

WORK SESSION WITH LINCOLN AKERMAN SCHOOL BOARD
DRAFT

PRESENT: R. P. McDermott, Chairman; M. Kasprzak, C. P. Graham, Selectmen;
E. N. Small, Town Administrator; L. A. Ruest, Administrative Assistant

R. Ratigan, S. Smylie, E. Christo, Lincoln Akerman School Board Members; B.
Hickey, SAU 21 Administrator; M. Hastings, Recorder

C. Brown, Planning Board Chairwoman

IMPACT FEES:

Planning Board Chairwoman C. Brown provided the Board with information in order to obtain a better understanding of impact fees. She noted that there may be a misconception as to how impact fees work and provided an explanation and steps to be taken and why.

C. Brown provided information as to how impact fees came to be, the need for a Capital Improvement Program, the definition of a capital improvement project, the Town's ordinance adopted March 2001, the Planning Board's authority to assess the impact fee, the 2003 assessment methodology adopted and amended, the state statute (674:21b) and the purpose chosen by Hampton Falls being "schools."

She noted the ordinance outlines the restrictions regarding the use of collected impact fee funds.

- The amount of any impact fee shall be a proportional share of municipal capital improvement costs which is reasonably related to the capital needs created by the development, and to the benefits accruing to the developing from the capital improvements financed by the fee.
- Upgrading of existing facilities and infrastructures, the need for which is not created by new development, shall not be paid for by impact fees.

It was explained that each impact fee collected is held in a separate account exempt from the municipal budget law and used solely for capital improvements for the reason they were collected and are to be refunded upon failure to appropriate within six years. The governing body (Board of Selectmen) has authority to expend (reference Page 22 2005 Law Lecture Series as well as RSA 672:6 Local Governing Body – definitions section of planning and zoning).

C. Brown informed the Board of a new law that requires annual reporting identifying capital improvement projects as they relate to the fees assessed and noted that impact fees can be used for the Winnacunnet High School (WHS) bond. She added that the Town voted its share of WHS' last expansion addition in order to do away with portable classrooms. Impact fees collected and due to expire can only be used for WHS at this time as no other school project has been brought forward (impact fees cannot be used until the legislative body (voters of the town or school district) has approved a capital improvement facility for which the fees were collected and the impact fees are driven by population increase put onto facilities because of developments from which the fees were collected.

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C. P. Graham acknowledged that the Board has now learned that there has to be a purpose for which the legislative body, town or school, by vote, has approved a capital improvement project. C. Brown added that it is a project that has gone through the CIP program. C. P. Graham noted that the Board has not yet obtained a vote on a project.

E. Christo reported that the School District Attorney and Department of Revenue Administration have reviewed this matter on behalf of the Lincoln Akerman School Board and provided direction that the use and request for impact fees for engineering and survey/site work is allowable. She stated that the work being done is in anticipation of bringing specifics to the voters. C. Brown stated that the costs for this work are part of a complete cost of a project and that if the legislative body does not approve the request for the project, the money is to be refunded (RSA 674:21 V (e)). E. Christo stated the School Board received the opposite opinion in that certain work is needed to be done up front in order to develop a cost and information for a project so voters can make an informed decision on the warrant article.

Discussion took place with regard to previously released impact fees and the use of the fees. M. Kasprzak emphasized that one concern is that the fees are tied to increase in population in the school district because of developments from which the fees were collected. Question has been raised as to the increase in population and what is generating it.

E. Christo stated that her review of the methodology identified allowing for increase in students moving into existing homes. C. Brown stated that the impact fee is put on the homeowner, builder or developer at the time the home is built even if there are not children residing.

Discussion of the capacity of existing elementary school facilities took place. E. Christo reported that the max gross capacity is 341 with a net capacity of 85% totaling 297. The current enrollment is 283. R. Ratigan noted that 280 students is the programming capacity number which relates to 20 students per classroom. Question was raised as to information relating to ages birth through kindergarten and the expected numbers coming forward. E. Christo stated she could check for this information. C. Brown stated it would be helpful to get an idea of growth and whether there is an increase or decrease in numbers.

M. Kasprzak restated her concern with regard to use of impact fees for schools and the restrictions regarding the use of collected funds. She stated she is not seeing how the gradual population increase at the elementary school is related to the capital needs created by the development(s) which posted impact fees, but rather sees programming driving the need for additional space. R. Ratigan stated she disagreed and added that there is a need for additional space for students and that the building does not have classroom space available to provide the services children require. R. Ratigan noted that educational requirements, to include special education requirements, have changed.

C. Brown offered the suggestion that the School Board change its approach as there have been occasions where it has been presented that the project is not related to population increase but rather programs offered at LAS. C. P. Graham stated that if this project is strictly program

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enhanced rather than accommodating increased enrollment due to development, there is no need for town meeting vote before spending. He added that there is a need to refine and articulate information better.

Discussion took place with regard to the School Facilities Improvement Committee providing ways to educate the townspeople by mail and web site. The Board and public are invited to a tour of the school to view the needs. Concerns were stated that a significant number of years have passed without regular maintenance to the building and maintenance overall being put on hold. It was acknowledged that renovations and repairs and maintenance are not part of the impact fee issue.

C. Brown asked what the capacity of the school will be with this proposed new building project. R. Ratigan stated the Board does not have a number and E. Cristo stated this information will come as part of the architectural work being done. It was restated that the capacity of the school at present is 341 with 297 being the maximum for utilization purposes; current enrollment is 282.

C. Brown added that the Capital Improvement Program Committee received draft bonding information which resulted in an approximate annual cost of \$482,000+ per year for 20 years. Suggestion was made to explore options, possibly a longer term bond.

C. P. Graham stated that he felt the Board is not at risk of violating the law at this time, however, is concerned that an affirmative vote is obtained to justify continuing to apply impact fees to a school building project. R. Ratigan stated two matters are being brought forward; the new building project and the use of impact fees. C. Brown added that if the voters deny the request, the impact fees are to be returned and do qualify for application to the existing WHS bond.

E. Cristo stated that she would like to request the SAU to obtain an answer from counsel as to whether impact fees would be refunded. C. Brown stated she is referring to those that expire or are within the limit of time. C. P. Graham suggested that when the SAU is speaking with counsel that discussion takes place on the distinction of program improvements versus increased enrollment that is driven by development.

B. Hickey inquired as to the status of the last request for impact fees. The Selectmen reported the matter has been tabled to the Board's October 17 meeting (the request will be moved to the Selectmen's 11/7 agenda pending response from the School Board's counsel). B. Hickey will provide historical information to L. Ruest.

Discussion was opened to the public. B. Mutrie, Brown Road, stated she remembers that the census of incoming students was obtained from the Town Hall. T. Franciosa, Hillcrest Drive, requested a listing of all impact fees collected since inception and added that he has seen an increase in population over the last 10 years. He added that there are school board policies and state guidelines regarding classroom size.

**BOARD OF SELECTMEN
OCTOBER 15, 2012**

**5:30 PM
TOWN HALL**

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The Board relocated its meeting to the front meeting hall due to a conflict with another meeting group and determined that it would request the School Board share its question and answer from counsel.

The meeting adjourned at 7:08 p.m.