

# FOUGERE PLANNING & DEVELOPMENT Inc.

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December 1, 2020

Mr. Ernie Brown, Chairman  
Sandown Planning Board  
320 Main Street  
Sandown, NH 03873

Dear Mr. Chairman,

I understand a few questions were raised at the October 6<sup>th</sup> Planning Board meeting relative to particular findings contained in our Fiscal Impact Report prepared for the proposed Hoytford Hills condominium development. Unfortunately I have a conflict with tonight's meeting and as such, will address these matters as follows:

I should first point out that, in general, townhome developments are always fiscally positive developments; this is especially true when housing units are two bedroom. Bedroom counts drive the number of school age children in a housing development. In addition, all roads will be privately maintained along with refuse disposal being addressed by a private hauler.

## **School Costs:**

As noted in the Fiscal Report, the average gross per pupil cost to educate a student in Sandown is \$17,463. This figure is the average Timberline District gross cost that does not account for federal or state revenues and includes overhead costs such as the SAU Office and O&M expenses that do not vary based on enrollment levels. After rereading Timberline's 2019 District Annual Report, we found a detailed outline of costs directly related to each town entitled Tax Assessment (see attached). Reviewing the details of this data reveals the actually gross average per pupil cost to the Town of Sandown is \$12,908 (Assessment \$13,965,931 / 1,082 enrollment). This cost remains a gross cost and includes overhead expenses that will not be impacted by enrollment trends. However, if we apply this gross per pupil cost to the project, as outlined in Table One, the project remains fiscally positive. This remains true even if we apply the gross average Timberline cost of \$17,463 (total cost \$192,093).

Table One

<b>Gross Rev. Taxes &amp; Car Registrations</b>	<b>\$412,978</b>
<b>Total Municipal Costs</b>	
Police	-\$5,000
Fire	-\$5,000
Misl. Town	-\$4,000
Schools	-\$141,988
<b>Total Estimated Cost</b>	<b>-\$160,988</b>
<b>Net Positive Fiscal Impact</b>	<b>+\$251,990</b>

**Revenue**

Based upon data supplied by the applicant, we used an average per unit value of \$420,000. The applicant is an experienced building and as such, it is our expectation that they are fully aware of local market conditions. In reviewing closed townhome sales in Atkinson and Chester, prices ranging from \$389,000 to \$449,000 were found. It appears the proposed unit price point is indicative of local housing market conditions.

If we reduced the average condo unit price point by \$60,000 to \$360,000, as outlined in Table Two, an estimated \$345,679 in property taxes are generated.

Table Two

Anticipated Property Tax Revenue

Units	Est. Assessed Value <sup>1</sup>	Est. Value	Property Taxes
48	\$277,200	\$13,305,600	\$345,679

Even with the dramatic reduction in per unit value, the project remains fiscally positive as detailed in Table Three.

Table Three

<b>Gross Rev. Taxes &amp; Car Registrations</b>	<b>\$366,497</b>
<b>Total Municipal Costs</b>	
Police	-\$5,000
Fire	-\$5,000
Misl. Town	-\$4,000
Schools	-\$141,988
<b>Total Estimated Cost</b>	<b>-\$160,988</b>
<b>Net Positive Fiscal Impact</b>	<b>+\$205,509</b>

**Summary**

School costs outlined in the Fiscal Report are reasonable and even if alternative costs metrics are used, the proposed project is fiscally positive. This remains true even if unit price points are dramatically reduced.

<sup>1</sup> Assessment is 77% of sale value.

## TAX ASSESSMENT

Resulting Assessments Required from Tax Sources, Apportioned on ADM

Town	Percent	Assessment
Atkinson	22.66%	\$14,131,925
Danville	18.23%	\$11,374,203
Plaistow	30.36%	\$18,941,478
Sandown	28.75%	\$17,937,949
<b>Totals</b>	<b>100.00%</b>	<b>\$62,385,555</b>

<b>B. Capital Expenses</b>		<b>\$2,708,036</b>
Less: Building Aid	\$1,110,592	
Transfer from Capital Projects	0	
Voted from Capital Reserve	0	
Interest	0	
<b>Tax Assessment Required for Capital Expenditures</b>		<b>\$1,597,444</b>

Resulting Assessments for Capital Outlay, Apportioned on Equalized Valuations

Town	Percent	Assessment
Atkinson	32.12%	\$513,191
Danville	13.04%	\$208,297
Plaistow	33.84%	\$540,530
Sandown	21.00%	\$335,426
<b>Totals</b>	<b>100.00%</b>	<b>\$1,597,444</b>

### III. SUMMARY

#### Atkinson

Operating Assessment	\$14,131,925
Capital Assessment	513,191
Less: Education Grant	911,682
Less: Impact Fees	63,949
Less: Kenogarten & Adequate Aid Adjustment	24,682

**Total Assessment Required from Tax Sources \$13,644,803**

#### Danville

Operating Assessment	\$11,374,203
Capital Assessment	208,297
Less: Education Grant	2,728,862
Less: Impact Fees	30,158
Less: Kenogarten & Adequate Aid Adjustment	29,360

**Total Assessment Required from Tax Sources \$8,794,120**

#### Plaistow

Operating Assessment	\$18,941,478
Capital Assessment	540,530
Less: Education Grant	2,223,942
Less: Impact Fees	17,500
Less: Kenogarten & Adequate Aid Adjustment	55,156

**Total Assessment Required from Tax Sources \$17,185,410**



# TAX ASSESSMENT

2019 Enrollment  
1,082  
\$12,908

**Sandown**

Operating Assessment	\$17,937,949
Capital Assessment	335,426
Less: Education Grant	4,123,992
Less: Impact Fees	125,000
Less: Kenogarten & Adequate Aid Adjustment	58,452

**Total Assessment Required from Tax Sources**

**\$13,965,931**

**Assessment Comparison Figures:**

Town	2017	2018	2019
Atkinson	\$13,526,535	\$14,165,097	\$13,644,803
Danville	8,235,477	8,935,119	8,794,120
Plaistow	15,724,111	16,930,059	17,185,410
Sandown	11,875,756	12,977,058	13,965,931
	<b>\$49,361,879</b>	<b>\$53,007,333</b>	<b>\$53,590,264</b>

**District - Total Assessment Increases:**

Change From:

2017 to 2018	\$3,645,454	7.39%
2018 to 2019	\$582,931	1.10%

