upon the information presented by staff at the beginning of the meeting.

Discussion ensued about the "automatic" transportation impact fee waiver for Commercial / Industrial developments. The Committee reviewed the Planning Board's recommendations to repeal these waivers, which were previously enacted in 2017. The Committee also discussed concerns about unnecessarily incentivizing commercial development projects that would otherwise likely be built without the waiver (Raising Canes). Discussion also ensued about potentially requiring applicants to demonstrate financial need to qualify for such waivers.

Discussion about redevelopment of the Steeplegate Mall occurred. It was noted that the City is already constructing a $25 million sewer improvement to support redevelopment of the former Mall and Regal Cinema properties, and that providing impact fee waivers to large corporations that plan to be part of the project, and who likely do not require financial assistance, may not be within the taxpayers' interests.

Discussion ensued about the Merchants Way development project, and estimated $860,000 of transportation impact fees which have been waived to date. It was noted that the City also constructed a $5.5 million transportation improvement project so support that project. It was also noted that many tenants of the development were large retail or national companies with significant financial resources, and therefore may not have needed the commercial impact fee waiver to make their respective developments financially viable.

The Committee also discussed long gaps in adjustment to impact fees for inflation. Suggestions were made to revise the ordinance to provide for automatic annual updates tied to inflation indices contained within the Impact Fee Ordinance.

The Committee also discussed potential modifications to the transportation waiver for commercial / industrial development projects. The Committee discussed the potential of modifying the waiver so that it would only apply to specific types of development that the City desires to foster per applicable master plans (industrial development) rather than all commercial / industrial development (repeal waiver for financial institutions, retail, restaurants, etc.). The Committee also discussed targeting such waivers to specific areas

of the City, or requiring applicants to provide financial information / demonstrate financial need to qualify for the waiver.

The Committee also discussed residential impact fees. Specifically, the Committee debated whether repealing impact fees on residential development would have any meaningful impact on the cost or supply of housing in the City. It was noted that impact fees on residential development account for approximately 0.5% of the sale price of a unit, or development cost of a multifamily residential rental project. Understanding that housing costs are largely driven by macroeconomic factors (interest rates, cost of materials, fuel, demand), and recognizing that impact fees are a de minimis cost to developers or buyers (0.5% of development cost / sale price), members of the Committee questioned whether waiving impact fees would actually decrease the cost of housing, or simply provide developers with additional revenues. It was also noted that approximately 775 units of housing had been constructed in Concord from 2020-2025, and another 2,008 units are in production, and that the City has been consistently one of the most desirable residential real estate markets in the United States (Realtor.com) in recent years. Therefore, impact fees have not had a dampening effect on the amount of housing being developed in Concord.

Jim Bouley, Chair of the Greater Concord Chamber of Commerce Local Government Affairs Committee, addressed the Committee. He discussed perceptions vs. realities of the development permitting process in Concord. He spoke in support of maintaining transportation impact fee waivers for commercial and industrial development, and stated his opinion that repealing the waiver would thwart economic development and tax base expansion, as well as erode the City's "development friendly" reputation.

Following the conclusion of the discussion, Mayor Champlin stated that he would like to receive feedback from the City's Economic Development Advisory on various ideas and options for impact fees which the Committee has discussed. It was the consensus of the Committee for staff to draft a memorandum to the Economic Development Advisory Committee which provides an overview of impact fees, as well as options associated therewith for EDAC to review. The Committee provided some additional direction to staff about potential options and ideas to include in the memorandum. Staff will work with Chairman Todd on the memorandum to EDAC.

4. **Other Business**
   None.

5. **Adjourn**
   The meeting adjourned at 6:13PM.

Respectfully Submitted;

Matthew R. Walsh
Deputy City Manager – Development