

*Town of Deerfield  
New Hampshire*

*Police and Fire  
Impact Fees*

Prepared for  
**Planning Board**  
**Town of Deerfield, New Hampshire**

Prepared by  
**Southern New Hampshire Planning Commission**

**COMPLETED DRAFT**  
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# Town of Deerfield Police and Fire Impact Fees

## A. Purpose of Report

This report provides a basis for the Town of Deerfield to establish impact fees for police and fire capital facilities (specifically police and fire vehicles and associated equipment) to be assessed to new development within the community. The procedures for impact fee assessment are provided for by the Town of Deerfield's zoning ordinance (Article VII, Section 708, Impact Fees) and the State of New Hampshire's planning statutes. The amount of the Police and Fire impact fees for vehicles and associated equipment are based on the methodology and impact fee schedule as set forth in this report documenting the proportional basis for the fees.

## B. Authorization for Impact Fees

The establishment and assessment of impact fees are authorized by New Hampshire RSA 674:21 V. As set forth by RSA 674:21 V., an "impact fee" means a fee or assessment imposed upon development, including subdivision, building construction, or other land use change, in order to help meet the needs occasioned by that development for the construction or improvement of capital facilities owned or operated by the municipality. An impact fee is a one-time charge to new development to offset the proportional impact of new development on the costs borne by local government to provide public capital facilities. Under RSA 674:21 V., public safety, including police and fire vehicles and associated equipment are among the types of capital facilities eligible for impact fee assessment. In order for a municipality to adopt an impact fee, it must have enacted a capital improvements program pursuant to RSA 674:5-7. The Town of Deerfield currently has a Capital Improvement Program (CIP) for FY 2005-2010. This CIP is out of date and on \_\_\_\_\_, 2016, the Deerfield Planning Board adopted an updated Capital Improvement Program (CIP) for FY 2016-2022.

Under RSA 674:21 V. (c) impact fees must be accounted for separately and segregated from the municipality's general fund and may be spent upon order of the municipal governing body. In addition, the fees may be exempt from all provisions of RSA 32 relative to limitation and expenditure of town moneys, and shall be used solely for the capital improvements for which it was collected, or to recoup the cost of capital improvements made in anticipation of the needs which the fee was collected to meet.

Impact fees cannot be used toward upgrade and maintenance of existing facilities and infrastructure, the need for which is not created by new development. It is important to note that in 2012, the New Hampshire Legislature adopted several amendments to RSA 674:21 regarding the administration of impact fees. A new subsection (l) was inserted which states that no later than 60 days following the end of the fiscal year, any municipality having adopted an impact fee ordinance shall prepare a report listing all expenditures of impact fee revenue for the prior fiscal year, identifying the capital improvement project for which the fees were assessed and stating the dates upon which the fees were assessed and collected. The annual report shall enable the public to track

the payment, expenditures, and status of the individually collected fees to determine whether said fees were expended, retained, or refunded. This new language has created two new provisions (1) a reporting requirement; and (2) a provision providing amnesty for the prior collection of impact fees for improvements to state highways.

### **C. Methodology and Approach**

There are a variety of methods that may be used to calculate impact fees. The choice of a particular method depends mainly on the service characteristics of the community and planning requirements for the facility type being addressed. Each method has advantages and disadvantages, and to some extent they are interchangeable as each method must allocate facility costs in proportion to the needs created by development. In simplest terms, the process of calculating impact fees involves two basic steps: determining the cost of the development-related capital improvements and allocating these costs equitably to various types of development. The calculation of impact fees, however, can be complex because of the many variables involved in defining the relationship between development and the need for the facilities. Specifically the public's need for police and fire vehicles and associated equipment resulting from new development within the Town of Deerfield.

The methodology used in calculating the Town of Deerfield's Police and Fire impact fees in this report is known as the Incremental Expansion Impact Fee Calculation. The incremental expansion method identifies the current level-of-service (LOS) for the use and need of the capital facility in this case police and fire vehicles and related equipment in both quantitative and qualitative measures based on service standards.

The service standards used in this methodology are (1) the net capital cost of police and fire vehicles and related equipment per person for residential development; and (2) the net capital cost for police and fire vehicles and related equipment per weekday vehicle trip ends per 1,000 square feet for various types of non-residential development. These costs are then allocated according to the percent share of the number of police and fire service calls made for residential and nonresidential uses within the community.

The Incremental Expansion Impact Fee Calculation is the most appropriate approach for this report as the Town of Deerfield intends to use the impact fees assessed and collected to specifically provide police and fire vehicles and associated equipment, as needed, to accommodate new development within the community. This methodology is best applied when the purchase of capital improvements and property are planned to be expanded in regular increments (in this case in accordance with the Town of Deerfield's Capital Improvement Program) and when LOS standards can be documented based on current conditions in the community.

Figure 1 provides an overall summary of the methodology and cost allocation used to calculate the Town of Deerfield's Police and Fire Impact fees.

<b>Figure 1: Summary of Impact Fee Methodology and Cost Components</b>		
<b>Type of Public Facility</b>	<b>Incremental Expansion</b>	<b>Cost Allocation</b>
Police	Vehicles/Equipment	Calls for Service
Fire	Vehicles/Equipment	Calls for Service

#### **D. Schedule of Police and Fire Impact Fees**

Figure 2 sets forth the schedule for the assessment of Police and Fire Impact Fees for the Town of Deerfield. For new residential uses, the fees are assessed on a housing unit basis. For new nonresidential uses, the fees are assessed on a square feet of floor area basis. The Town of Deerfield may adopt Police and Fire Impact Fees that are less than the amounts provided in Figure 2. However, it should be noted that a reduction in impact fee revenue often may necessitate an increase in other municipal revenues, a decrease in planned capital expenditures, and/or a decrease in the town's LOS standards to address the needs for such capital facilities.

<b>Figure 2: Schedule of Police and Fire Impact Fees</b>		
	<b>Police</b>	<b>Fire</b>
<b>Residential</b>	<b>Per Housing Unit</b>	<b>Per Housing Unit</b>
Single Family	<b>\$106.59</b>	<b>\$480.96</b>
Multifamily	<b>\$82.27</b>	<b>\$369.96</b>
Mobile Home	<b>\$52.22</b>	<b>\$234.84</b>
<b>Nonresidential</b>	<b>Per Square Foot</b>	<b>Per Square Foot</b>
Convenience Market	\$0.16	\$1.027
Convenience Market with Gas Pumps	\$6.19	\$8.35
Nursery (Garden Center)	\$0.35	\$2.25
Pharmacy Drugstore with Drive Through Window	\$0.52	\$3.34
Drive-in Bank	\$0.77	\$4.91
Quality Restaurant	\$0.43	\$2.79
Assisted Living*	\$0.01	\$0.90
Church	\$0.04	\$0.30
Child Day Care	\$0.38	\$2.45
Nursing Home	\$0.03	\$0.25
Animal Clinic	\$0.01	\$0.11
Light Industrial	\$0.03	\$0.21
Manufacturing	\$0.02	\$0.12
Warehousing	\$0.02	\$0.09
Mini Warehousing	\$0.01	\$0.08
Nursery Wholesale	\$0.01	\$0.10

<b>Other Nonresidential Uses Not Listed Above</b>	Fee is calculated on a use-by-use basis	Fee is calculated on a use-by-use basis
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\* Fees for Assisted Living are expressed in number of occupied beds.

\*\*Other nonresidential uses not identified in Figure 2 can be found within the Trip Generation Manual, 9<sup>th</sup> Edition. See Figures 12 and 19 for instructions on calculating police and fire impact fees for other nonresidential uses not identified in this Impact Fee Schedule.

It is recommended that the schedule of Police and Fire Impact Fees as shown in Figure 2 be reviewed and adjusted if necessary by the Deerfield Planning Board as part of an annual evaluation and update of the fees. To adjust for inflation, it is recommended that the Planning Board work with the Town of Deerfield’s Finance Office to develop a vehicle sales index that best reflects historic and projected rates of increase in the purchase of police and fire vehicles. Such an index might be available from the dealers or sources where the town purchases the vehicles. This index could be applied against the calculated impact fees accordingly. If the cost estimates change significantly the fees should be recalculated.

### **E. Background Data and Projections**

The Police and Fire Impact Fees as set forth in this report are based on existing and projected development estimated to occur within the Town of Deerfield between the years 2016 and 2022. This development may occur sooner or later than projected within this time period, but the rate and timing of this development does not impact the fee calculation. The year 2015 is the base year upon which the key data is collected and the calculations are made. The calculations are applied forward to 2016 to correspond with the time period 2016-2022 which correlates with the **Planning Board’s adoption on \_\_\_\_\_, 2016 of the Town’s Capital Improvement Program (FY 2016-2022)** as well as the six-year time period in which the Town of Deerfield must spend the collected fees.

The key data and variables developed for this impact fee report include:

- Housing Units (single-family, multi-family and mobile home/other)
- Population (existing and projected)
- Population per Housing Unit
- Employment
- Estimated 2015 nonresidential gross floor area (Town Assessor’s Records)
- Trip Generation Rates for residential and nonresidential use (ITE Trip Generation Manual, 9<sup>th</sup> Edition)
- Average daily weekday vehicle trips (residential and nonresidential)
- Estimated current average daily nonresidential vehicle trips
- Local Police and Fire Calls (responses to incidents)
- Number and Type of Existing and Projected New Police and Fire Vehicles
- Estimated Cost and Replacement Value for Police and Fire Vehicles
- Cost per Demand Unit for Police and Fire Vehicles

Current and Future Development Projections

The following estimates and projections are used within the impact fee calculations to measure the increased demand for police capital facility improvements and police and fire vehicles and related equipment in the future, establish the existing levels of service measures for these capital needs and vehicles within the Town of Deerfield, and to allocate the cost of these capital needs and vehicles between existing and future development. Figure 3 summarizes the projected population, employment, housing units, and total service population for the Town of Deerfield.

<b>Figure 3: Current and Future Development Projections, Town of Deerfield</b>										Total	Percent
Town of Deerfield	2015	2016	2017	2018	2019	2020	2021	2022	Increase	Increase	
Population	4,571	4,625	4,678	4,732	4,785	4,839	4,893	4,946	375	8.20%	
Employment	407	411	416	421	426	430	435	440	33	8.10%	
Housing Units	1,808	1,829	1,850	1,871	1,892	1,913	1,934	1,955	147	8.10%	

Source: SNHPC population, employment and housing projections.

Population

The population estimates used in this impact fee calculation are based on the five year population projections (2010 through 2035) prepared by SNHPC for the Town of Deerfield considering the Deerfield’s historic growth over the past ten years. Deerfield’s rates of growth between 2010 and 2015 were applied incrementally to obtain the annual estimates as shown in Figure 3. The Town of Deerfield’s 2022 population is estimated to be approximately 4,946 which is an increase of 8.2 percent or 375 new residents from 2015. This population projection is somewhat less than the 2015 and 2020 population projections provided in the Town of Deerfield’s 2009 Updated Master Plan which are 5,204 and 6,027 people respectively. The town’s 2009 master plan population projections however, did not take into account slower growth which occurred between 2008 and 2010 as a result of the national recession.

Employment

According to the New Hampshire Employment Security, Economic & Labor Market Information Bureau annual averages for covered employment and wages, a total of 409 persons were employed in goods and service producing industries and government within the Town of Deerfield in 2014. This estimate was then matched with the number of housing units in 2014 (1,821) to derive a jobs to housing ratio of 0.225 jobs for each housing unit in Deerfield. To project the number of future jobs in Deerfield to 2022, this ratio was then multiplied by the projected number of housing units between 2015 and 2022. It is recommended that the Deerfield Planning Board evaluate this projection with the release by the Office of Energy and Planning NH’s Housing Supply Estimates for Deerfield in 2015 to see if it is on track. If the estimated number of housing units does



not increase as predicted within the community, then the projected number of jobs could likely be too high.

### Housing Units

As shown in Figure 3, the total number of housing units in the Town of Deerfield is projected by SNHPC to increase from an estimated 1,808 units in 2015 to 1,913 units by 2022, an increase of 147 units or 8.10 percent. This projection is based on the number of housing units as of the 2010 U.S. Census and historical trends in residential building permits issued between 2010 and 2015, and applying this historic rate on an annualized basis forward to the year 2022. In comparison, according to the Office of Energy and Planning, the total number of residential building permits issued by the town between 2010 and 2014 was 78 resulting in a total of 1,821 housing units in Deerfield in 2014 (NH’s Housing Supply, Current Estimates and Trends, December 2015). NH Office and Energy Planning’s 2014 estimate is 13 units higher than SNHPC’s estimate of 1,808 in 2015.

### Population per Unit of Development

There are three main types of housing units in the Town of Deerfield which will be used in the impact fee calculations: (1) single-family; (2) multi-family; and (3) mobile homes. The total number of housing units, occupied units, population, persons per housing unit, household vacancy and housing distribution is shown in Figure 4. This data is derived from available Town of Deerfield property tax records, Office of Energy and Planning Building Permit records for Deerfield, and available 2010 and latest ACS 2009-2014 Census. The 2015 estimates are derived from projections and applying proportional percentages of single family, multi-family and mobile home forward from the 2010 Census data.

**Figure 4: 2015 Persons per Housing Unit, Town of Deerfield**

Housing Unit Type	Total Estimated 2015 Housing Units*	Total Estimated 2015 Occupied Housing Units**	Total Estimated 2015 Population**	2015 Estimated Average Persons Per Housing Unit**	Estimated 2015 Household Vacancy Rate**	2015 Percent Distribution of Housing Units***
Single Family	1,605	1,364	4,065	2.98	1.68	88.72%
Multi Family	124	106	244	2.30	1.30	6.85%
Mobile Home	79	67	98	1.46	0.82	4.36%
<b>Total</b>	<b>1,808</b>	<b>1,537</b>	<b>4,571</b>	<b>3.36</b>	<b>1.9%</b>	<b>100%</b>

\*Derived from SNHPC Projections – see Figure 3 and Office of Energy and Planning Building Permit Records

\*\* Derived from 2010 U.S. Census and ACS 2009-2014 Five Year Estimates

\*\*\*Distribution estimated based on percent of Single Family, Multi-Family and Mobile Home units in 2015

## Gross Nonresidential Floor Area

Figure 5 shows the estimated total nonresidential floor area within the Town of Deerfield as of 2015 as 488,379 square feet. Office/institutional is the largest non-residential land use in the community followed commercial and industrial. In discussions with the Town Assessor, there have not been any substantial changes or major new buildings in 2016, therefore it has been determined that the 2015 estimates are still valid for use in this impact fee report.

**Figure 5: 2015 Non-Residential Floor Area Estimates**

Town of Deerfield Non-residential Land Use	Estimated 2015 Non- Residential Floor Area in Square Feet
<b>Commercial</b>	<b>138,276</b>
<b>Office/Institutional</b>	<b>300,664</b>
<b>Industrial</b>	<b>49,439</b>
<b>Total</b>	<b>488,379</b>

Source: Town of Deerfield Assessor Records

## **G. Impact Fee Calculations**

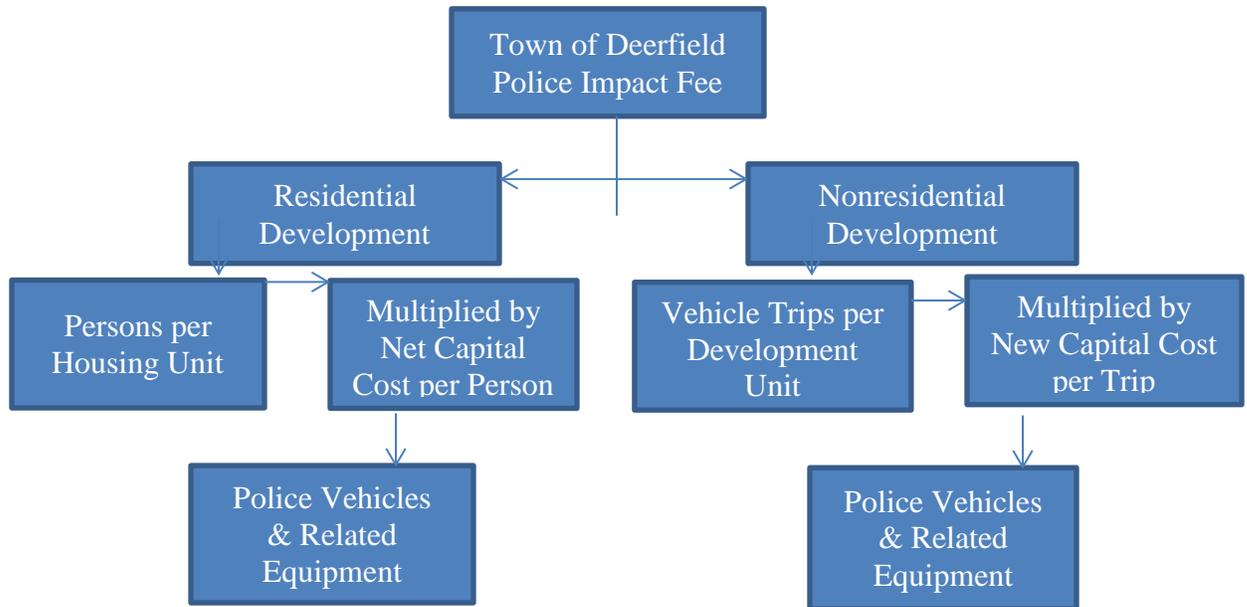
### **Police Impact Fee**

The impact fee for police vehicles and associated equipment for the Town of Deerfield is based upon different service demand indicators among the various types of residential and non-residential development within the community. As shown in Figure 6, the residential portion of the police impact fee is calculated on a **per capita basis** based upon the number of persons per housing unit and then converted to a **proportionate fee amount** by type of housing and then multiplied by the net capital cost for police vehicles per person.

The nonresidential portion of the police impact fee is calculated using nonresidential vehicle trips as a level of service demand indicator for police facilities and vehicles within the community. The number of vehicle trips per various types of nonresidential development is then multiplied by the net capital cost per trip to obtain the impact fee.

Trip generation rates provide a commonly used nonresidential level of service demand indicator for police facilities and vehicle needs within a community. Vehicle trips are generally higher for commercial development, such as retail stores and shopping centers, and lower for industrial/warehouse development. Office and institutional trip generation rates often fall between commercial and industrial development. This ranking of trip rates is consistent with the relative demand for public safety from nonresidential development within a community.

**Figure 6: Police Impact Fee Methodology Flow Chart**



## Proportionate Share Factors

To allocate capital costs of both police capital facility improvement needs and police vehicles and associated equipment, local calls for police services were analyzed to determine the residential and nonresidential proportionate share factors for the police impact fee.

To calculate these proportions this impact fee utilizes local call data collected between January 1, 2015 and December 31, 2015. During this time period, the Deerfield Police Department responded to a total of 2,776 non accident related calls of which 2,640 were tied to a residential address and 136 calls were tied to a nonresidential address (see summary of calls in Figure 7). This call distribution represents roughly a 95 percent/5 percent split in police services between residential and nonresidential uses within the community. For the impact fee calculations purposes this 95/5 percent call distribution split is used to allocate the capital costs for police vehicles between residential and nonresidential uses within Deerfield.

**Figure 7: Proportionate Residential Share Factors for Police**

Responses to Residential Locations:	2,640	95%	
Responses to Nonresidential Locations:	136		5%
Total	2,776		

Source: Town of Deerfield, Police Department. Call data collected over a 12 month period from January 1, 2015 to December 31, 2015

## Level of Service Standards:

The level of service and future need for police vehicles and related equipment to serve residential and nonresidential development within the Town of Deerfield is reflected by the vehicle trips that will be generated by such development. Using estimated housing units and nonresidential floor space data, additional vehicle trips are calculated so that vehicle trip data can be used as a service demand indicator to measure the impact of new development in the town. Figure 8 provides an estimate of the 2015 Average Daily Trips for the Town of Deerfield.

The vehicle trip projections are developed by applying trip generation rates published by the Institute of Transportation Engineers to the 2015 estimates of housing units and nonresidential floor space in Deerfield. For nonresidential use, existing gross commercial, office and institutional and industrial floor area in the Town of Deerfield are used to estimate total vehicle trips.

**Figure 8: 2015 Average Daily Trip Estimates, Town of Deerfield**

Residential	Units <sup>1</sup>	2015 Housing Units <sup>2</sup>	Avg. Daily Trips per Unit <sup>3</sup>	Adjustment Factor <sup>4</sup>	Adjusted ADT per Unit	Estimated Total 2015 ADT Trips
Single Family	DU	1,364	9.52	55%	5.23	7,134
Multi Family	DU	106	5.81	55%	3.19	338
Mobile Home	DU	67	4.99	55%	2.74	183
<b>Total</b>		<b>1,537</b>				<b>7,655</b>
Non-Residential	1,000 SF	2015 Gross Floor Area (SF)	Avg. Daily Trips per SF	Adjustment Factor	Adjusted ADT per KSF	Estimated Total 2015 ADT Trips
Commercial	KSF	138.27	86.30	50%	43.15	5,966
Office/Institutional	KSF	300.66	10.35	50%	5.17	1,554
Industrial <sup>5</sup>	KSF	49.44	2.05	50%	1.02	50
<b>Total</b>		<b>488.37</b>				<b>7,570</b>

<sup>1</sup>DU = dwelling units and KSF = per 1,000 SF

<sup>2</sup>Total Estimated 2015 housing units derived from Figure 4 and estimated gross floor area (SF) data is provided by the Town Assessor based on property tax records as of 2015.

<sup>3</sup>Trip Generation Manual, Institute of Transportation Engineers (ITE), 9<sup>th</sup> Edition, Volumes 2 & 3

<sup>4</sup>Average Daily Trip ends are adjusted to avoid double counting as each trip includes both origin and destination point. Trip adjustment factor for residential uses is 55% reflecting a higher number of residential home to work trips within a community.

<sup>5</sup>Also includes utility, agricultural and wholesale uses

The average weekday vehicle trip ends among various types of nonresidential use are provided directly from the Trip Generation Manual published by the Institute of Transportation Engineers (ITE, 9<sup>th</sup> Edition) and are shown in Figure 8. A “trip end” represents a vehicle either entering or exiting a designated use. The trip generation rates in the ITE Trip Generation Manual are derived from actual measurements of traffic generated by individual sites based upon either the size of the development (e.g. per 1,000 SF of floor area) or the number of employees, occupied beds or number of units, etc. associated with the development.

Figure 8 provides an estimate of the total number of vehicle trips in 2015 within the Town of Deerfield and is derived by multiplying the average daily trip generation rates for various existing residential and nonresidential uses with estimates of the total number of housing units and nonresidential gross floor area in the community. However, before the total number of vehicle trips can be determined, the average daily vehicle trip generation rates from the ITE Trip Generation Manual must first be adjusted to avoid double counting each trip at both the point of origin and the point of destination. Otherwise a person’s trip from home to work would be counted as two trips when it is actually only one trip. For non-residential uses the overall trip adjustment factor is 50

percent. For residential uses the overall trip adjustment factor is 55 percent, as there are often a higher number of daily trips occurring from home to work within a community.

In addition to the adjustment for double counting trips, an additional adjustment is needed to the trip generation rates to take into account pass-by-trips which are made as intermediate stops *on the way* from an origin to a primary trip destination without a route diversion. Factors for the percentage of pass-by-trips are available for certain non-residential uses in Chapter 5 of the Trip Generation Manual, 9<sup>th</sup> Edition, Volume 1: User’s Guide and Handbook. These percentages are shown in bold in Figure 9 for the various identified types of non-residential uses. For all other types of non-residential development, the pass-by-trip adjustment factor used in this calculation is 47 percent which represents an average of the adjustment factors provided from the ITE Manual, Volume 1. For specific commercial/retail uses such as convenience markets with or without gas pumps, the pass by trip adjustment factor range from 26 to 86 percent, depending on the floor area of the development.

**Figure 9: Average Daily Vehicle Trip Factors for Nonresidential Development**

Average Weekday Total Vehicle Trip Ends per 1,000 SF		Multiply by Adjustment Factor (Avg. % of Pass-By Trips)	Adjusted Average One-Way Vehicle Trip Ends per 1,000 SF
<i>Retail/Commercial</i>	<i>Avg. Weekday VT Ends</i>		
852 Convenience Market (open 15-16 hrs.) Avg. 3,000 SF	31.02	47%	14.57
853 Convenience Market w/gas pumps (open 15-16 hrs.) Avg. 3,000 SF	845.60	<b>86%</b>	118.39
817 Nursery (Garden Center) Avg. 5,000 SF	68.10	47%	32.00
881 Pharmacy Drugstore with Drive-Thru Window Avg. 13,000 SF	96.91	<b>49%</b>	47.48
912 Drive-through Bank Avg. 3,000 SF	148.15	<b>47%</b>	69.63
931 Quality Restaurant Avg. 9,000 SF	89.95	<b>44%</b>	39.57
<i>Office/Institutional</i>			
254 Assisted Living* Avg. 117 Occupied Beds	2.74	47%	1.28
560 Church			

Avg. 19,000 SF	9.11	47%	4.28
565 Child Day Care Avg. 5,000 SF	74.06	47%	34.80
620 Nursing Home Avg. 63,000 SF	7.6	47%	3.57
640 Animal Clinic Avg. 13,000 SF	4.08	47%	1.63
<b>Industrial</b>			
110 Light Industrial Avg. 203,000 SF	6.47	47%	3.04
140 Manufacturing Avg. 349,000 SF	3.82	47%	1.79
150 Warehousing Avg. 431,000 SF	3.56	47%	1.67
151 Mini-Warehouse Avg. 56,000 SF	2.50	47%	1.17
818 Nursery Wholesale Avg. 3,000 SF	3.02	47%	1.42

\*Assisted Living vehicle trip-ends are expressed in number of occupied beds.

Source: Trip Generation Manual, 9<sup>th</sup> Edition, Volume 1 User's Guide and Handbook and Volumes 2 & 3: Data, Institute of Transportation Engineers; Average Pass-By Trips % noted in bold are based on ITE Volume I, data contained with Chapter 5 – for all other uses in Figure 4 - a weighted average of 47% is used as the Average Pass-By Trips adjustment factor.

## Police Vehicles and Related Equipment Incremental Expansion Component

As noted previously, the cost per demand unit for police vehicles and related equipment is derived using the incremental expansion approach. The Vehicle and Equipment costs shown in Figure 10 are obtained directly from the Town of Deerfield's Finance Officer, Town Administrator and Police Chief and the Town's updated 2016 CIP. This information represents what the town's estimated cost is for needed capital facility improvements and replacing vehicles and associated equipment as part of the department's inventory and the CIP. As shown in Figure 10, the estimated total police estimated cost for vehicle/equipment replacement is valued at **\$172,107**.

In order to determine the cost per demand unit for police facilities, vehicles and equipment, the total estimated replacement cost (\$172,107) is multiplied by the residential (95 percent) and nonresidential proportionate (3 percent) share factors. The resulting residential proportionate share (\$163,502) is then divided by the town's current 2015 population estimate (4,571) for a cost per demand unit of **\$35.77** per person.

For nonresidential development, the proportionate share (\$86,053) is divided by the 2015 estimate of total daily nonresidential vehicle trips (7,750), for a cost per demand unit of **\$11.10** per vehicle trip.

**Figure 10: Police Vehicles and Related Equipment Incremental Expansion Level-of-Service Standards and Replacement Values During the Period of the Impact Fee**

Vehicle Type and Equipment	Make/Year	Purchase Price	Planned Schedule or Retirement Based on CIP	No# of Units	Replacement Cost Per Unit	Estimated Total Cost or Replacement Value
Chevrolet Impala	2010	\$26,320	2016	1	\$31,427	\$31,427
Ford Interceptor Sedan	2013	\$23,979	2017	1	\$32,924	\$32,924
Ford Interceptor Sedan	2013	\$27,321	2018	1	\$34,420	\$34,420
Ford Utility Interceptor	2014	\$30,1040	2019	1	\$35,919	\$35,919
Ford Utility Interceptor	2015	\$29,931	2020	1	\$37,417	\$37,417
<b>Total</b>				<b>5</b>	<b>\$172,107</b>	<b>\$172,107</b>

Source: Town Finance Officer, Town Administrator and Police Chief

Development Type	Proportionate Share	2015 Demand Units	Cost Per Demand Unit
Residential	95%	4,571 Population*	<b>\$35.77</b>
Nonresidential	5%	7,570 ADT**	<b>\$11.10</b>

\*Note: Deerfield's 2015 Population is Based on SNHPC Population-Housing Unit Methodology – see Figure 3.

\*\*Note: Estimated Total Adjusted 2015 Nonresidential Vehicle Trips for Town of Deerfield, NH – see Figure 8

### Credits

Currently the Town of Deerfield does not have any outstanding bonded debt or lease payments related to the financing of police vehicles and related equipment. At present, all financing of police facilities, vehicles and related equipment has come directly from general taxation. Therefore, a credit for existing bond/lease financing is not necessary or applicable to this impact fee.

## Summary of Police Level-of-Service Standards

Figure 11 provides a summary of all the level-of-service (LOS) standards used to calculate the police impact fees. As noted previously, police impact fees are calculated for both residential and nonresidential land uses. As shown in Figure 11, the capital cost per demand unit for residential land uses is **\$35.77** per person. The cost per demand unit for nonresidential units is **\$11.10** per nonresidential vehicle trip.

**Figure 11: Police LOS Impact Fee Variables**

<b>Residential and Nonresidential Demand Indicators</b>	<b>Average Persons Per Housing Unit</b>	<b>Adjusted Average Vehicle One Way Trip Ends Per 1,000 SF</b>
<b><i>Residential</i></b>		
Single Family	2.77	
Multi Family	2.21	
Mobile Home	2.17	
<b><i>Nonresidential</i></b>		
Convenience Market		14.57
Convenience Market w/gas pumps		118.39
Nursery (Garden Center)		32.00
Pharmacy Drugstore w/Drive Through Window		47.48
Drive-Through Bank		69.63
Quality Restaurant		39.57
Assisted Living*		1.28
Church		4.28
Child Day Care		34.80
Nursing Home		3.57

Animal Clinic		1.63
Light Industrial		3.04
Manufacturing		1.79
Warehousing		1.67
Mini-Warehouse		1.17
Nursery Wholesale		1.42
<b><i>Demand Unit Cost Estimates</i></b>	<b><i>Per Person</i></b>	<b><i>Per Trip</i></b>
Capital Cost for Facilities & New Vehicles per person and per trip	<b>\$35.77</b>	<b>\$11.10</b>
<b><i>Total Capital Cost per Demand Unit</i></b>	<b>\$35.77</b>	<b>\$11.10</b>

\*Assisted Living vehicle trip-ends are expressed in number of occupied beds.

### Maximum Sustainable Impact Fee for Police Vehicles

Figure 12 provides the schedule for maximum sustainable impact fees for police vehicles. For new single-family residential units, the average persons per housing unit (2.98) or a single family housing unit is multiplied by the capital cost per person (\$35.77) for an impact fee per unit of **\$106.59**. For new multi-family residential units, the average number of persons per a multi-family unit (2.30) is multiplied by the capital cost per person (\$35.77) for an impact fee per unit of **\$82.27**. For new mobile home units, the average number of persons per a mobile home unit (1.46) is multiplied by the capital cost per person (\$35.77) for an impact fee per unit of **\$52.22**

For ease of administration, the maximum sustainable impact fee for police vehicles and related equipment for most types of nonresidential development will be imposed on a per square foot basis of floor area of new development. For example, a convenience store (open 15/16 hours) generates 31.02 trip ends per 1,000 SF of floor area (see Figure 9). This average daily vehicle trips per 1,000 square feet of 31.02 is multiplied by the one way trip adjustment factor (47 percent) resulting in an adjusted average one way vehicle trip ends per 1,000 SF of 14.57. This adjusted average one way vehicle trip ends per 1,000 SF of 14.57 in Figure 11 is then multiplied by the capital cost per vehicle trip (\$11.10). The final step as shown in Figure 11 is to divide by the scaling factor of 1,000 SF to yield a fee of **\$0.16** per square foot of floor area as shown in Figure 12. For assisted living the average daily vehicle trip ends is per occupied bed and not per 1,000 SF of floor area.

Where a specific nonresidential use is not listed in Figure 12, the maximum sustainable police impact fee can be calculated by obtaining the average weekday vehicle trip ends per 1,000 square feet as provided within the Trip Generation Manual, 9<sup>th</sup> Edition multiplying by an average trip adjustment factor of 48 percent (48 percent is the overall average of the trip adjustment factors for nonresidential uses listed in Figure 9) and the capital cost per vehicle trip of \$17.15 then dividing by the scaling factor of 1,000 to yield the fee per square foot of floor area of the specific nonresidential use.

**Figure 12: Police Impact Fee Schedule**

	<b>Per Housing Unit</b>	
<b>Residential</b>		
Single Family	<b>\$106.59</b>	
Multi Family	<b>\$82.27</b>	
Mobile Home	<b>\$52.22</b>	
<b>Nonresidential</b>		<b>Per Square Foot</b>
Convenience Market		\$0.16
Convenience Market w/gas pumps		\$1.31
Nursery (Garden Center)		\$0.35
Pharmacy Drugstore with Drive-Through Window		\$0.52
Drive-Through Bank		\$0.77
Quality Restaurant		\$0.43
Assisted Living*		\$0.01
Church		\$0.04
Child Day Care		\$0.38
Nursing Home		\$0.03
Animal Clinic		\$0.01
Light Industrial		\$0.03
Manufacturing		\$0.02
Warehousing		\$0.02
Mini Warehouse		\$0.01
Nursery Wholesale		\$0.01
Other Nonresidential Uses (not listed above)**		Fee is calculated on a use-by-use basis

\* Fees for Assisted Living are expressed in number of occupied beds.

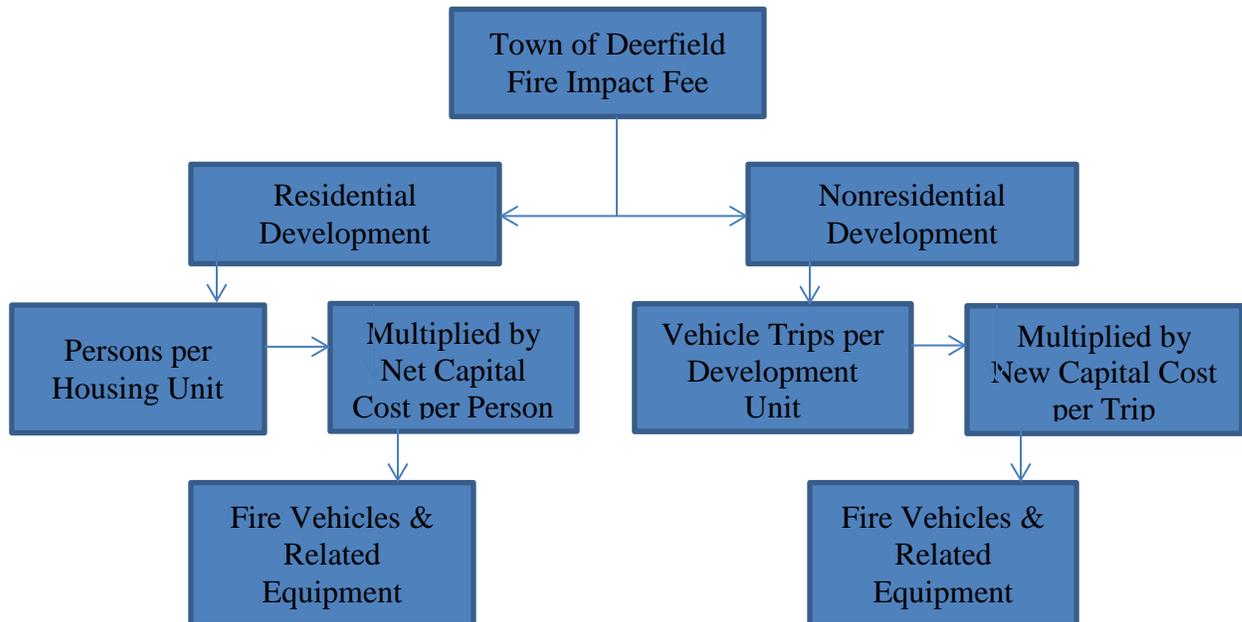
\*\*Other nonresidential uses not identified in Figure 2 can be found within the Trip Generation Manual, 9<sup>th</sup> Edition and the fees can be calculated by applying an average one way trip adjustment factor of 48% and multiplying by the capital cost per vehicle trip of \$11.10 then dividing by scaling factor of 1,000 to yield an impact fee per SF of floor area.

## Fire Impact Fee

Similar to the methodology for the police impact fees for the Town of Deerfield, the impact fee for fire vehicles and associated equipment is based upon different service demand indicators among the various types of residential and non-residential development within the community. As shown in Figure 13, the residential portion of the fire impact fee is calculated on a **per capita basis** based upon the number of persons per housing unit and then converted to a **proportionate fee amount** by type of housing and then multiplied by the net capital cost for fire vehicles per person.

The nonresidential portion of the fire impact fee is calculated using nonresidential vehicle trips as a level of service demand indicator of the need for fire vehicles within the community. The number of vehicle trips per various types of nonresidential development is then multiplied by the net capital cost per trip to obtain the impact fee. Trip generation rates provide a commonly used nonresidential level of service demand indicator for fire vehicle needs within a community. Vehicle trips are generally higher for commercial development, such as retail stores and shopping centers, and lower for industrial/warehouse development. Office and institutional trip generation rates often fall between commercial and industrial development. This ranking of trip rates is consistent with the relative demand for public safety from nonresidential development within a community.

**Figure 13: Fire Impact Fee Methodology Flow Chart**



## Proportionate Share Factors

To allocate capital costs of fire vehicles and the associated equipment, local calls for fire services were analyzed to determine the residential and nonresidential proportionate share factors for the fire impact fee.

Between January 1, 2015 and December 31, 2015, the Deerfield Fire Department responded to a total of 90 calls of which 63 were tied to a residential address and 27 to a non-residential address. Based upon this data, 70 percent of the calls were related to residential properties and 30 percent were related to non-residential properties (see summary of calls in Figure 14). This call distribution represents a 70 percent/30 percent split in fire services between residential and nonresidential uses within the community. For impact fee calculation purposes this 70/30 percent call distribution split is used to allocate the capital costs for fire vehicles and related equipment between residential and nonresidential uses in Deerfield.

**Figure 14: Proportionate Residential Share Factors for Fire**

Responses to Residential Locations:	63	70%
Responses to Nonresidential Locations:	<u>27</u>	30%
Subtotal	90	

Source: Town of Deerfield Fire Department. Call data collected over a 12-month period from January 1, 2015 to December 31, 2015

## Level of Service Standards:

The level of service and future need for fire vehicles to serve residential and nonresidential development within the Town of Deerfield is reflected by the vehicle trips that will be generated by such development. Using estimated housing units and nonresidential floor space data, additional vehicle trips are calculated so that vehicle trip data can be used as a service demand indicator to measure the impact of new development in the town. Figure 15 provides an estimate of the 2015 Average Daily Trips for the Town of Deerfield.

The vehicle trip projections are developed by applying trip generation rates published by the Institute of Transportation Engineers to the 2015 estimates of housing units and nonresidential floor space in Deerfield. For nonresidential use, existing gross commercial, office and institutional and industrial floor area in the Town of Deerfield are used to estimate total vehicle trips.

**Figure 15: 2013 Average Daily Trip Estimates, Town of Deerfield**

Residential	Units <sup>1</sup>	2015 Housing Units <sup>2</sup>	Avg. Daily Trips per Unit <sup>3</sup>	Adjustment Factor <sup>4</sup>	Adjusted ADT per Unit	Estimated Total 2015 ADT Trips
Single Family	DU	1,364	9.52	55%	5.23	7,134
Multi Family	DU	106	5.81	55%	3.19	338
Mobile Home	DU	67	4.99	55%	2.74	183
<b>Total</b>		<b>1,537</b>				<b>7,655</b>
Non-Residential	1,000 SF	2015 Gross Floor Area (SF)	Avg. Daily Trips per SF	Adjustment Factor	Adjusted ADT per KSF	Estimated Total 2015 ADT Trips
Commercial	KSF	138.27	86.30	50%	43.15	5,966
Office/Institutional	KSF	300.66	10.35	50%	5.17	1,554
Industrial <sup>5</sup>	KSF	49.44	2.05	50%	1.02	50
<b>Total</b>		<b>488.37</b>				<b>7,570</b>

<sup>1</sup>DU = dwelling units and KSF = per 1,000 SF

<sup>2</sup>Total Estimated 2015 housing units derived from Figure 4 and estimated gross floor area (SF) data is provided by the Town Assessor based on property tax records as of 2015

<sup>3</sup>Trip Generation Manual, Institute of Transportation Engineers (ITE), 9<sup>th</sup> Edition, Volumes 2 & 3

<sup>4</sup>Average Daily Trip ends are adjusted to avoid double counting as each trip includes both origin and destination point. Trip adjustment factor for residential uses is 55% reflecting a higher number of residential home to work trips within a community.

<sup>5</sup>Also includes utility, agricultural and wholesale uses

The average weekday vehicle trip ends among various types of nonresidential use are provided directly from the Trip Generation Manual published by the Institute of Transportation Engineers (ITE, 9<sup>th</sup> Edition) and are shown in Figure 15. A “trip end” represents a vehicle either entering or exiting a designated use. The trip generation rates in the ITE Trip Generation Manual are derived from actual measurements of traffic generated by individual sites based upon either the size of the development (e.g. per 1,000 SF of floor area) or the number of employees, occupied beds or number of units, etc. associated with the development.

Figure 15 provides an estimate of the total number of vehicle trips in 2013 within the Town of Deerfield and is derived by multiplying the average daily trip generation rates for various existing residential and nonresidential uses with estimates of the total number of housing units and nonresidential gross floor area in the community. However before the total number of vehicle trips can be determined, the average daily vehicle trip generation rates from the ITE Trip Generation Manual must first be adjusted to avoid double counting each trip at both the point of origin and the point of destination. Otherwise a person’s trip from home to work would be counted as two trips when it is actually only one trip. For non-residential uses the overall trip adjustment factor is 50

percent. For residential uses the overall trip adjustment factor is 55 percent, as there are often a higher number of daily trips occurring from home to work.

In addition to the adjustment for double counting trips, an additional adjustment is needed to the trip generation rates to take into account pass-by-trips which are made as intermediate stops *on the way* from an origin to a primary trip destination without a route diversion. Factors for the percentage of pass-by-trips are available for certain non-residential uses in Chapter 5 of the Trip Generation Manual, 9<sup>th</sup> Edition, Volume 1: User’s Guide and Handbook. These percentages are shown in bold in Figure 16 for the various identified types of non-residential uses. For all other types of non-residential development, the pass-by-trip adjustment factor used in this calculation is 47 percent which represents an average of the adjustment factors provided from the ITE Manual, Volume 1. For specific commercial/retail uses such as convenience markets with or without gas pumps, the pass by trip adjustment factor range from 26 to 86 percent, depending on the floor area of the development.

**Figure 16: Average Daily Vehicle Trip Factors for Nonresidential Development**

Average Weekday Total Vehicle Trip Ends per 1,000 SF		Multiply by Adjustment Factor (Avg. % of Pass-By Trips)	Adjusted Average One-Way Vehicle Trip Ends per 1,000 SF
<i>Retail/Commercial</i>	<i>Avg. Weekday VT Ends</i>		
852 Convenience Market (Open 15-16 hrs.) Avg. 3,000 SF	31.02	<b>47%</b>	14.57
853 Convenience Market w/gas pumps (open 15-16 hrs.) Avg. 3,000 SF	845.60	<b>86%</b>	118.39
817 Nursery (Garden Center) Avg. 5,000 SF	68.10	47%	32.00
881 Pharmacy Drugstore with Drive-Through Window Avg. 13,000 SF	96.91	<b>49%</b>	47.48
912 Drive-Through Bank Avg. 3,000 SF	148.15	<b>47%</b>	69.63
931 Quality Restaurant Avg. 9,000 SF	89.95	<b>44%</b>	39.57
<i>Office/Institutional</i>			
254 Assisted Living* Avg. 117 Occupied Beds	2.74	47%	1.28
560 Church			

Avg. 19,000 SF	9.11	47%	4.28
565 Child Day Care Avg. 5,000 SF	74.06	47%	34.80
620 Nursing Home Avg. 63,000 SF	7.6	47%	3.57
640 Animal Clinic Avg. 13,000 SF	4.08	47%	1.63
<b>Industrial</b>			
110 Light Industrial Avg. 203,000 SF	6.47	47%	3.04
140 Manufacturing Avg. 349,000 SF	3.82	47%	1.79
150 Warehousing Avg. 431,000 SF	3.56	47%	1.67
151 Mini-Warehouse Avg. 56,000 SF	2.50	47%	1.17
818 Nursery Wholesale Avg. 3,000 SF	3.02	47%	1.42

\*Assisted Living vehicle trip-ends are expressed in number of occupied beds.

Source: Trip Generation Manual, 9<sup>th</sup> Edition, Volume 1 User's Guide and Handbook and Volumes 2 & 3: Data, Institute of Transportation Engineers; Average Pass-By Trips % noted in bold are based on ITE Volume I, data contained with Chapter 5 – for all other uses in Figure 4 - a weighted average of 47% is used as the Average Pass-By Trips adjustment factor.

## Fire Vehicles and Equipment Incremental Expansion Component

As noted previously, the cost per demand unit for fire vehicles and associated equipment is derived using the incremental expansion approach. Vehicle and equipment costs shown in Figure 17 are obtained directly from the Town of Deerfield's Finance Officer, Town Administrator, Fire Chief and the Town's updated 2016 CIP. This information represents what the town's estimated cost is for replacing vehicles and associated equipment as part of the department's inventory. As shown in Figure 17, the estimated total replacement value is **\$1,465,000** during the period of this impact fee.

In order to determine the cost per demand unit for fire vehicles, the total estimated replacement cost (\$1,465,000) is multiplied by the residential (70 percent) and nonresidential proportionate (30 percent) share factors. The resulting residential proportionate share (\$1,025,500) is then divided by the town's current 2015 population estimate (4,571) for a cost per demand unit of **\$224.34** per person.

For nonresidential development, the proportionate share (\$439,500) is divided by the 2015 estimate of total daily nonresidential vehicle trips (4,560), for a cost per demand unit of **\$98.38** per vehicle trip.

**Figure 17: Fire Vehicles Incremental Expansion Level-of-Service Standards and Replacement Values During the Period of the Impact Fee**

Vehicle Type and Equipment	Year	Schedule or Planned Retirement Based on CIP	No# of Units	Replacement Cost Per Unit	Estimated Total Replacement Value
Internal Engine	1980	2016	1	\$550,000	\$550,000
F-8000 Ford-Tanker	1987	2019	1	\$375,000	\$375,000
Chevy Tahoe-Chief Command	2004	2017	1	\$40,000	\$40,000
Internal-Supply Engine	2002	2022	1	\$500,000	\$500,000
<b>Total</b>			<b>8</b>	<b>\$1,465,000</b>	<b>\$1,465,000</b>

\*

Development Type	Proportionate Share	2015 Demand Units	Cost Per Demand Unit
Residential	70%	4,571 Population*	<b>\$224.34</b>
Nonresidential	30%	4,560 ADT**	<b>\$98.38</b>

\*Note: Deerfield’s 2015 Population is Based on SNHPC Population-Housing Unit Methodology.

\*\*Note: Estimated Total Adjusted 2015 Nonresidential Vehicle Trips for Town of Deerfield, NH – see Figure 15.

### Credits

The Town of Deerfield is currently making lease payments related to the financing of the Ford-8000 Fire Tanker at a total cost of \$385,008. The last payment is scheduled for 6/1/2019. Lease payments come directly from general taxation. Therefore, a credit for these payments is applicable to this impact fee to ensure that future development does not pay twice for this fire vehicle, once through the impact fee and again through general taxation.

- Ford-8000 Fire Tanker –Payments to be made during the period of this Impact Fee (6/1/2016 through 6/1/2019) at a total of \$339,583.54

Credits = town’s FY 2015 committed annual tax revenue \$11,960,992 (assuming the town’s tax revenue stays relatively the same between 2016 and 2019) divided by the total combined remaining annual payment \$339,583.54 = **2.83%**

## Summary of Fire Level-of-Service Standards

Figure 18 provides a summary of all the level-of-service (LOS) standards used to calculate the fire impact fees. As noted previously, fire impact fees are calculated for both residential and nonresidential land uses. As shown in Figure 17 and 18, the capital cost per demand unit for residential land uses is **\$224.34** per person. The cost per demand unit for nonresidential units is **\$98.38** per nonresidential vehicle trip.

**Figure 18: Fire LOS Impact Fee Variables**

<b>Residential and Nonresidential Demand Indicators</b>	<b>Average Persons Per Housing Unit</b>	<b>Adjusted Average Vehicle One Way Trip Ends Per 1,000 SF</b>
<b><i>Residential</i></b>		
Single Family	2.77	
Multi Family	2.21	
Mobile Home	2.17	
<b><i>Nonresidential</i></b>		
Convenience Market		14.57
Convenience Market w/gas pumps		118.39
Nursery (Garden Center)		32.00
Pharmacy Drugstore w/Drive Through Window		47.48
Drive-Through Bank		69.63
Quality Restaurant		39.57
Assisted Living*		1.28
Church		4.28
Child Day Care		34.80

Nursing Home		3.57
Animal Clinic		1.63
Light Industrial		3.04
Manufacturing		1.79
Warehousing		1.67
Mini-Warehouse		1.17
Nursery Wholesale		1.42
<b>Demand Unit Cost Estimates</b>	<b>Per Person</b>	<b>Per Trip</b>
Capital Cost for New Vehicles Per Person/Trip	\$224.34	\$98.38
<b>Total Capital Cost per Demand Unit</b>	<b>\$224.34</b>	<b>\$98.38</b>

\*Assisted Living vehicle trip-ends are expressed in number of occupied beds.

### Maximum Sustainable Impact Fee for Fire Vehicles

Figure 19 provides the schedule for maximum sustainable impact fees for fire vehicles and related fire equipment. For new single-family residential units, the average persons per housing unit (2.99) for a single family housing unit is multiplied by the capital cost per person (\$224.34) less the credit of 2.83 percent for an impact fee per unit of **\$480.95**. For new multi-family residential units, the average number of persons per a multi-family unit (2.30) is multiplied by the capital cost per person (\$224.34) less the credit of 2.83 percent for an impact fee per unit of **\$369.96**. For new mobile home units, the average number of persons per a mobile home unit (1.46) is multiplied by the capital cost per person (\$224.34) less the credit of 2.83 percent for an impact fee per unit of **\$234.84**.

For ease of administration, the maximum sustainable impact fee for fire vehicles for most types of nonresidential development will be imposed on a per square foot basis of floor area of new development. For example, a convenience store (open 15/16 hours) generates 31.02 trip ends per 1,000 SF of floor area (see Figure 5). This average daily vehicle trips per 1,000 square feet of 31.02 is multiplied by the one way trip adjustment factor (47 percent) resulting in an adjusted average one way vehicle trip ends per 1,000 SF of 14.57. This adjusted average one way vehicle trip ends per 1,000 SF is then multiplied by the capital cost per vehicle trip (\$98.38) less the credit of 2.83 percent. The final step as shown in Figure 19 is to divide by the scaling factor of 1,000 SF to yield a fee of \$1.027 per square foot of floor area. For assisted living the average daily vehicle trip ends is per occupied bed and not per 1,000 SF of floor area.

Where a specific nonresidential use is not listed in Figure 19, the maximum sustainable fire impact fee can be calculated by obtaining the average weekday vehicle trip ends per 1,000 square feet as provided within the Trip Generation Manual, 9<sup>th</sup> Edition multiplying by an average trip adjustment factor of 48 percent (48 percent is the overall average of the trip adjustment factors for nonresidential uses listed in Figure 19) and the capital cost per vehicle trip of \$98.38 less the credit of 2.83 percent and then dividing by the scaling factor of 1,000 to yield the fee per square foot of floor area of the specific nonresidential use.

**Figure 19: Fire Impact Fee Schedule**

<b>Residential</b>	<b>Per Housing Unit</b>	
Single Family	<b>\$287.25</b>	
Multi Family	<b>\$229.18</b>	
Mobile Home	<b>\$225.03</b>	
<b>Nonresidential</b>		<b>Per Square Foot</b>
Convenience Market		\$1.027
Convenience Market w/gas pumps		\$8.35
Nursery (Garden Center)		\$2.25
Pharmacy Drugstore with Drive-Through Window		\$3.34
Drive-Through Bank		\$4.91
Quality Restaurant		\$2.79
Assisted Living*		\$0.90
Church		\$0.30
Child Day Care		\$2.45
Nursing Home		\$0.25
Animal Clinic		\$0.11
Light Industrial		\$0.21
Manufacturing		\$0.12
Warehousing		\$0.09
Mini Warehouse		\$0.08
Nursery Wholesale		\$0.10
Other Nonresidential Uses (not listed above)**		Fee is calculated on a use- by use basis



## Updating the Fee Schedule

The impact fee methodology has been designed to allow for future updates or modification of the underlying assumptions. Periodically, the variables in the impact fee model can be updated based on new information and documentation to produce revised impact fee amounts. Updates to the fee schedule using the methodology described in this report should be made after consideration of all of the variables involved, as some of these elements are interdependent. The impact fee ordinance should include policies that address the frequency and procedures for adopting updated calculations and fee schedules.

## Assessment/Collection of the Impact Fees

Deerfield's impact fees for police and fire vehicles and associated equipment represent a *one-time charge* collected at the point where new residential dwelling units or nonresidential development (floor area) are to be authorized by building permit. As such, this methodology recognizes each new dwelling unit or new nonresidential development as a permanent addition to the base of demand placed on Deerfield's police and fire vehicle capacity, and recognizes that the average use of these vehicles may vary by type of dwelling unit, size of unit, and number of occupied bedrooms.

These requirements, however, do not prevent the Town of Deerfield and the assessed party from establishing an alternate, mutually acceptable schedule of payment of impact fees in effect at the time of subdivision plat or site plan approval by the planning board. If an alternative schedule of payment is established, the Town of Deerfield may require developers to post bonds, issue letters of credit, accept liens, or otherwise provide suitable measures of security so as to guarantee future payment of the assessed impact fees in accordance with RSA 674:21.

The actual implementation of this impact fee methodology and the resulting fee schedule developed herein are subject to the Town of Deerfield's current impact fee ordinance (Section 708, Impact Fees, Town of Deerfield Zoning Ordinance). While this methodology establishes a rational basis for determining proportionate dollar amounts for impact fees that could be assessed for police and fire vehicles and associated equipment under the provisions of Deerfield's ordinance, the impact fees to be assessed and collected as a result of this report must be implemented primarily to ensure that adequate public facilities remain available to accommodate new growth and to obtain more of the revenues needed for such facilities at the time new development takes place.

More importantly, it is advisable the Town of Deerfield Planning Board update the town's capital facilities improvement program (CIP) on an annual basis (as opposed to very five years or so) to ensure that the impact fees collected through adoption of this impact fee schedule are spent by the town within six years of collection and that the police and fire vehicles and associated equipment outlined in the CIP remain consistent with the funding appropriated for them.

It is critical to remember that all impact fees assessed and collected by the Town of Deerfield must be spent within six years, otherwise the town is legally bound under RSA 674:21 V (e) to refund the fees with any accrued interest.