

LESSON LEARNED IN RINDGE

THE IMPACT FEE STORY



TOPICS

- **BACKGROUND ON IMPACT FEES**
- **RINDGE'S IMPACT FEE ORDINANCE**
- **CHALLENGES AND CONCERNS**
- **RECISSION OF THE IMPACT FEE ORDINANCE**
- **POST-2017 DEVELOPMENTS**
- **LESSONS LEARNED**
- **LOOKING FORWARD**

BACKGROUND ON IMPACT FEES

- **DEFINITION: IMPACT FEES ARE CHARGES IMPOSED ON DEVELOPERS TO HELP FUND PUBLIC INFRASTRUCTURE AND SERVICES REQUIRED BY NEW DEVELOPMENTS.**
- **PURPOSE: DESIGNED TO ENSURE NEW GROWTH CONTRIBUTES TO NECESSARY IMPROVEMENTS IN:**
 - **ROADS**
 - **SCHOOLS**
 - **EMERGENCY SERVICES**
 - **WATER AND SEWER SYSTEMS**
- **LEGAL FRAMEWORK: IN NEW HAMPSHIRE, IMPACT FEES ARE AUTHORIZED UNDER RSA 674:21, V.**

RINDGE'S IMPACT FEE ORDINANCE

- **ADOPTED IN 2003 TO MANAGE GROWTH RESPONSIBLY.**
- **AIMED TO ADDRESS INFRASTRUCTURE CONCERNS AS RINDGE EXPERIENCED INCREASED DEVELOPMENT PRESSURE.**
- **FOCUSED ON ENSURING GROWTH PAID FOR ITS SHARE OF IMPACTS.**

CHALLENGES AND CONCERNS

1. ADMINISTRATIVE BURDEN:

- a. MANAGING IMPACT FEES REQUIRES DETAILED ACCOUNTING AND DOCUMENTATION.**
- b. FUNDS MUST BE USED WITHIN SIX YEARS FOR DESIGNATED PURPOSES, OR THEY MUST BE REFUNDED TO DEVELOPERS.**

2. LEGAL RISKS:

- a. MISALLOCATION OR FAILURE TO MEET THE SIX-YEAR DEADLINE COULD RESULT IN COSTLY REFUNDS AND LEGAL CHALLENGES.**

3. ECONOMIC GROWTH CONCERNS:

- a. SOME ARGUED THAT IMPACT FEES DISCOURAGED DEVELOPMENT BY RAISING COSTS FOR BUILDERS AND BUSINESSES.**
- b. NEIGHBORING TOWNS WITHOUT IMPACT FEES CREATED A COMPETITIVE DISADVANTAGE FOR RINDGE.**

4. EFFECTIVENESS DEBATE:

- a. SOME RESIDENTS QUESTIONED WHETHER THE FEES COLLECTED WERE SIGNIFICANT ENOUGH TO FUND MEANINGFUL INFRASTRUCTURE PROJECTS.**

RECISSION OF THE IMPACT FEE ORDINANCE

- **IN 2017, RINDGE VOTERS CHOSE TO ELIMINATE THE IMPACT FEE ORDINANCE.**
- **REASONS CITED INCLUDED:**
 - **ADMINISTRATIVE COMPLEXITY.**
 - **CONCERNS ABOUT STIFLING ECONOMIC GROWTH.**
 - **DOUBTS ABOUT THE ORDINANCE'S OVERALL EFFECTIVENESS IN FUNDING CRITICAL INFRASTRUCTURE.**

POST-2017 DEVELOPMENTS

- **DISCUSSIONS EMERGED IN 2020 REGARDING WHETHER TO REINSTATE AN UPDATED IMPACT FEE ORDINANCE.**
- **THE PLANNING BOARD EXPLORED ALTERNATIVE STRATEGIES FOR FUNDING INFRASTRUCTURE AND BALANCING GROWTH.**

LESSONS LEARNED

1. TRANSPARENCY AND EDUCATION MATTER:

- a. RESIDENTS NEED CLEAR EXPLANATIONS ON HOW IMPACT FEES ARE COLLECTED, TRACKED, AND SPENT.**

2. BALANCING GROWTH AND INFRASTRUCTURE NEEDS:

- a. WHILE IMPACT FEES CAN ADDRESS INFRASTRUCTURE NEEDS, THEY MUST BE CALIBRATED CAREFULLY TO AVOID DISCOURAGING RESPONSIBLE DEVELOPMENT.**

3. LONG-TERM PLANNING IS KEY:

- a. EFFECTIVE IMPACT FEE SYSTEMS REQUIRE A CLEAR PLAN THAT ALIGNS WITH RINDGE'S MASTER PLAN AND CAPITAL IMPROVEMENT GOALS.**

4. COMMUNITY ENGAGEMENT IS ESSENTIAL:

- a. INVOLVING RESIDENTS, BUSINESSES, AND DEVELOPERS IN THESE DISCUSSIONS LEADS TO BETTER-INFORMED DECISIONS.**

LOOKING FORWARD

- **THE STORY OF RINDGE'S IMPACT FEES IS A VALUABLE LESSON IN BALANCING GROWTH, FUNDING INFRASTRUCTURE, AND ENGAGING THE COMMUNITY.**
- **BY UNDERSTANDING THIS HISTORY, RINDGE CAN SHAPE FUTURE STRATEGIES THAT SUPPORT SUSTAINABLE DEVELOPMENT WITHOUT UNDUE BURDENS.**
- **RINDGE'S GROWTH IS INEVITABLE; ENSURING IT'S RESPONSIBLE IS OUR SHARED RESPONSIBILITY.**