

Town of Allenstown New Hampshire

CAPITAL IMPROVEMENTS PROGRAM 2013-2018



**ADOPTED BY THE ALLENSTOWN PLANNING BOARD
September 12, 2012**

Developed by the Allenstown Planning Board's CIP Committee
With assistance from the Central New Hampshire Regional Planning Commission

Town of Allenstown New Hampshire

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Prepared by the:

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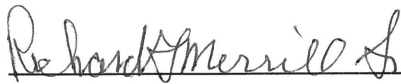
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CERTIFICATE OF ADOPTION

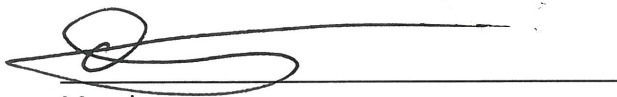
In accordance with New Hampshire RSA 674:5-8, Capital Improvement Program, and RSA 675:6, Method of Adoption, the Allenstown Planning Board, having held a duly noticed public hearing on September 12, 2012 hereby adopts and certifies this Capital Improvement Program, 2013-2018, dated September 12, 2012.



Chair



Vice Chair



Member



Member

Member

Member

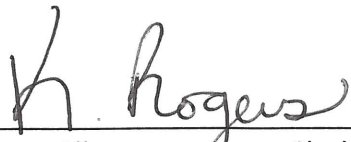
Member

Member



Selectmen's Representative

This document was received and recorded by the Town Clerk on September 12, 2012.

Signed: 
Allenstown Town Clerk

Seal:

ACKNOWLEDGEMENTS

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CHAPTER 1. INTRODUCTION

HISTORY OF ALLENSTOWN'S CAPITAL IMPROVEMENTS PROGRAM (CIP)

In March 2003, the Allenstown Planning Board adopted the 2003 Master Plan. Adoption of the 2003 Master Plan represented the culmination of almost two years of work by nearly 40 volunteers and local officials. In addition to in-depth discussion of land use patterns, conservation, transportation, history, and economics of the community, this Plan included a comprehensive Community and Recreational Facilities and Utilities Chapter, which discussed the short- and long-term needs of each department within Town. One of the critical recommendations within the Master Plan was that the Town develops and strictly follows a Capital Improvement Program (CIP) in accordance with NH RSA 674:5-8 (see **CHAPTER 7. APPENDIX**).

The CIP, an integral extension of the Master Plan, is a program budget and schedule which lays out a series of planned municipal expenditures for capital improvements. It is a plan that shows how, when, and at what cost Allenstown intends to expand or renovate its services and facilities over a six-year period to accommodate existing and predicted needs of the community as related to current and projected growth.

To accomplish the task of creating the Town's CIP, the Planning Board appointed a Capital Improvements Program Committee at their May 9, 2012 regular meeting, and reorganized the Committee at their June 27, 2012. This Committee was charged with developing preliminary evaluation ranking criteria, defining what a capital improvement is, meeting with department heads to discuss projects, as well as the responsibility of scheduling projects in a way to accommodate the public need while minimizing significant fluctuations in the tax rate.

Previously, in summer 2008, the Planning Board initiated a full update of the four-year old FY2004-FY2010 CIP. Similar procedures were followed, new data was collected, and new projects were submitted for consideration for inclusion into the new 2008-2013 document. In spring 2012, a comparable but simplified process was followed to develop this 2013-2018 CIP, now a four-year old document.

For the purposes of this 2013-2018 CIP, a capital improvement has been defined by four key criteria:

- 1) project that must cost at least \$50,000,
- 2) have a lifespan of at least five (5) years,
- 3) is not included in the operating budget, and
- 4) any other project requiring bond financing.

Eligible items include major equipment, vehicles, special studies, purchase of land or easements, as well as construction of roads and buildings. Recurring costs, such as personnel and supplies, are not capital improvements. Some items, such as maintenance or repairs, may or may not be included depending upon the cost and the useful life of the repair. The criteria were modified from what was used in the previous years.

PURPOSE AND USE OF THE CIP

The CIP has a variety of purposes and should have many beneficial effects on Allenstown's financial, budgetary, and planning functions. Its primary purposes are summarized below.

1. **State Statutory and Other Legal Requirements:** According to NH RSA 674:22, communities that wish to engage in regulating the timing of development through the establishment of growth controls must have adopted both a Master Plan and the Capital Improvements Program. With the adoption of the CIP, the Town may be able to regulate the rate of growth, should the need for such control become necessary. Allenstown currently has an adopted Impact Fee Ordinance. In the meantime, the CIP, in conjunction with the Master Plan, will enable the Planning Board to use its power under RSA 674:36 to deny subdivisions that are premature due to the lack of sufficient public services and/or infrastructure (see **CHAPTER 6. APPENDIX**). The CIP demonstrates that the Town is attempting to accommodate growth, and that there is a good faith effort on the part of the Town to provide those services at some later date. If impact fees are assessed to a developer, the Town should request the fees in accordance with the CIP and should also fund its portion of the necessary infrastructure improvement.
2. **Stability in Tax Rates and Budgets:** The Capital Improvements Program will contribute to stabilizing the Town's tax rate and budget each year by planning and budgeting for major capital expenditures well in advance. Financing methods such as bonding and capital reserve funds are recommended in order to make annual capital expenditures more stable, predictable, and manageable. Wide fluctuations in annual Town budgets caused by sudden or large one-time capital expenditures will be reduced. Under NH RSA 33:4A, the Town's bonded indebtedness is limited to 3.0% of the Town's assessed valuation, the School bonded indebtedness is limited to 7.0% of the Town's assessed valuation, and a Village District is limited to 1.0% of their valuation. Towns participating in a cooperative school district can incur bonded indebtedness up to 10% of its equalized valuation (**CHAPTER 6. APPENDIX**).
3. **A Management Tool for Town Officials:** The 2010 Master Plan contains projections and analyses of the Town's demographic trends and finances which all local officials may find useful in planning and delivering public services if the information is updated. A comprehensive, longer-term picture of capital needs is created because all capital items are placed into one schedule. A Master Plan should be updated at least every 7-10 years for it to remain relevant to the community. The Capital Improvements Program is designed to be used by officials as a management tool that builds off of information contained in the Master Plan.

4. Citizens' and Developers' Guide to Planned Expenditures: The Capital Improvements Program will serve both citizens and developers as a useful guide for expenditures planned by the Town to accommodate projected growth. The citizen who wants to know when and at what costs a particular service will be expanded can consult the Capital Improvements Program, as can the developer who wants to know when, for example, school capacity will be expanded. The Town can limit the number of building permits issued each year (Growth Management Ordinance) if it can document the lack of municipal and school capacity to handle growth and state the Town's intentions to remedy the situation within one year.
5. Use by the Selectmen and Budget Committee: In Allenstown, the Budget Committee works with the Board of Selectmen to develop (and approve) the yearly budget. RSA 674:8 is not specific about how the Capital Improvements Program is actually used in preparation of the annual Town Budget. It simply requires the Planning Board "...submit its recommendations for the current year to the Mayor (Board of Selectmen) and Budget Committee... for consideration as part of the annual budget." This clearly means the Capital Improvements Program is not binding in any way upon Town appropriations and expenditures. The Capital Improvements Program is thus an advisory document without the force of law. A properly prepared Capital Improvements Program will, however, be effective and credible when annual consideration of the budget takes place.
6. A Basis for Enacting a Growth Management Ordinance: In order to regulate and control the timing of development through a Growth Management Ordinance in accordance with NH RSA 674:22, communities must enact and maintain a current Master Plan and a Capital Improvements Program. A demonstrated need to time development must be identified through both documents. The CIP contains demographic data, current and future facility information, and Department needs over the next six years. The document helps to support whether a need for new facilities and infrastructure will be needed to accommodate new growth.
7. A Basis for Enacting an Impact Fee Ordinance: In order to implement an impact fee schedule in accordance with NH RSA 674:21, communities must enact and maintain a Capital Improvements Program. Through adoption of this CIP, as well as the 2003 Master Plan, Allenstown has the legal ability to assess impact fees to developers as long as an Impact Fee Ordinance is approved by Town voters (Allenstown's IFO was adopted in 2003). Such fees are used to construct or acquire necessary public infrastructure in order to accommodate demands created by new growth.

THE CIP DEVELOPMENT PROCESS

The Planning Board appoints a Capital Improvements Program Committee, which should use the following process as guidance for development of a CIP. This process was used in 2012 for the development of the 2013-2018 CIP.

Approval of Master Plan (2003)

- Allentown Planning Board completes a new 2003 Master Plan, far different from the original 1965 and later developed 1985 Master Plans. The Master Plan was adopted on March 6, 2003 after conducting properly noticed public hearings. The generally accepted practice is to update the Master Plan every 7 to 10 years, or after a decennial census is released.

Authorization from Annual Meeting (2001)

- The Planning Board seeks and secures approval from Town Annual Meeting to create a Capital Improvements Program in accordance with NH RSA 674:5-8. This approval was obtained in March 2001.

Appointment of Committee (2012)

- The Planning Board appoints a Capital Improvement Program Committee consisting of members from the Planning Board, Town Departments, Town Staff, Sewer Commission, and School District. The 2013-2018 CIP Committee was established on May 9, 2012 and was reorganized on June 27, 2012.

Definition of Capital Expenditure (2012)

- The CIP Committee defines what a “capital expenditure” is each time it generates a new CIP. Most of the time, the definition remains the same for each CIP. The definition is typically multi-part. The definition approved in 2012 by the CIP Committee in order for a project to qualify for inclusion into the CIP is: The project must ...

- 1) cost at least \$50,000,
- 2) have a lifespan of at least five (5) years,
- 3) not be included in the operating budget, and
- 4) be any other project requiring bond financing.

Solicitation of Projects from All Municipal/School Departments (2012)

- The CIP Committee sends information and application materials to all Town Department heads, Board/Commission Chairs, certain administrative Staff positions, and the School Board. Department heads (et al) submit requests with Department priority ranking, estimated costs, and identification of how each project/purchase is to be funded. This occurred in May 2012.

- The Town collects the requests and the CIP Committee reviews the applications and develops questions to ask of Departments during the interview process.

Development and Adoption of Evaluation Criteria (2012)

- Ranking and evaluation criteria is preliminarily developed and then adopted by the Capital Improvements Program (CIP) Committee. The ranking criteria is generally the same for each CIP as it allows for a similar comparison among CIP versions. The criteria approved in 2012 by the CIP Committee is:
 - 1 **Urgent:** Cannot be delayed; needed immediately for public health and safety. (Years 1-2)
 - 2 **Necessary:** Needed to maintain basic level of community services. (Years 3-4)
 - 3 **Desirable:** Needed to improve quality or level of services. (Years 5-6)
 - 4 **Deferrable:** Can be placed on hold until after 6 year period. (After 6 years)
 - 5 **Premature:** Needs more research, planning and coordination.
 - 6 **Inconsistent:** Contrary to land use planning or community development goals.

Interviews and Ranking of Project Requests (2012)

- The CIP Committee holds an interview with each submitter to discuss requests. After testimonies are completed, each member of the CIP Committee ranks each request based on their understanding of ranking criteria and upon their understanding of municipal priorities, taking into consideration Department priorities and their requests for years implemented.
- Adjustments in scheduling over the six-year time period (2013-2018) are negotiated within the CIP Committee in order to minimize sharp increases in the yearly tax rate.
- The CIP Committee develops a final recommended Municipal Improvement Schedule and School Improvement Schedule of projects, including the years of expenditure, offsetting funds, and funding sources.

Document Development (2012)

- The CIP document includes and supports the two Improvement Schedules and provides additional information of value to the Planning Board, Board of Selectmen, and Budget Committee which allows for informed decisions. The Chapters of the CIP are written or updated from the previous version. These Chapters include Introduction, Demographics, Capital Project Prioritization and Ranking, Summary of Projects, Financial Analysis, Road Management Plan, and the Appendix. The numerous financial and comparative tables and figures within the document are developed or updated.

Planning Board Review (2012)

- The Planning Board receives a final recommended Capital Improvements Program from the CIP Committee. Planning Board may, at their discretion, meet with the CIP Committee at a Work Session to discuss the document prior to the Public Hearing.
- The Planning Board may adjust scheduling and/or estimated cost of items prior to the Public Hearing, and the CIP Committee makes adjustments accordingly.
- The Planning Board conducts a properly noticed Public Hearing for adoption of the CIP. The Planning Board either votes to adopt the CIP as posted, or revises it as result of public testimony or Board discussion. The Board members sign the Certificate of Adoption which will be kept with the original, approved document.
- Once adopted, the original signed CIP is filed with the Town Clerk, and copies are provided to all Town Departments, Boards, Committees, Budget Committee, Board of Selectmen, and the Allenstown School Board.

Annual Update (2013)

- Following the annual March Town Voting Session, the CIP process is repeated. Projects are re-evaluated and re-ranked according to criteria approved by the Planning Board or CIP Committee. The annual update is particularly necessary if a community utilizes a Growth Management Ordinance or an Impact Fee Ordinance as the data contained within the CIP will be able to support the necessity of having such an ordinance. This may render the Town's ordinance(s) defensible in court.
- Waiting until the six-year term of the CIP has nearly expired to begin the update of the next CIP is inadvisable. Yearly budget appropriations, equipment purchases, capital reserve fund deposits, capital project expenditures, or failure to follow yearly CIP recommendations can very quickly cause the adopted CIP to become outdated and not useful to the community.

SCOPE OF THE CAPITAL IMPROVEMENTS PROGRAM

This Capital Improvements Program identifies capital expenditures anticipated over the next six fiscal years beginning January 1, 2013 and ending December 31, 2018. Within this time frame, however, other projects will be identified which will be of high priority and warrant immediate inclusion in the Town's capital spending plan. After projects are completed for a particular year, they should be removed from the CIP and the status of pending projects should be examined and adjustments made. Every spring or summer, the process should begin anew to ensure priorities remain the same and new projects are placed into the CIP or incomplete projects are placed into forthcoming years.

Demographics of the community are presented to provide the basis for the requirement of many of the projects within this document. The baseline information is additionally valuable when developing future applications for consideration into an updated Capital Improvements Program. Similarly, Department building sizes, staffing, and programs are inventoried and future projections for expansion in the Departments are provided as baseline information. They present an indicator of what types of future needs are on the horizon and develop a history of the growing needs of the community's facilities.

Tax rates and financial data over a period of six or seven years past enable trends to be identified and comparisons to be made or predictors to be set for the upcoming years.

CHAPTER 2. DEMOGRAPHICS

HISTORICAL AND PROJECTED POPULATION GROWTH

A Capital Improvement Program has a direct relationship to the impact fees which the Town can collect with the proper zoning ordinances and administrative procedures in place. Growth trends must be established to identify the qualification of projects as either serving the current population or serving anticipated population growth. Impact fees can only be assessed on future anticipated growth.

In order to ascertain the growth trends of the community, an examination of past, present, and future population growth is required. The following tables and analysis help assess the growth condition of the community and updated with the most recent estimated demographic data provided by the US Census Bureau.

Table 1
Overall Population and Housing Growth Trends, 1970-2010

Growth	Population	Net Change		Housing Units	Net Change	
		#	%		#	%
1970 Census	2,731	0	0	831	0	0
1980 Census	4,398	1,667	61.0%	1,591	760	91.5%
1990 Census	4,649	251	5.7%	1,868	277	17.4%
2000 Census	4,843	194	4.2%	2,093	225	12.0%
2010 Census	4,322	-521	-10.8%	1,881	-212	-10.1%
Total Change from 1970 – 2010	---	1,591	58.3%	---	1,050	126.4%

*Sources: 1970-1990 US Census CPH-2-31 Table 9 Population and Housing Unit Counts;
US Census 2000 & 2010 Data*

In **Table 1**, population in Allenstown *decreased* 11% since 2000 while housing growth *decreased* by 10%. In 2010, there was an average of 2.3 people in each housing unit, down significantly from 3.3 people in 1970. Allenstown's overall growth since 1970 has increased by 58% in population and 126% in housing units, which is on the lower end compared to many other towns in the Central New Hampshire region.

Table 2
Population Density, 1970-2010

Area in Square Miles (excluding water)	Persons per square mile				
	1970	1980	1990	2000	2010
20.5	132.8	214	226	236	211

*Sources: **Table 1**, Office of Energy and Planning's GIS acreage calculations*

As displayed in **Table 2**, the population density of persons per square mile has not quite doubled, from 133 in 1970 to 211 in 2010. The 2010 density of 211 is smaller than any other density since 1970, when the largest increase was obtained between 1780 and 1980 (61%). The overall density increase of 59% over nearly 40 years is notable for being a diminutive increase for small town in rural New Hampshire.

Table 3
Population Projections

2010 Census	2015 Projection	2020 Projection	2025 Projection	2030 Projection	% Increase 2010 to 2030
4,322	5,480	5,690	5,910	6,070	40.4%

Sources: **Table 1**, NH OEP Municipal Population Projections, January 2007

Population projections are one way to portray the rate of growth the Town may experience. However, they are based on assumptions that are not foreseeable in the future and should not be utilized for any source citation as they are inherently inaccurate. In **Table 3**, the population projections are likely inaccurate as the 2010 population of 4,322 displays an increase of 1,158 people to reach 5,480 in 2015. The overall increase from 2010 to 2030 may hold more relevancy, with a projected growth rate of 40%.

Table 4
Residential Building Permits Issued by Housing Type, 2004-2011

Housing Type	2004	2005	2006	2007	2008	2009	2010	2011	7-Year Total
Single Family	8	10	12	10	7	2	7	n/a	56
Multi-Family	0	0	0	0	0	0	0	n/a	0
Manufactured	14	9	12	19	12	5	0	n/a	71
Total Permits Issued	22	19	24	29	19	7	7	n/a	127

Sources: Town of Allenstown Town Reports

In **Table 4** Allenstown has had a decline in the number of residential building permits issued since 2006. Manufactured housing permits are the predominant new residential permits issued in Town, totaling 71 over seven years. The highest number of permits issued was 29 in 2007. Allenstown experienced its lowest numbers of 7 permits, respectively, in both 2009 and 2010 over the seven year period. 2011 data was not available.

IMPACT FEE ORDINANCE

The Town adopted an Impact Fee Ordinance (IFO) in 2003, but it has not yet been enforced. The purpose for the IFO was to ensure adequate facilities are available to new residents, to prevent scattered or premature development, to provide for harmonious development, to ensure proper coordination of streets, and to ensure streets are wide enough for all traffic.

The next step after an IFO is adopted is the development of an Impact Fee Study for each of the municipal Departments, the school(s), and/or the local roads for which an impact fee is being considered. A specific amount of growth must be determined that will require an upgrade of municipal facilities. This Study looks at population, traffic, or department data and existing facilities information, makes comparisons, and develops conclusions which are the basis for the amount of funds that should be collected for the type of facility being examined, called an Impact Fee Schedule. Fees can only be attributed toward future growth and not existing population needs. Impact fees can also be used to pay for existing bonds that enhance a facility by accommodating growth. Specific existing school bonds are often paid using impact fee collections.

Administration of impact fees needs to be handled carefully, and is often intimidating to communities trying to initiate impact fees. Impact fees collected which are not used after six years towards the facility for which they have been collected are returned to the payee.

If Allenstown wants to begin to enact their Impact Fee Ordinance, the Planning Board needs to decide which facility(ies) would need to be upgraded/constructed to handle future growth and begin to develop a plan to handle the long-term administration of Impact Fees. The Board conducts an Impact Fee Study for each facility to be upgraded. The administrative plan to collect, monitor, record, and pay out the impact fees collected is enacted. The fees are set by the Planning Board during the approval of each application, and collected when a building permit is obtained. However, the current decreasing population condition of the Town does not seem to justify the collection of impact fees.

CONCLUSIONS

Growth in Allenstown since 2000 has startlingly declined, both in population and in housing. It may be difficult to make a case to collect impact fees after the development of an Impact Fee Study until both population and housing grow. Any such fees can accommodate only new growth in Town, not for the lack of facilities for the existing populace. Repairs, reconstruction, and most improvements which are required to serve the existing population cannot be used for impact fee purposes.

The tables in **CHAPTER 3. CAPITAL IMPROVEMENT PROJECT PRIORITY RANKING**, which discuss project overviews for each participating Department, offer an opportunity for identifying which projects, or portions of projects, could qualify for impact fees. This can be determined by identifying what percentage of each project will serve new growth in Town in **Table 7** through **Table 11** under the column **% of Project Serving New Population Growth**. This is the portion that could be charged towards impact fees if the Town had an **Impact Fee Schedule**.

CHAPTER 3. CAPITAL IMPROVEMENTS PROJECT PRIORITY RANKING

PROJECT RANKING SYSTEM

One of the most difficult aspects of preparing a CIP is the scheduling and evaluation of proposed projects. The following priority ranking system was developed to assist the CIP Committee in evaluating the proposals submitted by each of the Town's Departments.

Department Self-Ranking

Each project or purchase was assigned a priority by the submitting Department on a **High**, **Medium**, or **Low** basis. Each application also assigned year(s) of expenditure and listed sources of funding. Applications were sent to Department heads in May 2012. Department heads were then scheduled for interviews with the CIP Committee.

CIP Committee Ranking

The Committee invited those Departments which submitted applications to appear before the Committee and present their proposals. The question- and answer-session permitted applicants to provide greater detail on aspects of their proposed projects.

After reviewing all of the applications submitted by Town and School Departments and then interviewing the applicants, the CIP Committee ranked the applications based upon current Town needs and priorities (School applications were not ranked). The Committee ranked each Town application against those within the same year, and then made modifications where necessary by placing each project into the appropriate year based upon budgetary considerations. **Table 5** displays the Priority Rank based upon a scale of 1 to 6 and displays the expenditure year(s) selected by the CIP Committee based upon all factors, including cost.

The project priority ranking scale used by the Committee is as follows:

- 1 **Urgent:** Cannot be delayed; needed immediately for public health and safety. (Years 1-2)
- 2 **Necessary:** Needed to maintain basic level of community services. (Years 3-4)
- 3 **Desirable:** Needed to improve quality or level of services. (Years 5-6)
- 4 **Deferrable:** Can be placed on hold until after 6 year period. (After 6 years)
- 5 **Premature:** Needs more research, planning and coordination.
- 6 **Inconsistent:** Contrary to land use planning or community development goals.

PROJECT PRIORITIES, RANKING AND YEARS OF EXPENDITURE

Twenty-three (23) projects were brought before the CIP Committee for consideration. The final project rankings as adopted by the Committee are depicted in **Table 5**. In this CIP, no road projects were proposed from the Highway Department. Instead, road maintenance or reconstruction projects have been incorporated into **CHAPTER 5. ROAD MANAGEMENT PLAN's Table 16A**.

Table 5
Project Rankings

		Applicant			CIP Committee	
Application #	PROJECTS: DEPARTMENT CAPITAL PURCHASES/EXPENDITURES	Proposed Expenditure Year(s)	Applicant Priority	Estimated Cost	Priority Rank 1-6	CIP Expenditure Year(s)
AC ANIMAL CONTROL						
2008-AC-8R	Animal Shelter Replacement 2017-18	2014-15	Medium	\$50,000*	3	2017-2018
LI LIBRARY						
2008-LI-9R	Addition & Vertical Platform Lift 2015-17	2014-16	Medium	\$75,000	2	2015-2017
2013-LI-52	Asbestos Abatem/Reglaze Windows/Lead Paint Remvl 2013	2013	Medium	\$53,400	1	2013
AW ALLENTOWN WASTEWATER						
2008-AW-24R	Suncook Pond Pump Station 2017-18	2015-16	High	\$1,943,260	3	2017-2018
2013-AW-53	Headworks 2013-33	2015-16	High	\$5,793,709	1	2014-2033
FD FIRE DEPARTMENT						
2008-FD-11R	Second Floor Completion of Fire Station 2015-16	2014-15	Medium	\$93,000	2	2015-2016
2013-FD-47	New Fire Truck Pumper 2013-17	2013-17	High	\$400,000	1	2013-2017
2013-FD-48	Refurbish Ladder Truck 2015-16	2016-17	High	\$110,000	2	2015-2016
EM EMERGENCY MANAGEMENT						
2013-EM-49	Flood Mitigation Acquisition Phase VI (Fanny Dr) 2013-14	2013-14	High	\$392,700	1	2013-2014
2013-EM-50	Flood Mitigation Acquisition Phase VII (Riverside Dr) 2014-15	2014-15	High	\$1,279,300	1	2014-2015
2013-EM-51	Flood Mitigation Acquisition Phase IIX (Albin/Bourque) 2015-16	2015-16	High	\$732,800	2	2015-2016
HD HIGHWAY DEPARTMENT						
2008-HD-27R	Loader 2013	2013	High	\$116,000	1	2013
2008-HD-31R	Highway Garage 2013-17	2013-17	High	\$250,000	1	2013-2017
SW SOLID WASTE						
2013-SW-28R	Garbage Truck 2015-20	2014-19	High	\$275,000	2	2015-2020
ED ECONOMIC DEVELOPMENT COMMITTEE						
2013-ED-61	Town Center 2017-18	2015-16	Medium	\$135,000	3	2017-2018
ADDITIONAL PROJECTS NOT REQUIRING RANKING						
SD ALLENTOWN SCHOOL DISTRICT						
2008-SD-22R	Renovate/Update Playground at ARD 2013/14-2017/18	2013/14-2017/18	Medium	\$150,000	not ranked	2013/14-2017/18
2013-SD-58	Renovate/Update Playground at AES 2013/14-2016/17	2013/14-2016/17	Medium	\$55,000	not ranked	2013/14-2016/17
2013-SD-59	Window Replacement at AES 2013/14-2017/18 **	2013/14-2017/18	High	\$200,000	not ranked	2013/14-2017/18
2013-SD-60	Window Replacement at ARD 2013/14-2017/18 **	2013/14-2017/18	High	\$200,000	not ranked	2013/14-2017/18

Source: Applicants and CIP Committee 2012

Committee rankings were not undertaken for the School District projects because they have their own budget and CIP process. However, the inclusion of these projects into the Allenstown municipal CIP was critical because of the potential impacts to the overall tax base.

CHAPTER 4. SUMMARY OF PROJECTS

PROJECTS OVERVIEW

The Community and Recreational Facilities and Utilities Chapter of the 2003 Master Plan adopted in March 2003 document the need for various capital projects or purchases based on the work of the Community & Recreational Facilities Subcommittee of the Master Plan. The Capital Improvements Program is a document which originated from the needs identified in the Master Plan and has been updated periodically since its development. In preparing this 2013-2018 document, the CIP Committee surveyed all Town departments as well as the Allenstown School District for information on the current adequacy and needs of their facilities and equipment, and identification of future needs for expansion, improvements, and additions. Some Town Departments opted not to participate. Others had no projects to include in the CIP.

Using data submitted by Department Heads for this document, the CIP Committee identified 18 Town and school projects for inclusion in the Capital Improvements Program for the 2013 to 2018 (six-year) period. All are recommended to be funded through property taxes, grants, capital reserve funds, state aid, user fees, and/or bonds.

Proposed projects address the need to correct deficiencies in the Town's infrastructure and services, as well as meet the service needs generated by increased population growth and development. The following **Table 6** through **Table 10** summarize all of the projects to be included in the 2013 to 2018 CIP. Tables with letters following, such as **Table 6A**, document the present status and future needs of each Department responding to the request for CIP projects.

Projects are provided with a project number beginning with 1) the year of the submission (2011 or 2013, to date), 2) a Department abbreviation, and 3) and a consecutive number in which the application was received by the Planning Department. The numbers of applications continue from previous years, showing how many capital purchase requests have been presented since 2011 when this method was established. In future years, revised applications relating to previous years' projects that were received are denoted with an "R" at the end.

Examples:

- **2013-FD-47 New Fire Truck Pumper 2013-17**
A new Fire Department application submitted in 2013
- **2008-FD-11R Second Floor Completion of Fire Station 2014-15**
A revised Fire Department application submitted after 2008

This type of project numbering system allows for easier tracking of the applications over time and reduces the confusion with similar applications, such as vehicle replacements. Consistency is key when receiving and processing the applications received.

Table 6
Animal Control Projects

% of Project Serving New Pop. Growth	Title of Project		Total Estimated Cost	CIP Expenditure Year(s)
0%	2008-AC-8R	Animal Shelter Replacement 2017-18	\$50,000*	2017-2018
The animal shelter is presently part of the main Highway Department building. The Highway Department is in dire need of replacement. The presumption is that when a new highway facility is constructed, a new animal shelter will be constructed along with it. Although there are no plans for a new highway facility at this time, it would be more cost effective to co-locate the animal shelter with the highway facility as opposed to an independent structure. Anticipated costs are estimated to be approximately \$100,000 (\$50,000 as modified by the CIP Committee). ~Project is a 3 (Desirable) priority. Project will be funded by property tax over 2 years.				

Source: Police Department 2012, as modified by the CIP Committee

* Animal Shelter cost was modified by the CIP Committee

Table 6A
Animal Control 2012
Facilities, Staffing, and Long-Term Needs

PRESENT – 2012	
Building #1 Square Footage	Animal Shelter: 196 sf
Annual Paid Staff Hours	780
Annual Non-Paid Hours	0
Full Time Employees	0
Part Time Employees	1
FUTURE – 15 Years	
Staffing Needs	No change
Program Needs	No change
Building Needs	New facility to be constructed with highway garage project
Equipment Needs	No change

Source: Police Department 2012

Table 7
Library Projects

% of Project Serving New Pop. Growth	Title of Project		Total Estimated Cost	CIP Expenditure Year(s)
100%	2008-LI-9R	Addition & Vertical Platform Lift 2015-17	\$75,000	2015-2017
	The downstairs area of the library is not handicap accessible. Adding a vertical platform will address this issue. This will entail an addition to also include office/meeting space. This will allow the library to comply with ADA standards and provide a community meeting space. ~Project is a 2 (Necessary) priority. Project will be funded by property tax over 3 years.			
0%	2013-LI-52	Asbestos Abatement/Reglaze Windows/Lead Paint Removal 2013	\$53,400	2013
	Remove asbestos from floors, pipes, and any other areas it may be found. Remove lead paint from exterior of building. Reglaze windows in building which is registered as a historical site. This is necessary for safety and health of patrons and staff. New storm windows. ~Project is a 2 (Necessary) priority. Project will be funded by property tax.			

Source: Library Trustees 2012, as modified by the CIP Committee

Table 7A
Library 2012
Facilities, Staffing, and Long-Term Needs

PRESENT – 2012	
Building #1 Square Footage	Library: 1,080 sf
Annual Paid Staff Hours	2,228
Annual Non-Paid Hours	0
Full Time Employees	0
Part Time Employees	3
FUTURE – 15 Years	
Staffing Needs	Dependent on Town growth
Program Needs	Dependent on Town growth
Building Needs	None
Equipment Needs	Computers

Source: Library Trustees 2012

Table 8
Allenstown Wastewater Projects

% of Project Serving New Pop. Growth	Title of Project		Total Estimated Cost	CIP Expenditure Year(s)
100%	2008-AW-24R	Suncook Pond Pump Station 2017-18	\$1,943,260	2017-2018
	The current existing problem is two large siphons located under Irish Pond. By adding a pump station, the siphons can be removed which reduce substantial liability risk of catastrophic environmental event. The project will allow for redirecting of flow from under the pond to go down Library Street, accurate flow monitoring, and easier access to maintain pipes. ~Project is a 3 (Desirable) priority. Project will be funded by the Sewer Enterprise Fund (user fees) over 2 years. Cost estimate attached to application.			
100%	2013-AW-53	Headworks 2013-33	\$5,793,709	2013-2033
	Existing headworks building receives all influent flow from Allenstown & Pembroke collection system. Current problems with building include improper heating and ventilation which has caused equipment to corrode. Replacement parts for fine screen and grit removal system are hard to locate and expensive due to being 25 years old. Proposed plan is to build a new building and install new equipment that will provide better screening and grit removal, flow monitoring, and safer working conditions. ~Project is 1 (Urgent) priority. Project will be funded by a 20-year bond using the Sewer Enterprise Fund (user fees). Item pricing attached to application. The first payment begins in 2014.			
100%	2013-AW-54	Wastewater Facility Emergency Generator Replacement	\$300,000	-----
	Current emergency generator is 35 years old, must be tested which is costly in fuel, and parts to maintain are expensive. A new generator will provide lower cost in fuel to maintain, smaller footprint, and assurance in proper operation if power failure should occur. ~Project is a Medium priority. Project will be funded by the Sewer Enterprise Fund (user fees).			
100%	2013-AW-55	River Road Pump Station Replacement	\$205,000	-----
	Current issues with pump station include no flow monitoring, equipment failing due being to 30 years old, and minimum space for repairs due to oversized back up emergency power. This project will improve flow monitoring and be in compliance with permit. Since this is project will begin after the 2013-2018 CIP term has passed, the project will not be considered within this CIP.			
100%	2013-AW-56	Blower Replacement	\$405,000	-----
	Existing blowers are original equipment when facility was built 35 years ago. Blowers are inefficient, high in electricity usage and cost, maintenance and repair costs are expensive and high noise issues. New blowers will be installed to reduce electricity costs, maintenance costs, and reduce noise factors. ~Project is a Medium priority. Project will be funded by the Sewer Enterprise Fund (user fees) over 2 years.			
100%	2013-AW-57	Clarifier Replacement	\$2,500,000	-----
	Current clarifiers are only 7 feet deep and cause a bottleneck in processing. Adding two new clarifiers at 16 feet deep and 40 feet wide will eliminate the current bottleneck during high spring flows. Since this is project will begin after the 2013-2018 CIP term has passed, the project will not be considered within this CIP.			

Source: Allenstown Wastewater 2012, as modified by the CIP Committee

The shading in the Wastewater Department project rows in **Table 8** indicates the project was removed from further CIP consideration by the Department because of the considerable costs involved. The Sewer Department has only a limited user fee budget available for projects.

Table 8A
Allenstown Wastewater 2012
Facilities, Staffing, and Long-Term Needs

PRESENT – 2012	
Building #1 Square Footage	Operations: 14,000 sf
Building #2 Square Footage	Pump House: 1,200 sf
Annual Paid Staff Hours	15,000+
Annual Non-Paid Hours	0
Full Time Employees	7
Part Time Employees	1
FUTURE – 15 Years	
Staffing Needs	8 full-time & 2 part-time
Program Needs	Collection system O&M
Building Needs	Headworks
Equipment Needs	Emergency backup power, grit removal, screening.

Source: Allenstown Wastewater 2012

Table 9
Fire Department Projects

% of Project Serving New Pop. Growth	Title of Project		Total Estimated Cost	CIP Expenditure Year(s)
20%	2008-FD-11R	Second Floor Completion of Fire Station 2015-16	\$93,000	2015-2016
	This project would complete the unfinished 2nd floor of the fire station. Future planning calls for additional office space, moving the EOC upstairs, sleeping quarters, exercise room and storage rooms. ~Project is a 2 (Necessary) priority. Project will be funded by the Public Safety Facilities CRF (\$6,000) and property tax (\$87,000) over 2 years.			
100%	2013-FD-47	New Fire Truck Pumper 2013-17	\$400,000	2013-2017
	To replace two old noncompliant vehicles for a new NFPA compliant fire truck pumper. This project will be used to replace a 1960 Diamond Reo 6x6 military tanker and a 1976 American LaFrance Pumper. By adding a larger tanker to the fleet would allow us to have additional water supply to our rural areas of town. ~Project is a 1 (Urgent) priority. Project will be funded by property tax over 5 years as a lease purchase.			
100%	2013-FD-48	Refurbish Ladder Truck 2015-16	\$110,000	2015-2016
	Refurbish existing 1991 ladder truck to archive additional service life: body repairs, paint, hydraulic repairs, electrical, engine and transmission repairs. ~Project is a 2 (Necessary) priority. Project will be funded by the Fire Department Equipment CRF (\$55,000) over 2 years after additions to the fund are made.			

Source: Fire Department 2012, as modified by the CIP Committee

Table 9A
Fire Department 2012
Facilities, Staffing, and Long-Term Needs

PRESENT – 2012	
Building #1 Square Footage	Fire Station: 10,880 sf
Annual Paid Staff Hours	
Annual Non-Paid Hours	
Full Time Employees	2
Part Time Employees	28
FUTURE – 15 Years	
Staffing Needs	7 days of the week full-time staff
Program Needs	Continue fire/EMS updates
Building Needs	Combination station for Fire/Highway in north part of Town as growth continues
Equipment Needs	Replacement program for apparatus, safety equipment, SCBA

Source: Fire Department 2012

Table 10
Emergency Management Projects

% of Project Serving New Pop. Growth	Title of Project		Total Estimated Cost	CIP Expenditure Year(s)
0%	2013-EM-49	Flood Mitigation Acquisition Phase VI (Fanny Dr) 2013-14	\$392,700	2013-2014
	Allenstown began a program in 2008 to reduce flooding damage along the Suncook River. This program leveraged federal, state, and local funds to acquire properties and demolish the structures on those properties in the flood zone. These properties had suffered extensive flooding damages from previous floods. The Town applied for and received funds from FEMA, the State, and used some Town funds to complete five phases of this hazard mitigation plan. Three more phases are needed to complete the project. No Town funding will be used. Phase VI (Fanny Drive) contains two (2) homes for purchase and demolition. Explanatory Letter attached to application with budget and property details from the grant. ~Project is a 1 (Urgent) priority. Project will be funded by a FEMA Repetitive Flood Claims (RFC) grant over 2 years.			
0%	2013-EM-50	Flood Mitigation Acquisition Phase VII (Riverside Dr) 2014-15	\$1,279,300	2014-2015
	Allenstown began a program in 2008 to reduce flooding damage along the Suncook River. This program leveraged federal, state, and local funds to acquire properties and demolish the structures on those properties in the flood zone. These properties had suffered extensive flooding damages from previous floods. The Town applied for and received funds from FEMA, the State, and used some Town funds to complete five phases of this hazard mitigation plan. Three more phases are needed to complete the project. No Town funding will be used. Phase VII (Riverside Drive) contains six (6) homes for purchase and demolition. Explanatory Letter attached to application with budget and property details from the grant. ~Project is a 1 (Urgent) priority. Project will be funded by a FEMA Repetitive Flood Claims (RFC) grant over 2 years.			
0%	2013-EM-51	Flood Mitigation Acquisition Phase IIX (Albin/Bourque) 2015-16	\$732,800	2015-2016
	Allenstown began a program in 2008 to reduce flooding damage along the Suncook River. This program leveraged federal, state, and local funds to acquire properties and demolish the structures on those properties in the flood zone. These properties had suffered extensive flooding damages from previous floods. The Town applied for and received funds from FEMA, the State, and used some Town funds to complete five phases of this hazard mitigation plan. Three more phases are needed to complete the project. No Town funding will be used. Phase IIX (Albin Avenue/Bourque Road) contains four (4) homes for purchase and demolition. Explanatory Letter attached to application with budget and property details from the grant. ~Project is a 1 (Urgent) priority. Project will be funded by a FEMA Repetitive Flood Claims (RFC) grant over 2 years.			

Source: Emergency Management 2012

Table 10A
Emergency Management 2012
Facilities, Staffing, and Long-Term Needs

PRESENT – 2012	
Building #1 Square Footage	N/A
Annual Paid Staff Hours	
Annual Non-Paid Hours	832
Full Time Employees	9 non-paid volunteers
Part Time Employees	14 non-paid volunteers
FUTURE – 15 Years	
Staffing Needs	
Program Needs	Training/exercise program (NHHSEM Regional Catastrophic Preparedness), hazard mitigation programs & plan update
Building Needs	
Equipment Needs	Computers (laptop), software

Source: Emergency Management 2012

Table 11
Highway Department Projects

% of Project Serving New Pop. Growth	Title of Project		Total Estimated Cost	CIP Expenditure Year(s)
100%	2008-HD-27R	Loader 2013	\$116,000	2013
	Purchase of new loader. We use this equipment every day of week. Vital during emergency or salt/sand operations. ~Project is a 1 (Urgent) priority. Project will be funded by property tax.			
100%	2008-HD-31R	Highway Garage 2013-17	\$250,000	2013-2017
	New highway garage needed to house personnel and equipment. ~Project is a 1 (Urgent) priority. Project will be funded by a 5-year bond, but 5 annual payments will be made from the Highway Garage Fund (\$18,200) to help offset the cost.			

Source: Highway Department 2012, as modified by the CIP Committee

Table 11A
Highway Department 2012
Facilities, Staffing, and Long-Term Needs

PRESENT – 2012	
Building #1 Square Footage	Highway Garage: 2,400 sf
Building #2 Square Footage	Office Trailer: 1,008 sf
Annual Paid Staff Hours	11,128
Annual Non-Paid Hours	4,800
Full Time Employees	5 & 3 non-paid full-time volunteers
Part Time Employees	1
FUTURE – 15 Years	
Staffing Needs	Possibly no changes
Program Needs	Vehicle rotation
Building Needs	New building
Equipment Needs	Loader, large trucks, one-tons

Source: Highway Department 2012

Table 12
Solid Waste Projects

% of Project Serving New Pop. Growth	Title of Project		Total Estimated Cost	CIP Expenditure Year(s)
100%	2013-SW-28R	Garbage Truck 2015-20	\$275,000	2015-2020
Purchase new garbage truck for solid waste and recycling. Truck has passed its projected service life. ~Project is a 2 (Necessary) priority. Project will be funded by property tax over 6 years.				

Source: Highway Department 2012, as modified by the CIP Committee

Table 13
Economic Development Committee Projects

% of Project Serving New Pop. Growth	Title of Project		Total Estimated Cost	CIP Expenditure Year(s)
100%	2013-ED-61	Town Center 2017-18	\$135,000	2017-2018
	Creating a Town Center would improve Allenstown residents' view of the Town. The EDC discussed how to put Allenstown on the map. A nice looking Town Hall that would be inviting for family and friends to gather at would be beneficial. ~Project is a 3 (Desirable) priority. Project will be funded by property tax over 2 years.			

Source: Economic Development Committee 2012, as modified by the CIP Committee

Table 14
School District Projects

% of Project Serving New Pop. Growth	Title of Project		Total Estimated Cost	CIP Expenditure Year(s)
100%	2008-SD-22R	Renovate/Update Playground at ARD 2013/14-2017/18	\$150,000	2013/2014 - 2017/2018
	To replace old, out-dated equipment and to add on to the existing playground structures. ~Project is a Medium priority. Project will be funded by a bond over 5 years.			
100%	2013-SD-58	Renovate/Update Playground at AES 2013/14-2016/17	\$55,000	2013/2014 - 2016/2017
	To replace old, out-dated equipment and to add on to the existing playground structures. ~Project is a Medium priority. Project will be funded by property tax over 4 years.			
100%	2013-SD-59	Window Replacement at AES 2013/14-2017/18*	\$200,000	2013/2014 - 2017/2018
	To replace old, out-dated and broken windows with new energy efficient windows and doors. ~Project is a High priority. Project will be funded by a bond over 5 years with Window Replacement at ARD.			
100%	2013-SD-60	Window Replacement at ARD 2013/14-2017/18*	\$200,000	2013/2014 - 2017/2018
	To replace old, out-dated and broken windows with new energy efficient windows and doors. ~Project is a High priority. Project will be funded by a bond over 5 years with Window Replacement at AES.			

Source: School District 2012, as modified by the CIP Committee

* Window Replacement projects at AES and ARD will be bonded together
and undertaken and paid for in the same year(s)

The original applications are on file in the Planning Board office. The applications give additional detail on the impacts to the operating budget and the methods anticipated to fund each of the applications. However, note that the application information evolves over the CIP process to what is displayed within this document and the Improvement Schedules.

Nineteen (19) projects are included in this CIP. A total of 15 municipal projects are proposed, and four (4) school projects are proposed over the CIP period of 2013-2018.

MUNICIPAL IMPROVEMENTS SCHEDULE

Figure 1, Municipal Improvements Schedule on the foldout page, details the recommended methods of financing the capital improvements, and the impacts to the yearly municipal tax rates for the municipal projects. The fiscal year of the Town begins on January 1 and ends on December 31 of the same year. All numbers are shown in 2012 dollars.

Figure 1 illustrates a potential **\$1.38** impact to every \$1,000 of property valuation in 2013. This impact includes projects which would have normally occurred that year, bond payments, and a few new projects that were introduced during the CIP planning process. The **\$0.88** per \$1,000 in valuation in **2014** represents the lowest impact to the tax rate over the coming six years; the highest will be found, with the current project load, in **2017** at **\$4.56**.

Voters at the annual March Town Voting Session will decide whether the best interests of the Town and its residents are served when they choose to allocate funds to many of the capital projects listed here. Several Town Departments chose not participate in the project identification process and are not represented within the CIP.

SCHOOL DISTRICT IMPROVEMENTS SCHEDULE

Figure 2, School District Improvements Schedule, details the projects submitted by the Allentown School District. The fiscal year for school district begins on July 1 and ends on June 30 of the following year, which differs from the municipal calendar year. However, the years of expenditure are displayed as 2012/13 through 2017/18 which begin with the upcoming school year and remain generally consistent with the municipal project years. The annual School District Meeting is held in April of each year, and expenditures approved at that meeting would not occur until July 1. These projects in **Figure 2** would be expended between July 1 and December 31. All numbers are shown in 2012 dollars.

The Allentown School District encompasses the Allentown Elementary School and the Armand R. Dupont Middle School. Students attending Pembroke Academy as part of the AREA agreement pay tuition and do not directly share the costs of the AREA expenses.

Two bonds are being proposed by the School District. In **Figure 2**, the tax rate impacts range from a low of **\$0.06** per \$1,000 in valuation in **2012/2013** to a high of **\$0.57** per \$1,000 valuation in **2014/2015** and **2015/2016** over the six year period. Allentown's portion of the bond payments is 100%.

Voters at the annual April School District meeting will vote on the school budget for the ensuing year and will determine whether to move forward with these proposed expenditures.

CHAPTER 5. FINANCIAL ANALYSIS

EXPLANATION OF TERMINOLOGY

Equalized valuation, or **equalization**, is an adjustment of the town's local assessed values, either upward or downward, in order to approximate the full value of the town's property. Each year, the NH Department of Revenue Administration (NH DRA) equalizes the property values for every city and town. This process is due to an imbalance caused by varying local assessment levels. Adjusting these values among towns is the only way for statewide consistency. The total value of all property in town is adjusted based upon the comparison of recent property sales with local property assessments. Once property values have been equalized, public taxes and state revenues shared by towns and cities may be fairly apportioned among them. This includes state education property taxes and county taxes.

As generated statistics, **equalization ratios** are used when revaluation companies are planning their work and are used by assessing officials to periodically check the validity of assessments. Ratios are computed using properties that have sold during the period: the prices the properties actually sold for are compared to the values listed on the assessment cards. The median ratio in a listing of properties is selected to represent the equalization ratio in a town because it gives equal weight to all properties regardless of selling price. The ratio can help towns judge when revaluation should occur and how the town compares with other towns or cities.

The **full value tax rate** is the equalized tax rate for a town. Contrary to popular belief, the town's equalization ratio cannot be applied directly to the local assessed rate to equal the full value tax rate since other variables are involved. This full value tax rate permits comparisons to other towns in the state for apportionment purposes.

The **state school tax rate**, or the State Grant/Cost of an Adequate Education, is the town's share of the statewide cost for an adequate education. In 2008, Allenstown was responsible for raising an amount equal to \$2.36 per \$1,000 of the town's share of the statewide cost of an adequate education. In order for the town to raise this amount, the rate must be restated to reflect the equalized value of the town (developed by NH DRA) instead of the local assessed value of the town (developed by the Town). This is one reason why towns did not pay exactly the \$2.14 per \$1,000 in state school taxes as mandated. Other factors which influence the rate difference include exemptions to the elderly and any new construction which has taken place in the past year.

The **local school tax rate** is calculated using the local assessment of a town. The local assessment is apportioned based on the number of students from each town (also called the average daily membership) and the equalized valuation of each town.

BONDED INDEBTEDNESS

Allenstown, like most Towns, relies on bonds for the funding of large-scale municipal projects. Bonds typically last from five to twenty years. Low-interest loans and bonds are provided by the NH Municipal Bond Bank and by private organizations. Towns are permitted to carry a certain amount of debt, as described below.

Shown in **Table 15**, the Town of Allenstown currently has one outstanding bond, or debt service, for the Police Station. The School District has no indebtedness. The Town owes a total of \$196,698 in existing municipal debt for the Police Station through 2015, at which point the total municipal debt will be \$0.

Table 15
Existing Bond Payment Schedules, 2013-2018

Town Bonds	2013	2014	2015	2016	2017	2018	Total
Police Station \$600,000 2005-2015	\$68,442	\$65,442	\$62,814	\$0	\$0	\$0	\$196,698
							\$0
Total Town Bond Payments	\$68,442	\$65,442	\$62,814	\$0	\$0	\$0	\$196,698
School Bonds (Allenstown's 100% Share)	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	Total
No outstanding bonds							\$0
							\$0
Total School Bond Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Bond Payments	\$68,442	\$65,442	\$62,814	\$0	\$0	\$0	\$196,698

Source: 2008-2014 CIP, 2012 CIP Applications

The Town may seek to obtain a five-year bond for \$250,000 to renovate its Highway Garage over the period 2013-2017, which the voters will need to approve in March 2013 at the Town Annual Voting Session.

In 2013, the Allenstown Sewer Department may seek approval for a 20-year bond to build a new Headworks building and purchase the necessary equipment as the facility is very old. The cost estimate is \$5,793,709.

The School District may seek two bonds for three of its projects, renovating the playground at Armand Dupont School (\$150,000) and replacing the windows at both elementary schools (\$400,000) at the annual School District meeting in April 2013.

The Municipal Finance Act (RSA 33:4a and 4b) establishes the limit of bonded indebtedness a municipality can incur for municipal expenses (3.0% of the equalized valuation) and for school improvements (7.0% of the equalized valuation). Water projects, the portion of sewer projects financed by users, and tax anticipation notes are excluded from the calculation of indebtedness. Towns participating in a cooperative school district can incur bonded indebtedness up to 10% of its equalized valuation. Based on State law, the bonding capacity and amount available for the Town of Allentown is as follows:

Water projects, the portion of sewer projects financed by users, and tax anticipation notes are excluded from the calculation of indebtedness. The Town does not have any anticipation notes. The bonding capacity and amount available for the Town of Allentown is displayed in **Table 16**:

Table 16
Bonded Indebtedness, 2011

Base Valuation for Debt Limits, 2011	\$235,489,293		
	Maximum Bonding Capacity	Existing Debt	Available Bonding Capacity
Town (3%)	\$7,064,679	\$196,698	\$6,867,981
Local School (7%)	\$16,484,251	\$0	\$16,484,251

Sources: DRA 2011 Base Valuation for Debt Limits); Table 15

As displayed in **Table 16**, the available current bonding capacity of the Town is over \$6.8 million after the existing Police Station debt is subtracted. The Town's potential capital improvement project of \$250,000 to be bonded falls well under this amount. The portions of sewer projects financed by users, such as the Headworks building and equipment, do not impact the availability bonding capacity. It generally is situated

Since the School District has no debt, it could currently borrow up nearly \$16.5 million before reaching its available bonding capacity. This is more than sufficient for the two potential bonds totaling \$550,000 for the playground renovation and window replacement capital projects.

ANNUAL ASSESSMENTS

In order to create a CIP which is feasible, and because the CIP will have financial impact on the community, it is important to understand financial trends within Allenstown.

Allenstown has relied upon a variety of revenue sources to finance municipal operations. Such sources include fees, licenses, trusts (including capital reserve funds), interest on accounts, intergovernmental transfers (grants), and property taxes. The NH Department of Revenue Association (NH DRA) allows a 0.5% deviation in the calculated assessments due to rounding differences. War service credits (Veterans' Exemptions) are not an assessment and are subtracted directly from the tax bills, so they are not included. Tax rates are provided to most communities in November of each year so December tax bills can be mailed.

Table 17
Annual Assessments, 2006-2011

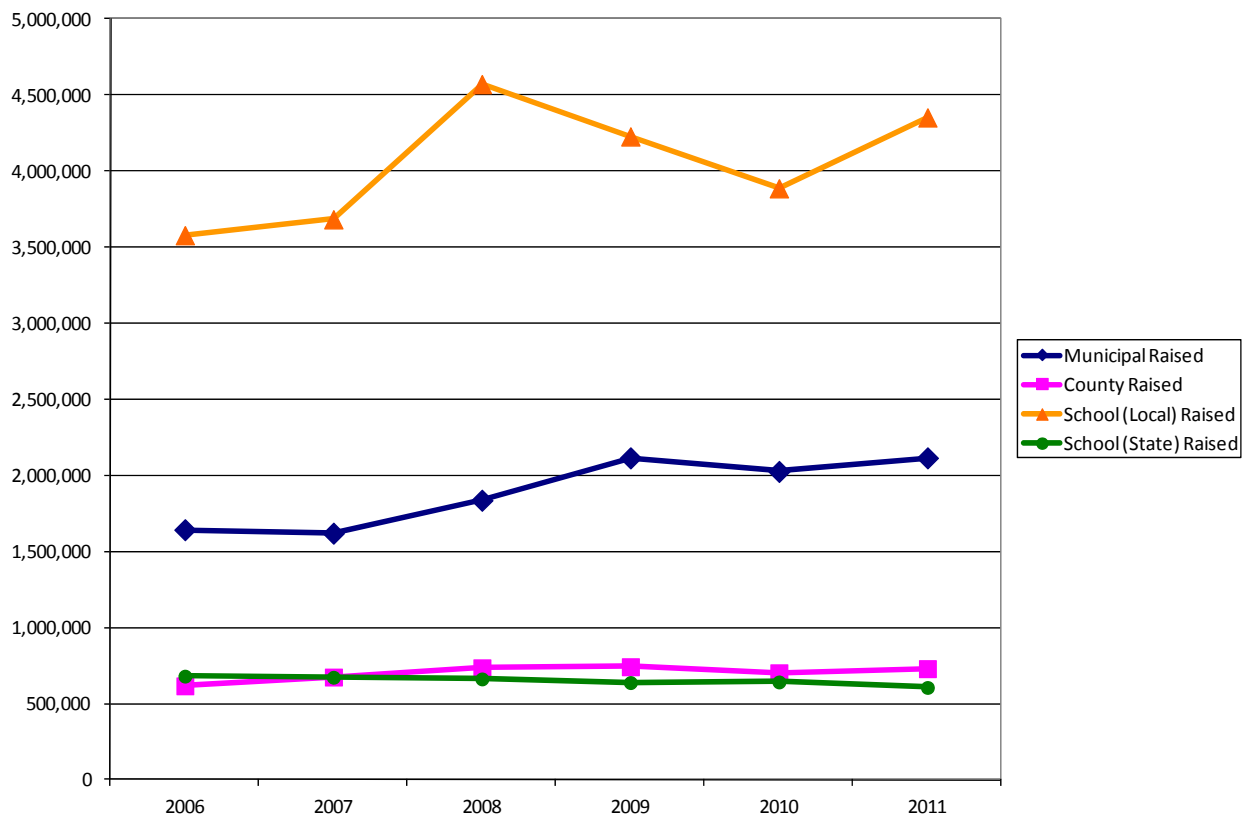
Assessments & Tax Rates	2006	2007	2008	2009	2010	2011
Net Property Valuation	295,181,899	290,034,295	287,847,157	266,789,172	265,982,984	267,129,444
Municipal Rate	5.57	5.59	6.38	7.94	7.61	7.93
amount raised in taxes	\$1,643,633	\$1,620,985	\$1,837,383	\$2,115,820	\$2,026,892	\$2,116,363
County Rate	2.09	2.33	2.56	2.78	2.65	2.73
amount raised in taxes	\$617,414	\$675,375	\$736,157	\$742,977	\$703,613	\$730,301
School Rate (local)	12.13	12.7	15.89	15.85	14.62	16.30
amount raised in taxes	\$3,579,831	\$3,684,443	\$4,572,758	\$4,229,432	\$3,887,936	\$4,353,956
School Rate (state)	2.36	2.38	2.36	2.47	2.50	2.34
amount raised in taxes	\$681,090	\$673,695	\$662,977	\$638,922	\$643,043	\$606,812
Total Tax Rate	22.15	23.00	27.19	29.04	27.38	29.30
Total Assessments	\$6,521,968	\$6,654,498	\$7,809,275	\$7,727,151	\$7,261,484	\$7,807,432

Source: NHDRA Tax Rate Reports, NHDRA Final Assessment Reports

In **Table 17**, the Town was reassessed in 2009 to change the net valuation to a new baseline of \$266,789,172. Since 2006, net valuations have an overall trend of declining. Two assessment periods were found within this time frame, from 2006 to 2008 and 2009 to 2011. The figures for 2012 were not available as of the writing of this document.

With the net valuations declining or remaining nearly the same, the municipal and local school tax rates have been increasing. A municipal rate high of \$7.94 per \$1,000 of valuation occurred in 2009 (\$7.93 occurred in 2011). The local school rate rose to \$16.30 in 2011 from \$14.62 the previous year. The lowest municipal and local school rates during the period were in 2006, at \$5.57 and \$12.13 respectively. State school rates remained relatively stable, from a low of \$2.36 in 2006 and 2008 to a high of \$2.50 in 2010. The county rate high was \$2.78 in 2009, while the low of \$2.09 was experienced in 2006. Total tax rates have increased dramatically over the term, from \$22.15 in 2006 to \$29.30 in 2011.

Figure 3
Taxes Raised for Appropriations



Source: **Table 17**

Figure 3 illustrates the overall increase in the Municipal and Local School taxes raised to meet the voted appropriations for the period 2006-2011. State School and County have remained relatively constant during this time period.

CAPITAL RESERVE FUNDS

Often yearly, the voters allocate funds into the Town's Capital Reserve Funds (CRFs) or Expendable Trust Funds (ETFs) dedicated for specific purchases or improvements. **Table 18** lists those fund balances as of March 31, 2012. Only those funds which are related to the capital expenditures contained within this CIP or were anticipated to have additional monies added into the funds between 2013 and 2018 were included in **Figure 1** and **Table 18**.

Table 18
Capital Reserve/Expendable Trust Funds and Balances

Fund Name	Balance on March 31, 2012
Public Safety Facilities 1999	\$6,098
Fire Safety Equipment 1990	\$2,017
Fire Department Equipment 1990	\$561
Highway Garage Fund 1993	\$91,675
Highway Department Equipment 1991	\$28,710

Source: MS-9 provided by Town Trustee; Sewer Department for User Fees

Voters also allocate funds into the School District's Capital Reserve or Expendable Trust funds dedicated for specific purchases or improvements to Allenstown schools. **Table 19** below lists those balances as of March 31, 2012. Only those funds which are related to the capital expenditures contained within this CIP were included in **Figure 2** and **Table 19**.

Table 19
School District Capital Reserve Funds and Balances, 2012

Fund Name	Balance on March 31, 2012
School Building Maintenance 1994	\$32,458
School Technology Fund 2001	\$10,025
Facilities Acquisition 2008	\$5,425

Source: MS-9 provided by Town Trustee

Capital Reserve Funds (CRFs) are an excellent tool to help keep the municipal property taxes stable. They offer a mechanism for a municipality to save for anticipated future projects or purchases instead of taking a direct tax hit in any one given year. Money set aside in CRFs also collects interest. Allenstown could use their multitude of CRFs more effectively by placing funds in the more regularly used accounts on a yearly basis.

By creating CRFs for many of the projects proposed in this CIP or by increasing the deposits into the CRFs via warrant articles at the March 2013 annual Town Voting Session, the proposed expenditures in this CIP should be more evenly distributed in the following years. In addition, grant funds might be pursued to help offset the burden to taxpayers for some of the projects or purchases that are proposed.

TAX RATE TRENDS AND COMPARISONS

The full value tax rates included in the table below are derived by the NH Department of Revenue Administration (NH DRA). The NH DRA develops the full value tax rate as a way to compare tax rates among New Hampshire communities. To determine the full value tax rate, the NH DRA compares each municipality's tax rate with its net valuation.

Table 20
Allenstown Tax Rates and Trends, 2006-2011

Allenstown Taxes	2006	2007	2008	2009	2010	2011
Tax Rate	\$22.15	\$23.00	\$27.19	\$29.04	\$27.38	\$29.30
Full Value Tax Rate	\$20.87	\$22.03	\$26.34	\$29.21	\$27.50	\$33.11
Equalization Ratio	93.5	95.4	96.3	100.0	100.0	112.6

Sources: NHDRA Equalization Survey Including Utilities Reports

From **Table 20**, the equalization ratio raised from 2008 (96.3) to 2009 (100), the year of the revaluation. Although in 2009 and 2010 the equalization ratio remained at 100, in 2011 the ratio jumped to 112.6. As of the writing of this document, figures for 2012 were not available.

Both the local and full value tax rates have steadily increased from a low of \$22.15 and \$20.87 respectively in 2006 to reach \$29.30 and \$33.11 respectively in 2011. Because of the ratios of 100 in 2009 and 2010, the full value tax rate reflected a similar amount to the local tax rate.

In **Table 21**, Allenstown's full value tax rate in 2011 of \$33.11 was over \$3.00 higher than the rate of Pembroke, the next highest of Allenstown's surrounding communities. The area's full value tax rate averaged \$24.83 per \$1,000 of valuation. Deerfield has the third highest full value tax rate (\$24.12), while Candia has the lowest (\$19.19).

Table 21
Abutting Community 2011 Tax Rate Comparison

2010 US Census Population		Taxation					2011 Equal. Ratio %	2011 Full Value
		2011 Municipal	2011 Local School	2011 State School	2011 County	2011 Total Tax		
Allenstown	4,322	7.93	16.30	2.34	2.73	\$29.30	112.6	\$33.11
Bow	7,519	5.88	15.46	2.70	3.11	\$27.15	95.1	\$22.60
Candia	3,909	4.66	11.29	2.49	0.94	\$19.38	100.0	\$19.19
Deerfield	4,280	3.77	14.48	2.26	0.94	\$21.45	108.2	\$24.12
Epsom	4,566	4.40	12.22	2.24	2.79	\$21.65	100.0	\$21.66
Hooksett	13,451	6.16	10.49	2.36	2.67	\$21.68	109.5	\$23.37
Pembroke	7,115	5.79	15.62	2.45	2.58	\$26.44	111.3	\$29.79

Sources: NH DRA Municipal Services Tax Rates 2011, Equalization Survey Including Utilities 2011, NHOEP 1960-2010 Population

In 2011, Allenstown's municipal taxes of \$7.93 were the highest when comparing them to neighboring towns, from a low of \$3.77 in Deerfield to the second highest of \$6.16 in Hooksett. On the local school side, Allenstown's were also the highest at \$16.30, while Hooksett's were the lowest at \$10.49. The area averaged \$5.51 in municipal taxes and \$13.69 in local school taxes.

The projects that Allenstown has identified within this CIP will increase the municipal tax rate. However, many of these projects would have occurred regardless of the existence of a Capital Improvements Program and now the Town can plan ahead with upcoming anticipated capital expenditures by having them all appear in one location. Although higher taxes are often difficult to defend to taxpayers, increases may be easier to justify if they improve the quality of life, improve safety or correct deficiencies.

ANTICIPATED FINANCIAL IMPACTS OF PROJECTS

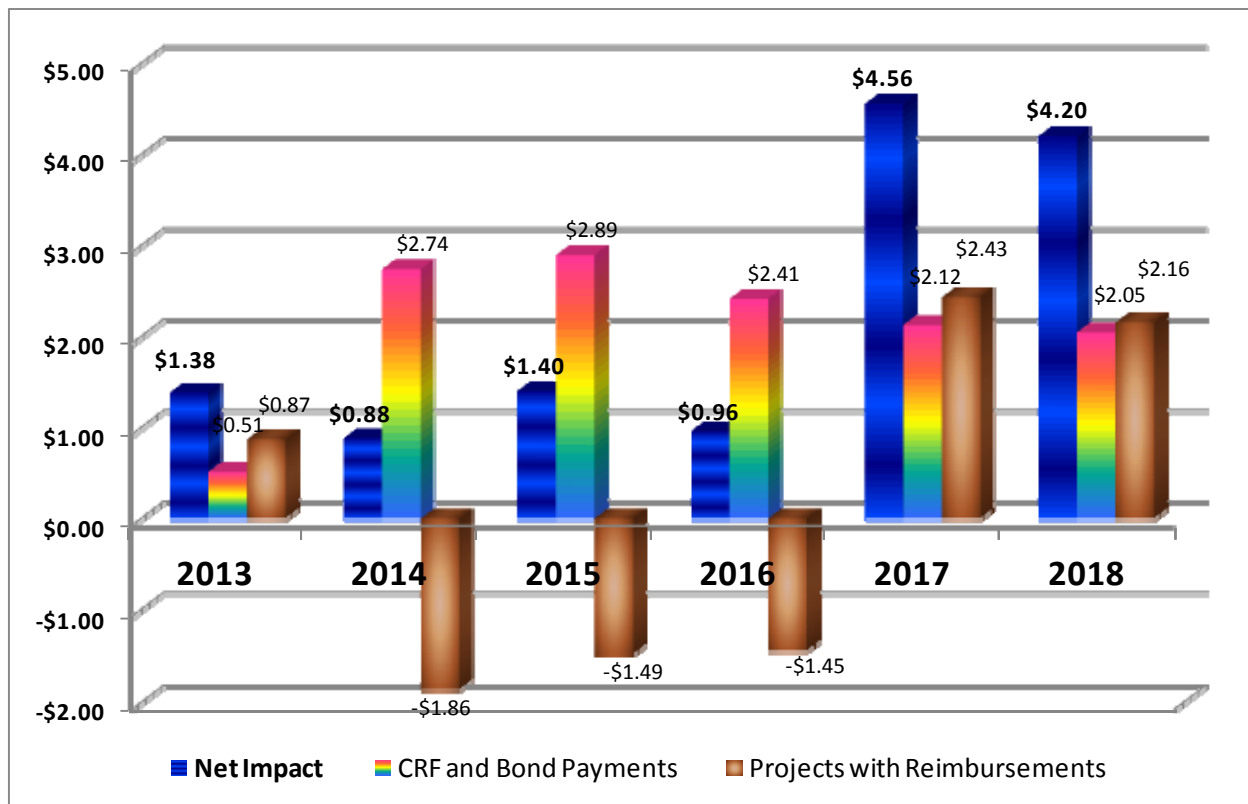
It is important to note that the CIP and its projected financial impacts are first and foremost advisory and hold no legal commitment for the Town to undertake such expenditures. This CIP document serves as a planning tool to help stabilize the tax rate while ensuring essential services are provided, as each Department's needs over the next few years are listed to keep the Town running safely. The CIP identifies when (and at what cost) the municipal tax impacts may come into effect as a result of necessary Department future capital expenditures.

The projects that Allentown has identified within this CIP will increase the municipal tax rate and the local school rate. However, many of these projects would have occurred regardless of the existence of a CIP and now the Town can effectively plan ahead with upcoming anticipated capital expenditures. Although higher taxes are often difficult to sell to residents, increases may be easier to justify if they improve the quality of life, improve safety, or correct deficiencies.

The anticipated financial impact of the capital projects, as displayed in **Figures 1-2** and **Figures 4-5**, assumes every one of the projects or purchases scheduled within a particular year will be funded in order to plan for the highest possible tax impact from these expenditures. The capital project impact to the tax rate is not simply "added to" the designated municipal tax rate. *The tax rates would have contained capital projects which would have occurred anyway with or without a CIP developed or even without a Department's participation in the CIP process.* The financial impact of the projects is a six-year prediction if all of the planned capital projects will be expended through 2018. By planning for these projects now, the Town will be working to ultimately keep the municipal tax rate stable over the coming years.

Calculating the growth of net valuations between 2006 through 2008 yielded a 1.2% average decrease, and when the Town was reassessed in 2009, the growth of the net valuation between 2009 and 2011 was 0.1%. These two groups of net valuation averages are averaged with each other to determine the overall change in net valuation between 2006 and 2011. The result was a decrease in net valuations of (negative) 0.6%. Beginning with the 2011 net valuation baseline of \$267,129,444, this (negative) 0.6% decrease was applied yearly from 2013 through 2018 to estimate future net valuations. Using this methodology, **Figure 4, Capital Project Impact on Municipal Tax Rate** and **Figure 5, Capital Project Impact on Local School Tax Rate** are illustrated on the pages that follow. The dollars displayed are per every \$1,000 of valuation.

Figure 4
Capital Project Impact on Municipal Tax Rate



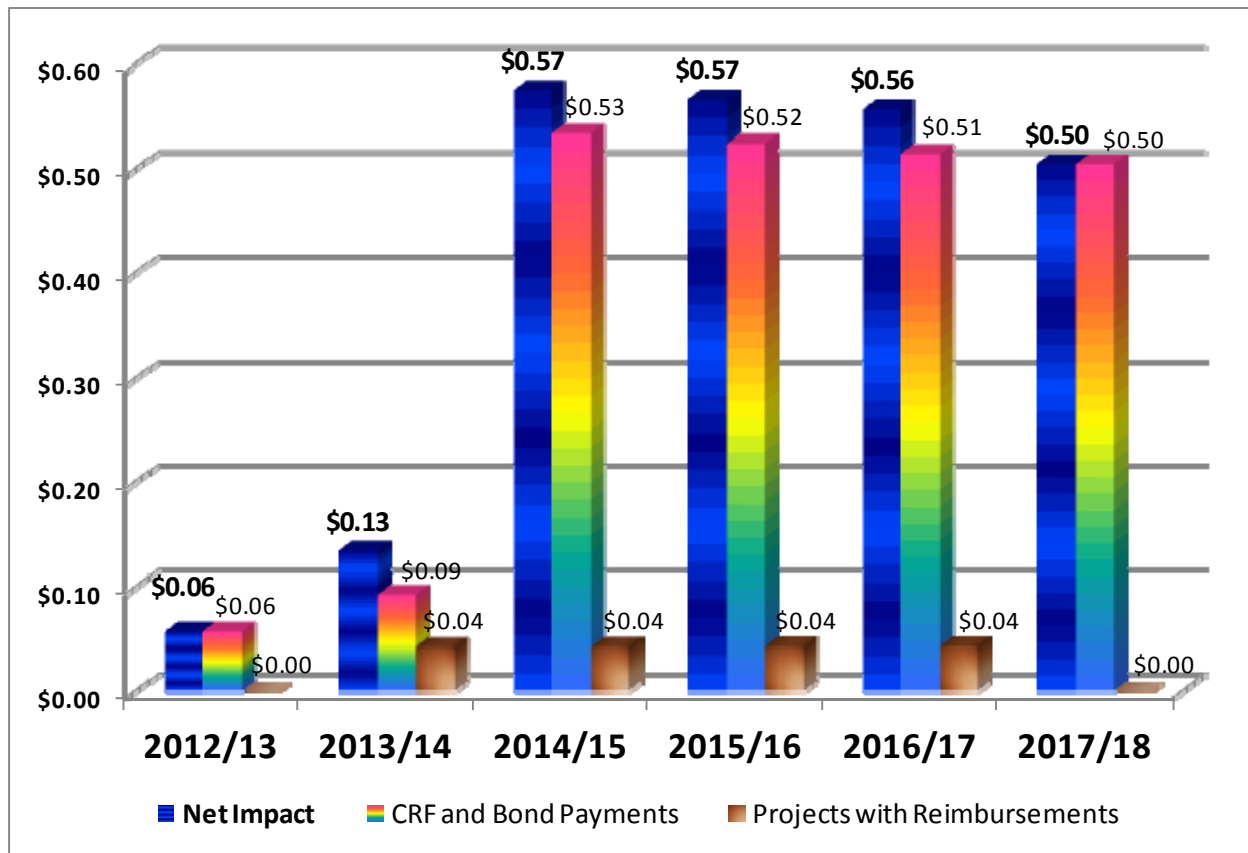
Source: **Figure 1, Municipal Improvements Schedule**

Figure 4, Capital Project Impact on Municipal Tax Rate was excerpted from **Figure 1, Municipal Improvements Schedule** depicted earlier in the document. Fifteen (15) municipal projects were considered in this CIP and are reflected in **Figure 4**. Between 2013 and 2018, the range of tax rate impacts falls between the low of **\$0.88** per \$1,000 in valuation in **2014** to the high of **\$4.56** per \$1,000 in **2017**.

Because of the high amount of reimbursements (or offsetting revenues) applied to projects alone, **Figure 4** depicts three negative *Projects with Reimbursements* figures in 2014, 2015, and 2016. The *CRF and Bond Payments* added to (plus) the *Projects with Reimbursements* will equal the blue striped *Net Impact*, so the negative figures have no detrimental impact on the tax rate.

To obtain funding at Annual March Town Voting Sessions, Department heads and Board Chairs should raise public awareness and promote a positive message for the necessity of their projects during the period January 1 through the Town Voting Session in March. The capital projects are discussed in **CHAPTER 4. SUMMARY OF PROJECTS**.

Figure 5
Capital Project Impact on Local School Tax Rate



Source: *Figure 2, School District Improvements Schedule*

Figure 5, Capital Project Impact on School Tax Rate was excerpted from **Figure 2, School District Improvements Schedule** depicted earlier in the document. Four (4) projects were provided by the School District for Allenstown Elementary School and Armand R. Dupont Middle School. The tax rate impacts range from a low of **\$0.06** per \$1,000 in valuation in **2012/2013** to a high of **\$0.57** per \$1,000 valuation in **2014/2015** and **2015/2016** over the six year period. Allenstown's portion of the bond payments, as illustrated below, is 100%. It is unknown whether NH State Building Aid contributes funding toward these payments, so this source is not factored in.

The tax impacts are low, ranging between **\$0.06** and **\$0.57** per year.

A similar public awareness strategy should be undertaken for School projects to ensure the funds are raised for the capital projects at the Annual School District Meetings. The projects are discussed in **CHAPTER 4. SUMMARY OF PROJECTS**.

CHAPTER 6.

ROAD MANAGEMENT PLAN

The Road Management Plan within a Capital Improvements Program assists municipalities with managing the current and future road improvements which will be required to maintain safety. Towns are responsible for maintaining Class V roads, but not Class VI roads, and received Highway Block Grant State Aid to assist with road maintenance. Private and State roads are documented. Highway expenditures and proportion of the entire Town budget are examined. Road construction and maintenance are a significant expense, and few roads can be maintained in a given year based upon the miles of road the Town is responsible for. Roads are typically improved on an as-needed basis due to the lack of funding available to bring the roads up to a completely maintained status.

TOWN ROADS - CLASS V AND CLASS VI

Allenstown, like other New Hampshire municipalities, has municipal roads which are the responsibility of the Town to build and maintain. Generally, the costs below reflect basic reconstruction. These Class V Town roads are listed in **Table 22**, with local road improvements displayed in **Table 22A**. Class VI Town roads are listed in **Table 23**.

Table 22
Town Roads (Class V)

Class V Roads		
Albin Avenue	Granite Street	Park Street
Bailey Avenue	Hamel Street	Pine Acres Road
Bartlett Street	Horse Harness Road	Ray Court
Birchwood Drive	Heritage Drive	River Road
Campbell Street	Highfield Drive	Sargent Street
Canal Street	Houle Avenue	Spring Street
Chester Turnpike	Howe Avenue	Summer Avenue
Chestnut Drive	Kenwood Drive	Sunnyside Street
Clearview Drive	Kimberly Lane	Sunset Street
Court Street	Lafayette Street	Townhouse Road
Cross Street	Lavoie Drive	Valley Street
Diane Avenue	Letendre Avenue	Verville Road
Deerfield Road (after Philbrick Road)	Lincoln Street	Wall Street
Deerfield Road (section bet Nute Rd & Hillside Dr)	Lubern Street	West Street
Dodge Road	Martinson Lane	Whitten Street
Dowst Road (section)	Meadow Lane	Willow Street
East Webster Street	Mount Delight Road	Wing Road
Elm Street	New Rye Road	Woodridge Drive
Ferry Street	Notre Dame Avenue	
Gilbert Road	Oak Street	

Source: Highway Department 2012

The Town has 58 town-maintained roads (or road sections) which the Highway Department must patch, crack seal, repave, grade, stripe, reconstruct, plow, sand/salt, or otherwise maintain to keep the roads in a safe, driveable condition. Some of the roads are more heavily traveled than others. Yearly, the Department must prioritize which roads should be maintained using its annual budget, as displayed later in the **CHAPTER** in **Table 26**.

Information which would be valuable to a Road Management Plan includes approximate length of the road, surface type, condition, and improvements to be made. This detail is not available for Allenstown and would need to be manually collected by the Highway Department, a time-consuming endeavor, before it could be inserted into the CIP.

Improvements to the Class V local roads are planned in advance based on the current state or anticipated condition of the roadways. **Table 22A** displays the improvements to be performed, year to begin improvements, and approximate cost of improvements to roads during this CIP period of 2013-2018:

Table 22A
Local Road Improvements 2013-2018

Class V Roads	Improvements to Be Performed	Year to Begin Improvements	Estimated Cost of Improvements
Cross Street	Reclaim and replace with 3 inches base and 2 inches top on road. Also, 2 inches base and 1 inch top on sidewalks	2010	\$160,000
Ferry Street	Reclaim 2,400 feet and replace with a 3 inch base and a 2 inch top	2013	\$140,000
River Road	Reclaim 3,000 feet and replace with a 3 inch base and a 2 inch top	2014	\$162,000
Theodore Avenue	Reclaim and replace with 3 inches base and 2 inches top of 1,200 feet and replace 180 feet of drainage and catch basin	2014	\$90,000
Library Street	Reclaim and replace Library Street with 2" of base and 1" of top	2016	\$64,000
Mount Delight Road	Upgrade the culvert system to a boxed culvert and to raise the road a foot and replace asphalt with a 3 inch base and 2 inch top.	2017	\$192,000
Total Cost of Improvements			\$808,000

Source: Highway Department 2012

Although Allentown does not maintain Town Class VI roads, these roads are municipally owned. By vote of the Town, the Town may decide in the future to maintain these roads, resulting in their classification being upgraded to Class V. Class VI roads in Allentown are listed in **Table 17**.

Table 23
Town Unmaintained Roads (Class VI)

Class VI Roads
Bombay Road
Chester Turnpike (section)
Dowst Road (section)
Holmesboro Road
Kettlerock Road
Nute Road
Philbrock Road
Pauper Road (section)
Wing Road

Source: Highway Department 2012

PRIVATE ROADS

Allenstown does not maintain private roads unless the Board of Selectmen votes to accept a private road as a Town Road after the authority had been granted to them by voters at Annual March Town Voting Session. Information such as approximate length, surface, and condition is not available and would need to be manually collected. Private roads within Allenstown are shown in **Table 24**.

Table 24
Private Roads

Private Roads	
Adams Drive	Madison Avenue
Betty Lane	Marilyn Drive
Boulder Circle	Marissa Drive
Bourque Drive	Mark Drive
Brookside Terrace	Monroe Avenue
Bunny Lane	Neil Drive
Bush Avenue	New Quarry Road
Carol Court	New Yorker Drive
Catamount Hill Drive	Old Quarry Road
Cedar Circle	Parkwood Drive
Chambers Circle	Pine Haven
Cheryl Drive	Pinecrest Circle
Clement Road	Presidential Drive
Dawn Drive	Reagan Circle
Dinan Drive	Riverside Park Drive
Lower Road	Roger Road
Edgewood Drive	Roland Drive
Emile Drive	Roy Lane
Fanny Drive	St. Jean Church
Fullham Circle	Stark Drive
Garden Drive	Sullivan Drive
Glen Drive	Sunrise Lane
Hillside Drive	Swiftwater Terrace
Jackson Avenue	Washington Avenue
Jefferson Drive	Woodlawn Drive
Lane Drive	Young Drive
Laurel Avenue	

Source: Highway Department 2012

STATE HIGHWAYS

State improvements are paid for by the NH Department of Transportation and the Federal Highway Administration. The CIP Committee reported NHDOT will be working on Route 28 from the section between Pembroke to Route 3 this summer. There are about 10.34 miles of Class I and II State roads in Town as displayed in **Table 25**.

Table 25
State Roads (Class I and II)

Class I & II Roads	Length	Surface	Improvement Where	Year to Begin Improvements	Approx Cost
Deerfield Road – From NH 28 to Podunk Road	24,615	paved	None	N/A	N/A
Main Street – From Pembroke to Hooksett	5,385	paved	None	N/A	N/A
NH Route 28 – From Pembroke to US 3	16,896	paved	Section of Route 28	2012	Unknown
School Street – From US 3 to Main Street	2,740	paved	None	N/A	N/A
US Route 3 – From Pembroke to Hooksett	4,937	paved	None	N/A	N/A
TOTAL	54,573				

Sources: NH DOT State Transportation Improvement Program 2011-2014, March 2012;
Ten Year Plan 2013-22, June 2012

TOWN ROADS BUDGET

The Highway and Streets Budget figures for 2006-2012 below in **Table 26** include maintenance of streets, street lighting, and road improvement expenditures. In 2009, the Highway Budget was at a low of 6.2% of the Town Budget, while the high of 9.8% was experienced in 2006. The State Highway Block Grant Aid has provided between about 19%-24% of the Highway Budget from 2006 to 2012, with the lowest funding provided in 2012.

Table 26
Highway Department Budget, 2006-2012

	2006	2007	2008	2009	2010	2011	2012	Total
Highway and Street Budget Appropriations	396,901	396,901	404,101	416,920	417,470	415,441	446,418	\$2,894,152
Town Budget Appropriations	4,058,056	4,541,936	4,865,968	6,750,931	6,218,976	5,628,979	5,439,616	\$37,504,462
% of Town Budget	9.8%	8.7%	8.3%	6.2%	6.7%	7.4%	8.2%	7.7%
State Highway Block Grant Aid	83,370	79,764	83,587	87,463	92,419	98,961	83,601	\$609,165
% of Highway Budget	21.0%	20.1%	20.7%	21.0%	22.1%	23.8%	18.7%	21.0%

Source: Town Reports 2006-2011

CHAPTER 7. APPENDIX

METHODS OF FINANCING CAPITAL IMPROVEMENTS

1. Current Revenue (Property Tax): The most commonly used method of financing capital projects is through the use of current revenues. Current revenue is the money raised by the local property tax for a given year. When a project is funded with current revenues, its entire cost is paid off within one year. Projects funded with current revenues are customarily lower in cost than those funded by general obligation bonds. If the town has the financial capacity to pay for the project in one year, the cost to the taxpayer will be less than if bonded because there are no interest payments to be made. However, making capital acquisitions with current revenues does have the effect of lumping an expenditure into a single year, sometimes resulting in higher taxes for the year of the purchase.
2. Municipal Indebtedness: General obligation bonds and short-term borrowing can be used to finance major capital projects. They are issued for a period of time ranging from 5 to 20 years, during which time principal and interest payments are made. Short-term notes and longer term bonds are secured by the government's power to tax, and are funded primarily by property taxes. Payments over time have the advantage of allowing the capital expenditures to be amortized over the life of the project, thus avoiding "spikes" in the property tax which may result from capital purchases made from current revenues. On the other hand, they can commit resources over a long period of time, thereby decreasing the flexibility of how yearly revenue can be utilized. NH RSA 33:3 mandates that bonds or notes may only be issued for the following purposes:
 - Acquisition of land;
 - Planning relative to public facilities;
 - Construction, reconstruction, alteration, enlargement or purchase of public buildings;
 - Public works or improvements of a lasting nature;
 - Purchase of equipment of a lasting character;
 - Payment of judgments; and,
 - Revaluation or acquisition of tax maps, RSA 33:3-b.

3. Capital Reserve Funds (CRF): A popular method to set money aside for expansion, alteration or improvement to municipal buildings and facilities, RSA 35V mandates that such accounts must be created by a warrant article at town meeting (Town Voting Session). The same warrant article should also stipulate how much money will be appropriated to open the fund as well as identify what Town entity will be the agent to expend the funds. Once established, communities typically appropriate more funds annually to replenish the fund or be saved and thus earn interest that will be put towards large projects or expenditures in the future. Since many capital projects involve very considerable expenditures, many towns set aside general revenue over a period of years in order to make a purchase.

The advantage of a CRF is that the major acquisition or improvement can be made without the need to go into the bond market with the accompanying interest payments. The disadvantage to present taxpayers is that future residents enjoy the benefits of the improvement(s) without having to pay for them.

4. Special Revenue Sources: Special revenue sources include user fees, payments in lieu of taxes, gifts/donations, trusts, development impact fees, and intergovernmental transfers (i.e. grants) such as NH Shared Revenues and Highway Aid grants. The State of NH Building Aid is available at 30-55% for certain School District building projects (RSA 198:15-b).
5. NHDES Clean Water State Revolving Loan Fund: The Safe Drinking Water Act (SDWA) Amendments of 1996 provide for federal funding of a Drinking Water State Revolving Fund (DWSRF) to provide assistance to public water systems to finance the cost of drinking water infrastructure. The amendments also establish a strong emphasis on preventing contamination and enhancing water system management by allowing states to use some of the DWSRF for source water protection, capacity development and operator certification. Public water systems eligible for assistance are community water systems, both privately or publicly owned, and nonprofit non-community water systems. The DWSRF assistance is available in the form of loans or subsidies to public water systems for infrastructure and contamination prevention (source water protection) activities.

The infrastructure portion of the DWSRF provides assistance to public water systems primarily in the form of low interest loans. In addition, the state has chosen to provide additional loan subsidies, including forgiveness of principal, to disadvantaged communities that receive loans.

- Rehabilitation or development of sources (excluding reservoirs, dams, dam rehabilitation and water rights) to replace contaminated sources.
- Installation or upgrading of treatment facilities if the project would improve the quality of drinking water to comply with primary or secondary standards.
- Installation or upgrading of storage facilities, including finish water reservoirs, to prevent microbiological contaminants from entering the water system.

- Installation or replacement of transmission and distribution pipes to prevent contamination caused by leaks or breaks in the pipe, or improve water pressure to safe levels.
- Consolidation of water systems to resolve contamination problems and financial or management capability issues.
- Acquisition of land from a willing seller if it is integral to a project that is needed to maintain compliance and further public health protection.

The Source Water Protection Assistance of the DWSRF will be spent on non-infrastructure source water protection activities. Funding in the form of grants and loans is available to qualified applicants. No subsidization of loans for disadvantaged communities can occur with this portion of the DWSRF. Activities that will be eligible for this funding will include the following:

- Delineation and assessment of protection areas for wells and surface water intakes.
- Implementation of protection measures.
- Acquisition of water supply protection land (loan only).

The Allenstown Sewer Department gets much of its funding from this source.

FUNDING SOURCES FOR TRANSPORTATION IMPROVEMENTS

1. Congestion Mitigation and Air Quality Improvement Program (CMAQ): This Federal Program is administered by the State DOT and is designed to fund projects and programs to improve air quality in non-attainment and maintenance areas for ozone, carbon monoxide, and small particulate matter which reduce transportation-related emissions. Typical CMAQ programs and projects include transit projects, trail projects, car pool projects, installation of traffic signals, and construction of sidewalk and bicycle path construction. In 2000, New Hampshire received \$20 million dollars in CMAQ funding from the Federal Government. Funding for projects are split, with 80% of funding coming from the State, and the community providing 20% match.
2. Transportation Enhancement Funds (TE): Transportation Enhancements Program (TE) is another viable source for improving roads in communities. Funding for the TE program is slightly more than \$3 million dollars annually. Like CMAQ, these funds are provided in an 80/20 match, with the State paying for the majority of the project cost. Typical examples of projects eligible for TE funds include:
 - Facilities for bicyclists and pedestrians;
 - Safety and education activities for bicyclists and pedestrians;
 - Acquisition of scenic easements and scenic or historic sites;
 - Scenic or historic highway programs;
 - Landscaping and other scenic beautification;
 - Historic preservation;
 - Rehabilitation and operation of historic transportation buildings, structures of facilities;
 - Preservation of abandoned railway corridors;
 - Control and removal of outdoor advertising;
 - Archaeological planning and research;
 - Some types of environmental mitigation; and,
 - Establishment of transportation museums.
3. Federal Aid Bridge Replacement Funds: These funds are available for the replacement or rehabilitation of town-owned bridges over 20 feet in length. Matching funds are required and applications for funding are processed through the NHDOT municipal highways engineer.

4. State Highway Block Grants: Annually, the State apportions funds to all cities and towns for the construction and maintenance of Class IV and V roadways. Apportionment "A" funds comprise not less than 12% of the State Highway budget and are allocated based upon one-half the total road mileage and one-half the total population, proportioned by ranking the municipality with other municipalities in the State. This yields approximately \$1,200 per mile of Class IV and Class V road and \$11 per person residing in a municipality according to the NH Office of Energy and Planning. Apportionment "B" funds are distributed from a set sum of \$400,000 and assist only those municipalities having high roadway mileage and whose equalized property value is very low in relation to other communities. In 2012, 19 communities received funding from Apportionment "B."

Block grant payment schedules are as follows: 30% in July, 30% in October, 20% in January, and 20% in April. Any unused funds may be carried over to the next fiscal year. In State FY-2012, Allenstown received **\$83,601** in highway block grants from the State from Apportionment "A" funds.

5. State Bridge Aid: This program helps to supplement the cost to communities of bridge construction on Class II and V roads in the State. Funds are allocated by NHDOT in the order in which applications for assistance are received. The amount of aid a community may receive is based upon equalized assessed valuation and varies from two-thirds to seven-eighths of the total cost of the project.
6. Town Bridge Aid: Like the State Bridge Aid program, this program also helps communities construct or reconstruct bridges on Class V roads. The amount of aid is also based upon equalized assessed valuation and ranges from one-half to seven-eighths of the total cost of the project. All bridges constructed with these funds must be designed to support a load of at least 15 tons. As mandated by State Law, all bridges constructed with these funds on Class II roads must be maintained by the State, while all bridges constructed on Class V roads must be maintained by the Town. Any community that fails to maintain bridges installed under this program shall be forced to pay the entire cost of maintenance plus 10% to the State Treasurer under RSA 85.
7. Local Option Fee for Transportation Improvements: NH RSA 261:153 VI (a) grants municipalities the ability to institute a surcharge on all motor vehicle registrations for the purpose of funding the construction or reconstruction of roads, bridges, public parking areas, sidewalks, and bicycle paths. Funds generated under this law may also be used as matching funds for state projects. The maximum amount of the surcharge permitted by law is \$5. Base upon the number of motor vehicles registered in Allenstown, this method could yield additional monies annually if so allocated without increasing property taxes.

8. Impact Fees: Authorized by RSA 674:21, communities can adopt impact fee programs to offset the costs of expanding services and facilities communities must absorb when a new home or commercial unit is constructed in town. Unlike exactions, impact fees are uniform fees administered by the building inspector and are collected for general impacts of the development, as opposed to exaction which are administered by the planning board and are collected for specific impacts unique to new site plans or subdivisions on Town roads. The amount of an impact fee is developed through a series of calculations. Impact fees are charged to new homes or commercial structures at the time a building permit is issued. When considering implementing an impact fee ordinance, it is important to understand that the impact fee system is adopted by amending the zoning ordinance. The law also requires that communities adopting impact fees must have a Capital Improvements Program (CIP). Lastly, State law also stipulates that all impact fees collect by a community must be used within six years from the date they were collected, or else they must be refunded to the current property owner(s) of the structure for which the fee was initially collected.

MISCELLANEOUS FUNDING SOURCES

1. **Community Development Block Grants**: Depending on the location, social value, and functional use of a municipal facility, Community Development Block Grants (CDBG) can sometimes be a good source of financing. CDBG funds are allocated from the US Department of Housing and Urban Development. Each year, communities are invited to submit grant applications for funding of projects. An example of a local project funded by CDBG is the Town of Pittsfield's Community Center. Each year, New Hampshire receives about \$10 million in CDBG funds that, through the grant process, were allocated to communities across the State.
2. **Sale or Use of Excess Property**: Another possible method to finance or expand town facilities opportunities could include sale of surplus town-owned property. Surplus property is often property acquired from private citizens for failure to pay taxes.
3. **Private Foundations/Trusts**: For years, communities have been the beneficiaries of trusts and donations created by private citizens and foundations. The Town should actively solicit such resources for assistance regarding the development or expansion of recreational facilities and programs.
4. **User Fees**: During the 1980s, the concept of user fees for funding of numerous public facilities and services were widely adopted throughout the nation. To help finance community facilities and programs, several communities in New Hampshire have adopted user fees. Examples of user fees in New Hampshire communities include water district charges and transfer station fees.
5. **License and Permit Fees**: Fees, such as building permits, zoning applications, and planning board subdivision and site plan fees are all examples of permit fees. Such fees are highly equitable and are successful for minimizing the burden on taxpayers for specific programs such as building code enforcement.

FUNDING SOURCES FOR CONSERVATION

1. Land Use Change Tax: When a property that has been paying the lower Current Use Tax rate is removed from that program, the land use change tax penalty is paid to the Town that the property is located in. The penalty is 10% of the full market value of the land when it leaves the current use program. Many Towns put all of this money directly into the Conservation Fund (see below).
2. Conservation Fund: This fund is much like a Capital Reserve Fund, where Town Meeting (Town Voting Session) approval needs to be sought to expend the accumulated funds. The primary purpose of the Fund (RSA 36-A:5) is to acquire real estate for conservation purposes.
3. "Municipal Bill Round-Up": An additional funding source for a variety of activities, such as greenway acquisition, easement acquisition, and creating bike trails and sidewalks, is the use of a "round up" program for tax bills, utility bills, and registration fees. Under such a program, the taxpayer could voluntarily round his/her bill payment up to a designated amount above the actual bill and designate it to any of the desired programs listed.
4. Land and Community Heritage Investment Program (LCHIP): This State fund is designed to assist communities that want to conserve outstanding natural, historic, and cultural resources. There will be the requirement that the Towns match the State money from this fund with a 50% match from other sources, some of which can be an in-kind match, as well as funds from other sources.

RELEVANT STATE STATUTES FOR CAPITAL IMPROVEMENTS

TITLE III TOWNS, CITIES, VILLAGE DISTRICTS, AND UNINCORPORATED PLACES

Municipal Budget Law

Section 32:6 Appropriations

32:6 Appropriations Only at Annual or Special Meeting. All appropriations in municipalities subject to this chapter shall be made by vote of the legislative body of the municipality at an annual or special meeting. No such meeting shall appropriate any money for any purpose unless that purpose appears in the budget or in a special warrant article, provided, however, that the legislative body may vote to appropriate more than, or less than, the amount recommended for such purpose in the budget or warrant, except as provided in RSA 32:18, unless the municipality has voted to override the 10 percent limitation as provided in RSA 32:18-a.

Municipal Finance Act

Section 33:1

33:1 Definitions. - This chapter may be referred to as the "Municipal Finance Act." The following terms, when used in this chapter, shall have the meanings set forth below, except when the context in which they are used requires a different meaning:

I. "Municipality" or "municipal corporation," town, city, school district or village district;

II. "Governing board," the selectmen of a town, the commissioners or comparable officers of a village district, and the school board of a school district;

III. "Net indebtedness," all outstanding and authorized indebtedness, heretofore or hereafter incurred by a municipality, exclusive of the following: unmatured tax anticipation notes issued according to law; or notes issued in anticipation of grants of federal or state aid or both; debts incurred for supplying the inhabitants with water or for the construction, enlargement, improvement or maintenance of water works; debts incurred to finance the cost of sewerage systems or enlargements or improvements thereof, or sewage or waste disposal works when the cost thereof is to be financed by sewer rents or sewer assessment; debt incurred pursuant to RSA 31:10; debts incurred to finance energy production projects, the reconstruction or enlargement of a municipally-owned utility, or the manufacture or furnishing of light, heat, power or water for the public, or the generation, transmission or sale of energy ultimately sold to the public; debts incurred to finance small-scale power facilities under RSA 374-D; debts incurred outside the statutory debt limit of the municipality under any general law or special act heretofore or hereafter enacted (unless otherwise provided in such legislation); and sinking funds and cash applicable solely to the payment of the principal of debts incurred within the debt limit.

Section 33:4-a Debt Limit, Municipalities. –

I. Cities shall not incur net indebtedness, except for school purposes, to an amount, at any one time outstanding, exceeding 3 percent of their valuation determined as hereinafter provided.

II. Cities shall not incur net indebtedness for school purposes to an amount at any one time outstanding, determined as hereinafter provided, exceeding 7 percent of said valuation. Any debt incurred for school purposes by a city under this or any special statute heretofore or hereafter enacted shall be excluded in determining the borrowing capacity of a city for other than school purposes under the 3 percent limitation in paragraph I.

III. Towns shall not incur net indebtedness to an amount at any one time outstanding exceeding 3 percent of their valuation determined as hereinafter provided.

IV. School districts shall not incur net indebtedness to an amount at any one time outstanding exceeding 7 percent determined as hereinafter provided.

V. Village districts shall not incur net indebtedness to an amount at any one time outstanding exceeding one percent of their valuation determined as hereinafter provided.

TITLE XV EDUCATION

School Meetings

Section 197:1

197:1 Annual. – A meeting of every school district shall be held annually between March 1 and March 25, inclusive, or in accordance with RSA 40:13 if that provision is adopted in the district, for raising and appropriating money for the support of schools for the fiscal year beginning the next July 1, for the transaction of other district business and, in those districts not electing their district officers at town meeting, for the choice of district officers.

Section 197:3

197:3 Raising Money at Special Meeting. –

I. (a) No school district at any special meeting shall raise or appropriate money nor reduce or rescind any appropriation made at a previous meeting, unless the vote thereon is by ballot, nor unless the ballots cast at such meeting shall be equal in number to at least 1/2 of the number of voters of such district entitled to vote at the regular meeting next preceding such special meeting; and, if a checklist was used at the last preceding regular meeting, the same shall be used to ascertain the number of legal voters in said district; and such checklist, corrected according to law, may be used at such special meeting upon request of 10 legal voters of the district. In case an emergency arises requiring an immediate expenditure of money, the school board may petition the superior court for permission to hold a special district meeting, which, if granted, shall give said district meeting the same authority as an annual district meeting.

(b) "Emergency" for the purposes of this section shall mean a sudden or unexpected situation or occurrence, or combination of occurrences, of a serious and urgent nature, that demands prompt or immediate action, including an immediate expenditure of money. This definition, however, does not establish a requirement that an emergency involves a crisis in every set of circumstances.

(c) To verify that an emergency exists, a petitioner shall present, and the court shall consider, a number of factors including:

- (1) The severity of the harm to be avoided.
- (2) The urgency of the petitioner's need.
- (3) Whether the claimed emergency was foreseeable or avoidable.
- (4) Whether the appropriation could have been made at the annual meeting.
- (5) Whether there are alternative remedies not requiring an appropriation.

II. Ten days prior to petitioning the superior court, the school board shall notify, by certified mail, the commissioner of the department of revenue administration that an emergency exists by providing the commissioner with a copy of the explanation of the emergency, the warrant article or articles and the petition to be submitted to the superior court. The petition to the superior court shall include a certification that the commissioner of the department of revenue administration has been notified pursuant to this paragraph.

III. In the event that the legislative body at an annual meeting amends or rejects the cost items or fact finder's reports as submitted pursuant to RSA 273-A, notwithstanding paragraphs I and II, the school board may call one special meeting for the sole purpose of addressing all negotiated cost items without petitioning the superior court for authorization. Such special meeting may be authorized only by a contingent warrant article inserted on the warrant or official ballot either by petition or by the governing body. The wording of the question shall be as follows: "Shall (the local political subdivision), if article _____ is defeated, authorize the governing body to call one special meeting, at its option, to address article _____ cost items only?" The refusal of the legislative body to authorize a special meeting as provided in this paragraph shall not affect any other provision of law. Any special meeting held under this paragraph shall be combined with the revised operating budget meeting under RSA 40:13, XI, if any, and shall not be counted toward the number of special meetings which may be held in a given calendar or fiscal year.

IV. When the school board votes to petition the superior court for permission to hold a special school district meeting, the school board shall post notice of such vote within 24 hours after taking the vote and a minimum of 10 days prior to filing the petition with the court. The school board shall post notice of the court date for an evidentiary hearing on the petition within 24 hours after receiving notice of the court date from the court. Such notices shall be posted at the office of the school board and at 2 or more other conspicuous places in the school district, and in the next available edition of one or more local newspapers with a wide circulation in the school district. If the district is a multi-town school district, the notices shall be posted at the office of the school board and at 2 or more other conspicuous places in each town of the multi-town school district, and in the next available edition of one or more newspapers with a wide circulation in all towns of the multi-town school district.

V. Notwithstanding any other provision of law, no special meeting to raise and appropriate money, or to reduce or rescind any appropriation made at a previous meeting, may be held unless the vote is taken on or before December 31 of any budget cycle. However, the district may bring such items as could not be addressed prior to December 31 before the voters at the next annual school district meeting. Such supplemental appropriations, together with appropriations raised under RSA 197:1, shall be assessed against property as of April 1.

TITLE LXIV PLANNING AND ZONING

Capital Improvements Program

Section 674:5 through 674:8

674:5 Authorization. – In a municipality where the planning board has adopted a master plan, the local legislative body may authorize the planning board to prepare and amend a recommended program of municipal capital improvement projects projected over a period of at least 6 years. The capital improvements program may encompass major projects being currently undertaken or future projects to be undertaken with federal, state, county, and other public funds. The sole purpose and effect of the capital improvements program shall be to aid the mayor and the budget committee in their consideration of the annual budget.

674:6 Purpose and Description. – The capital improvement program shall classify projects according to the urgency and need for realization and shall recommend a time sequence for their implementation. The program may also contain the estimated cost of each project and indicate probable operating and maintenance costs and probable revenues, if any, as well as existing sources of funds or the need for additional sources of funds for the implementation and operation of each project. The program shall be based on information submitted by the departments and agencies of the municipality and shall take into account public facility needs indicated by the prospective development shown in the master plan of the municipality or as permitted by other municipal land use controls.

674:7 Preparation. – I. In preparing the capital improvements program, the planning board shall confer, in a manner deemed appropriate by the board, with the mayor or the board of selectmen, or the chief fiscal officer, the budget committee, other municipal officials and agencies, the school board or boards, and shall review the recommendations of the master plan in relation to the proposed capital improvements program.

II. Whenever the planning board is authorized and directed to prepare a capital improvements program, every municipal department, authority or agency, and every affected school district board, department or agency, shall, upon request of the planning board, transmit to the board a statement of all capital projects it proposes to undertake during the term of the program. The planning board shall study each proposed capital project, and shall advise and make recommendations to the department, authority, agency, or school district board, department or agency, concerning the relation of its project to the capital improvements program being prepared.

674:8 Consideration by Mayor and Budget Committee. – Whenever the planning board has prepared a capital improvements program under RSA 674:7, it shall submit its recommendations for the current year to the mayor and the budget committee, if one exists, for consideration as part of the annual budget.

Zoning

Section 674:21

674:21 Innovative Land Use Controls. –

I. Innovative land use controls may include, but are not limited to:

- (a) Timing incentives.
- (b) Phased development.
- (c) Intensity and use incentive.
- (d) Transfer of density and development rights.
- (e) Planned unit development.
- (f) Cluster development.
- (g) Impact zoning.
- (h) Performance standards.
- (i) Flexible and discretionary zoning.
- (j) Environmental characteristics zoning.
- (k) Inclusionary zoning.
- (l) Accessory dwelling unit standards.
- (m) Impact fees.
- (n) Village plan alternative subdivision.

II. An innovative land use control adopted under RSA 674:16 may be required when supported by the master plan and shall contain within it the standards which shall guide the person or board which administers the ordinance. An innovative land use control ordinance may provide for administration, including the granting of conditional or special use permits, by the planning board, board of selectmen, zoning board of adjustment, or such other person or board as the ordinance may designate. If the administration of the innovative provisions of the ordinance is not vested in the planning board, any proposal submitted under this section shall be reviewed by the planning board prior to final consideration by the administrator. In such a case, the planning board shall set forth its comments on the proposal in writing and the administrator shall, to the extent that the planning board's comments are not directly incorporated into its decision, set forth its findings and decisions on the planning board's comments.

III. Innovative land use controls must be adopted in accordance with RSA 675:1, II.

IV. As used in this section:

(a) "Inclusionary zoning" means land use control regulations which provide a voluntary incentive or benefit to a property owner in order to induce the property owner to produce housing units which are affordable to persons or families of low and moderate income. Inclusionary zoning includes, but is not limited to, density bonuses, growth control exemptions, and a streamlined application process.

(b) "Accessory dwelling unit" means a second dwelling unit, attached or detached, which is permitted by a land use control regulation to be located on the same lot, plat, site, or other division of land as the permitted principal dwelling unit.

V. As used in this section "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, including and limited to water treatment and distribution facilities; wastewater treatment and disposal facilities; sanitary sewers; storm water, drainage and flood control facilities; public road systems and rights-of-way; municipal office facilities; public school facilities; the municipality's proportional share of capital facilities of a cooperative or regional school district of which the municipality is a member; public safety facilities; solid waste collection, transfer, recycling, processing and disposal facilities; public library facilities; and public recreational facilities not including public open space. No later than July 1, 1993, all impact fee ordinances shall be subject to the following:

(a) The amount of any such 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 development 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.

(b) In order for a municipality to adopt an impact fee ordinance, it must have enacted a capital improvements program pursuant to RSA 674:5-7.

(c) Any impact fee shall be accounted for separately, shall be segregated from the municipality's general fund, may be spent upon order of the municipal governing body, shall 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.

(d) All impact fees imposed pursuant to this section shall be assessed at the time of planning board approval of a subdivision plat or site plan. When no planning board approval is required, or has been made prior to the adoption or amendment of the impact fee ordinance, impact fees shall be assessed prior to, or as a condition for, the issuance of a building permit or other appropriate permission to proceed with development. Impact fees shall be intended to reflect the effect of development upon municipal facilities at the time of the issuance of the building permit. Impact fees shall be collected at the time a certificate of occupancy is issued. If no certificate of occupancy is required, impact fees shall be collected when the development is ready for its intended use. Nothing in this subparagraph shall prevent the municipality 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 alternate schedule of payment is established, municipalities 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.

(e) The ordinance shall establish reasonable times after which any portion of an impact fee which has not become encumbered or otherwise legally bound to be spent for the purpose for which it was collected shall be refunded, with any accrued interest. Whenever the calculation of an impact fee has been predicated upon some portion of capital improvement costs being borne by the municipality, a refund shall be made upon the failure of the legislative body to appropriate the municipality's share of the capital improvement costs within a reasonable time. The maximum time which shall be considered reasonable hereunder shall be 6 years.

(f) Unless otherwise specified in the ordinance, any decision under an impact fee ordinance may be appealed in the same manner provided by statute for appeals from the officer or board making that decision, as set forth in RSA 676:5, RSA 677:2-14, or RSA 677:15, respectively.

(g) The ordinance may also provide for a waiver process, including the criteria for the granting of such a waiver.

(h) The adoption of a growth management limitation or moratorium by a municipality shall not

affect any development with respect to which an impact fee has been paid or assessed as part of the approval for that development.

(i) Neither the adoption of an impact fee ordinance, nor the failure to adopt such an ordinance, shall be deemed to affect existing authority of a planning board over subdivision or site plan review, except to the extent expressly stated in such an ordinance.

(j) The failure to adopt an impact fee ordinance shall not preclude a municipality from requiring developers to pay an exaction for the cost of off-site improvement needs determined by the planning board to be necessary for the occupancy of any portion of a development. For the purposes of this subparagraph, "off-site improvements" means those improvements that are necessitated by a development but which are located outside the boundaries of the property that is subject to a subdivision plat or site plan approval by the planning board. Such off-site improvements shall be limited to any necessary highway, drainage, and sewer and water upgrades pertinent to that development. The amount of any such exaction shall be a proportional share of municipal improvement costs not previously assessed against other developments, which is necessitated by the development, and which is reasonably related to the benefits accruing to the development from the improvements financed by the exaction. As an alternative to paying an exaction, the developer may elect to construct the necessary improvements, subject to bonding and timing conditions as may be reasonably required by the planning board. Any exaction imposed pursuant to this section shall be assessed at the time of planning board approval of the development necessitating an off-site improvement. Whenever the calculation of an exaction for an off-site improvement has been predicated upon some portion of the cost of that improvement being borne by the municipality, a refund of any collected exaction shall be made to the payor or payor's successor in interest upon the failure of the local legislative body to appropriate the municipality's share of that cost within 6 years from the date of collection. For the purposes of this subparagraph, failure of local legislative body to appropriate such funding or to construct any necessary off-site improvement shall not operate to prohibit an otherwise approved development.

VI. (a) In this section, "village plan alternative" means an optional land use control and subdivision regulation to provide a means of promoting a more efficient and cost effective method of land development. The village plan alternative's purpose is to encourage the preservation of open space wherever possible. The village plan alternative subdivision is meant to encourage beneficial consolidation of land development to permit the efficient layout of less costly to maintain roads, utilities, and other public and private infrastructures; to improve the ability of political subdivisions to provide more rapid and efficient delivery of public safety and school transportation services as community growth occurs; and finally, to provide owners of private property with a method for realizing the inherent development value of their real property in a manner conducive to the creation of substantial benefit to the environment and to the political subdivision's property tax base.

(b) An owner of record wishing to utilize the village plan alternative in the subdivision and development of a parcel of land, by locating the entire density permitted by the existing land use regulations of the political subdivision within which the property is located, on 20 percent or less of the entire parcel available for development, shall provide to the political subdivision within which the property is located, as a condition of approval, a recorded easement reserving the remaining land area of the entire, original lot, solely for agriculture, forestry, and conservation, or for public recreation. The recorded easement shall limit any new construction on the remainder lot to structures associated with farming operations, forest management operations, and conservation uses. Public recreational uses shall be subject to the written approval of those abutters whose property lies within the village plan alternative subdivision portion of the project at the time when such a public use is proposed.

(c) The village plan alternative shall permit the developer or owner to have an expedited subdivision application and approval process wherever land use and subdivision regulations may apply. The submission and approval procedure for a village plan alternative subdivision shall be the same as that for a conventional subdivision. Existing zoning and subdivision regulations relating to emergency access, fire prevention, and public health and safety concerns including any setback requirement for wells, septic systems, or wetland requirement imposed by the department of environmental services shall apply to the developed portion of a village plan alternative subdivision, but lot size regulations and dimensional requirements having to do with frontage and setbacks measured from all new property lot lines, and lot size regulations, as well as density regulations, shall not apply. The total density of development within a village plan alternate subdivision shall not exceed the total potential development density permitted a conventional subdivision of the entire original lot unless provisions contained within the political subdivision's land use regulations provide a basis for increasing the permitted density of development within a village plan alternative subdivision. In no case shall a political subdivision impose lesser density requirements upon a village plan alternative subdivision than the density requirements imposed on a conventional subdivision.

(d) Within a village plan alternative subdivision, the exterior wall construction of buildings shall meet or exceed the requirements for fire-rated construction described by the fire prevention and building codes being enforced by the state of New Hampshire at the date and time the property owner of record files a formal application for subdivision approval with the political subdivision having jurisdiction of the project. Exterior walls and openings of new buildings shall also conform to fire protective provisions of all other building codes in force in the political subdivision. Wherever building code or fire prevention code requirements for exterior wall construction appear to be in conflict, the more stringent building or fire prevention code requirements shall apply.

(e) If the total area of a proposed village plan alternative subdivision including all roadways and improvements does not exceed 20 percent of the total land area of the undeveloped lot, and if the proposed subdivision incorporates the total sum of all proposed development as permitted by local regulation on the undeveloped lot, all existing and future dimensional requirements imposed by local regulation, including lot size, shall not apply to the development.

Section 674:22

674:22 Growth Management; Timing of Development. – The local legislative body may further exercise the powers granted under this subdivision to regulate and control the timing of development. Any ordinance imposing such a control may be adopted only after preparation and adoption by the planning board of a master plan and a capital improvement program and shall be based upon a growth management process intended to assess and balance community development needs and consider regional development needs.

Subdivision Regulations

Section 674:36

674:36 Subdivision Regulations. –

I. Before the planning board exercises its powers under RSA 674:35, the planning board shall adopt subdivision regulations according to the procedures required by RSA 675:6.

II. The subdivision regulations which the planning board adopts may:

(a) Provide against such scattered or premature subdivision of land as would involve danger or injury to health, safety, or prosperity by reason of the lack of water supply, drainage, transportation, schools, fire protection, or other public services, or necessitate the excessive expenditure of public funds for the supply of such services;

(b) Provide for the harmonious development of the municipality and its environs;

(c) Require the proper arrangement and coordination of streets within subdivisions in relation to other existing or planned streets or with features of the official map of the municipality;

(d) Provide for open spaces of adequate proportions;

(e) Require suitably located streets of sufficient width to accommodate existing and prospective traffic and to afford adequate light, air, and access for firefighting apparatus and equipment to buildings, and be coordinated so as to compose a convenient system;

(f) Require, in proper cases, that plats showing new streets or narrowing or widening of such streets submitted to the planning board for approval shall show a park or parks suitably located for playground or other recreational purposes;

(g) Require that proposed parks shall be of reasonable size for neighborhood playgrounds or other recreational uses;

(h) Require that the land indicated on plats submitted to the planning board shall be of such character that it can be used for building purposes without danger to health;

(i) Prescribe minimum areas of lots so as to assure conformance with local zoning ordinances and to assure such additional areas as may be needed for each lot for on-site sanitary facilities;

(j) Include provisions which will tend to create conditions favorable to health, safety, convenience, or prosperity; and

(k) Encourage the installation and use of solar, wind, or other renewable energy systems and protect access to energy sources by the regulation of orientation of streets, lots, and buildings; establishment of maximum building height, minimum set back requirements, and limitations on type, height, and placement of vegetation; and encouragement of the use of solar skyspace easements under RSA 477.

(l) Provide for efficient and compact subdivision development which promotes retention and public usage of open space and wildlife habitat, by allowing for village plan alternative subdivision as defined in RSA 674:21, VI.

(m) Require innovative land use controls on lands when supported by the master plan.

(n) Include provision for waiver of any portion of the regulations. The basis for any waiver granted by the planning board shall be recorded in the minutes of the board. The planning board may only grant a waiver if the board finds, by majority vote, that:

(1) Strict conformity would pose an unnecessary hardship to the applicant and waiver would not be contrary to the spirit and intent of the regulations; or

(2) Specific circumstances relative to the subdivision, or conditions of the land in such subdivision, indicate that the waiver will properly carry out the spirit and intent of the regulations.

III. The subdivision regulations of the planning board may stipulate, as a condition precedent to the approval of the plat, the extent to which and the manner in which streets shall be graded and improved and to which water, sewer, and other utility mains, piping, connections, or other facilities shall be installed. The regulations or practice of the planning board:

(a) May provide for the conditional approval of the plat before such improvements and installations have been constructed, but any such conditional approval shall not be entered upon the plat.

(b) Shall provide that, in lieu of the completion of street work and utility installations prior to the final approval of a plat, the planning board shall accept a performance bond, irrevocable letter of credit, or other type or types of security as shall be specified in the subdivision regulations; provided that in no event shall the exclusive form of security required by the planning board be in the form of cash or a passbook. As phases or portions of the secured improvements or installations are completed and approved by the planning board or its designee, the municipality shall partially release said security to the extent reasonably calculated to reflect the value of such completed improvements or installations. Cost escalation factors that are applied by the planning board to any bond or other security required under this section shall not exceed 10 percent per year. The planning board shall, within the limitations provided in this subparagraph, have the discretion to prescribe the type and amount of security, and specify a period for completion of the improvements and utilities to be expressed in the bond or other security, in order to secure to the municipality the actual construction and installation of such improvements and utilities. The municipality shall have the power to enforce such bonds or other securities by all appropriate legal and equitable remedies.

(c) May provide that in lieu of the completion of street work and utility installations prior to the final approval of the plat, the subdivision regulations may provide for an assessment or other method by which the municipality is put in an assured position to do said work and to make said alterations at the cost of the owners of the property within the subdivision.

For Applicant Completion

☐ New Application
☐ Revised Application

If Revised, Application #:
 2008- _____

TOWN OF ALLENSTOWN
Planning Board
16 School Street
Allenstown, NH 03275
603-485-4276

For Committee Use

Application #:
 2013- _____

Allenstown FY-2013 to FY-2018 Capital Improvements Program (CIP)
PROJECT / PURCHASE REQUEST APPLICATION

INSTRUCTIONS:

- Use one Application for ***each new*** capital expenditure you anticipate your Department would want to make during the next six years (2013-2018). A capital expenditure is defined as any project or item that 1) costs at least \$50,000, 2) has a lifespan of at least five (5) years, 3) is not included in the operating budget, and 4) any other project requiring bond financing. Refer to the CIP Committee's Memorandum for typical examples of capital items or projects. Supplemental information to attach to the Application is welcome.
- Use one Application for ***each existing*** project your Department has listed in the 2009-2014 CIP that fits the above criteria. Modify the years of expenditure, cost, funding, description, etc if anything has changed from what appears in the last CIP. See the attached Department Table and Municipal or School Improvement Schedule provided with the CIP Committee's Memorandum for your existing project listing.
- Please submit all Application requests to Diane Demers at the Town Hall by 12PM on Monday, May 21. Note that the CIP Committee wants to schedule an interview with you to obtain more information about your projects.

Department: _____ Desired Start Year of Expenditure: 20 _____
 Through End Year: 20 _____

Is the Project Priority Considered (circle one): Low Medium High

1. Project/Purchase Title: _____

2. Primary effect of project/purchase is to: (check one)

- ☐ Replace or repair existing facilities or equipment
☐ Improve quality of existing facilities or equipment
☐ Expand capacity of existing service level or facility
☐ Provide new facility or service capacity
☐ Other: _____

3. Service Area (check one)

- ☐ Town
☐ School District
☐ Road
☐ Neighborhood
☐ Region
☐ Other: _____

4. **Department Description:** *This question only needs to be completed **one time**, regardless of how many Applications your Department has completed.*

Number of:

Total paid staff hours per year: _____

Total non-paid/volunteer hours per year: _____

Approximate:

Usable sq. ft. of building #1: _____

Building #1 name: _____

Number of:

F/T employees: _____

F/T non-paid/volunteers: _____

Approximate:

Usable sq. ft. of building #2: _____

Building #2 name: _____

Number of:

P/T employees: _____

P/T non-paid/volntrs: _____

05-10-12

1

Return by 05-21-12 to Diane at Town Hall

Projections - In 15 years:

Future Staffing Needs: _____

Future Program Needs: _____

Future Building Needs: _____

Future Equipment Needs: _____

- [illegible]

- | | |
|----|--|
| \$ | 1. Planning & Feasibility Analysis Costs (Studies, Plans, etc) |
| \$ | 2. Architectural & Engineering Costs |
| \$ | 3. Real Estate Acquisition (Land & Buildings) |
| \$ | 4. Site Preparation Costs |
| \$ | 5. Construction Costs |
| \$ | 6. Furnishings |
| \$ | 7. Vehicle and Equipment Costs |
| \$ | 8. Appraisals |
| \$ | 9. Consultants |
| \$ | 10. Other Costs (list): |
| \$ | Total Dollar Amount of Project/Purchase |

Return by 05-21-12 to Diane at Town Hall

8. **Sources of Funding:** *Using the table below, indicate sources of funding for proposed project/purchase. Please round all costs to the nearest \$100. If applicable, attach any additional information to this sheet.*

\$	Grant - From:
\$	Loan - From:
\$	Donation / Bequest / Gift / Trust Fund - From:
\$	User Fees - From which fund:
\$	Capital Reserve Fund Withdrawal - From which fund:
\$	Property Tax
\$	Bonds - Term:
\$	Total (should equal Total Dollar Amount of Project/Purchase in #7)

9. **Impacts on Operating and Maintenance Expenses:** *Indicate if proposed project/purchase will impact any of the following.*

Does project/purchase increase or decrease the number of staff? Increase Decrease

Does project/purchase decrease maintenance or other costs over time? Increase Decrease

Estimated Total Dollars **Additional** Impact to Operating Budget \$ _____

Estimated Total Dollars **Reduction** in Operating Budget \$ _____

10. **Applicant Interviews:** The CIP Committee is scheduling meetings for interviews at the following times. Please check the boxes when you would be available to attend. You will be contacted with the final the date and time.

☐ Tuesday, May 29 at ☐ 6:30 ☐ 6:45 ☐ 7:00 ☐ 7:15 ☐ 7:30 ☐ 7:40 ☐ 7:50 PM
☐ Tuesday, June 5 at ☐ 6:30 ☐ 6:45 ☐ 7:00 ☐ 7:15
☐ Tuesday, June 26 at ☐ 6:30 ☐ 6:40 ☐ 6:50

10 min slots

Form Prepared by: _____ Title: _____

Contact Information: Phone: _____ Email: _____

Department: _____ Date: _____

Please attach any supplemental information you have
 (cost estimates, proposals, quotes, funding applications, letters of support, etc. if available)
to this Application.