

FISCAL IMPACT ANALYSIS

Laconia Village Community

Mixed Use Community Laconia, NH

May 28, 2025



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Introduction

Fougere Planning and Development has been engaged by Pillsbury Development, LLC to undertake this Fiscal Impact Analysis to outline the potential financial implications to the City of Laconia from the proposal to construct a vibrant new mixed-use neighborhood at the former 217 acre Laconia State School site. Specifically, the program involves the construction of some 2,000+ housing units consisting of a variety of housing unit types, along with non-residential space that will include a hotel, commercial space, office & health care, along with recreation amenities. New roads, both public and private, will knit the new community into the surrounding neighborhoods. Open spaces and trails will be integrated throughout the project connecting to existing adjoining trail systems. Tables 1 and 2 outline the development profile; it is anticipated that the project will take at least 10 years to build out.

Table 1
Residential Development Program Profile¹

Residential Program	Units
Single Family Owner Occupied	125
Duplex Owner Occupied	76
Townhome Owner Occupied	139
Garden Apartments	850
Rental Single Family	200
Rental Duplex	260
Rental Townhome	390
Total Residential	2,040

¹ Preliminary housing mix profile

Table 2
Non-Residential Development Program

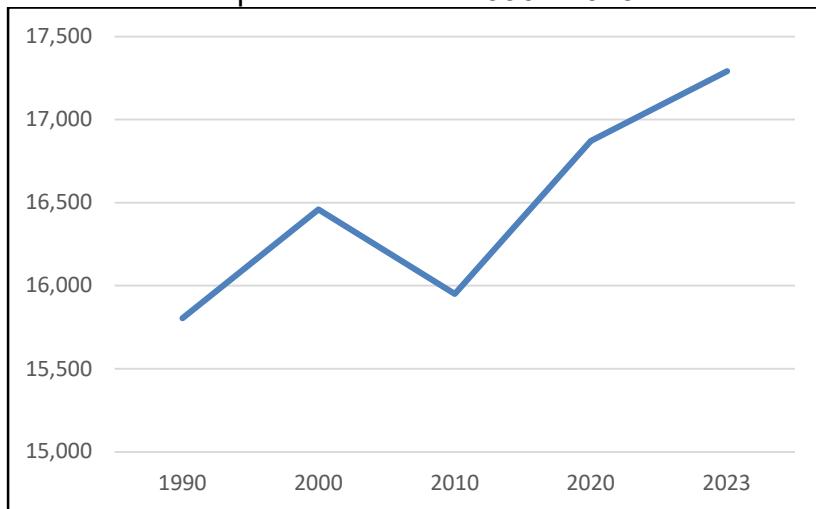
Non-Residential Program
Hotel: 125 Rooms
Health Care: 60,000 sq. ft.
Commercial retail: 120,000 sq. ft.
Office: 40,000 sq. ft.
Recreation: 75,000 sq. ft.

This proposed project anticipates that a majority of onsite streets will be privately maintained, and the entire site will be serviced by public water and sewer. To gain a full understanding of the potential demands on municipal services, this Report will provide a fiscal analysis of the proposed project.

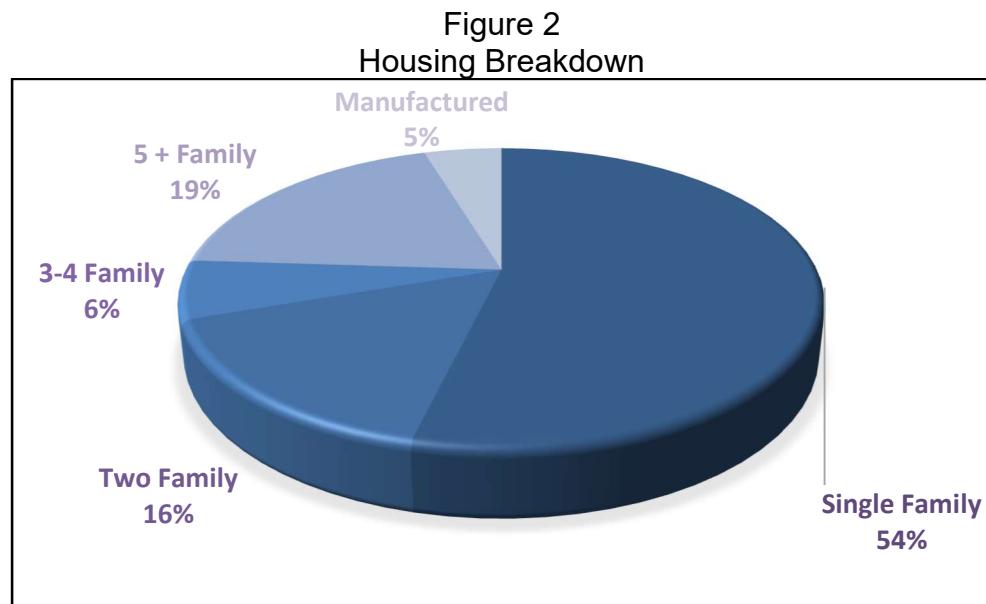
Local Trends

Since 1990, as outlined in Figure 1, the population of Laconia has both increased and contracted over the last 33 years, with a positive growth rate of 8.4% seen since 2010. The New Hampshire Office of Planning & Development estimates the community's 2023 population to be 17,293.

Figure 1
Population Trends 1990 - 2023



Approximately 54% of Laconia's housing stock consists of single family homes, with the most recent New Hampshire Planning & Development Office data reporting 5,767 single family homes out of a total housing stock of 10,727 units as outlined in Figure 2. Based upon Census data, some 31.9% of the housing stock is seasonal given the strong tourism and recreational base supporting the local economy. Based upon Census occupancy data for owner and renter occupied housing units², at buildout the year-round population of the Village is estimated to be 4,000 residents.

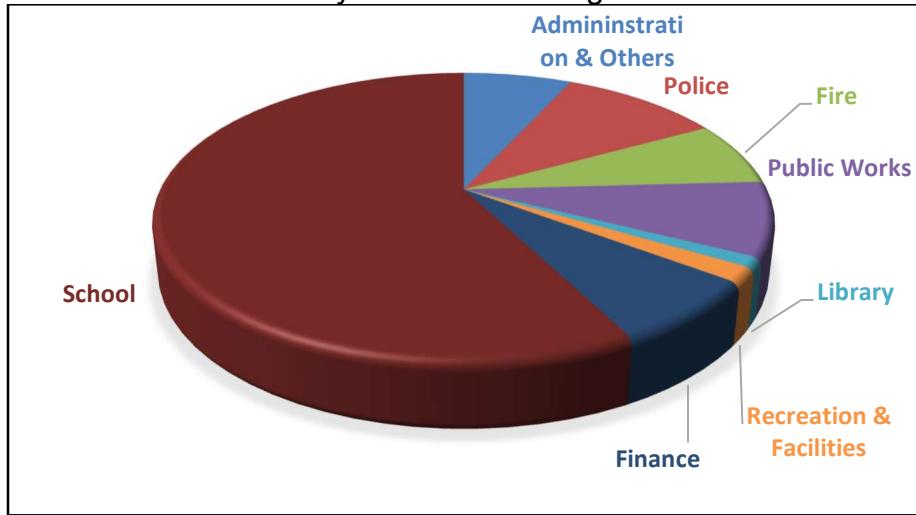


Budgets

The City's & School District FY2025 budget's totaled \$85,993,000. Education, along with Police, Fire and DPW are some of the larger departments in the community. Given the size of the development proposal, these Departments can be expected to experience a measurable increase in service demands from the proposed project and as such, they will be closely reviewed in this analysis. Figure 3 outlines the breakdown of the key municipal expenses.

² Owner occupied: 2.49 per unit, renter occupied: 2.04 per unit.

Figure 3
City and School Budget



A. Fiscal Methodology Approach

Fiscal Impact Analysis can have many connotations, this analysis will follow the classic definition of fiscal impact as follows *“A projection of the direct, current public costs and revenues associated with residential or nonresidential growth to the local jurisdiction in which the growth is taking place.”*

There are a number of methodologies that are used to estimate fiscal impacts of proposed development projects. The Per Capita Multiplier Method is the most often used analysis to determine municipal cost allocation. This method is the classic “average” costing method for projecting the impact of population growth on local spending patterns and is used to establish the costs of existing services for a new development. The basic premise of this method is that current revenue/cost ratios per person and per unit are a potential indicator of future revenue/cost impacts occasioned by growth. New capital expenditures required for provision of services to a development are not added to current costs; instead, the present debt service for previous improvements is included to represent ongoing capital projects. The advantage of this approach is its simplicity of implementation and its wide acceptance by both consultants and local officials. The downside of this approach is that the methodology calculates

the “average” cost as being the expected cost, which is often not the case and costs can be understated or exaggerated, significantly in some instances. If one student is added to a school system, limited cost impacts will occur. However, based on an “average” cost to educate one student the cost could be noted as \$16,000/year which includes such expenses as existing debt, building maintenance, administrative and other factors, all of which will be minimally impacted by the addition of one student. The “true cost” could be significantly less, especially in those communities with declining enrollment. This conservative average costing approach will be used in this analysis.

The Marginal Cost Approach is a more realistic methodology that can be used to estimate and measure developmental impacts based on actual costs that occur in the community. At this time, a “level of service” exists in Laconia to serve the community. This existing service level, for the most part, addresses the needs of the community through existing tax collections. As new developments occur, pressures are placed on some departments to address increased demands, while other departments see negligible, if any impacts. In reviewing the potentially impacted city departments specifically, a truer picture of anticipated cost impacts can be determined. Both methodologies will be used in this Report. All estimated revenues and costs are in today’s dollars.

Given the nature of the proposed development project, as will be shown by the analysis below, few major impacts are likely to be experienced by city departments. A majority of onsite roads will be private, and all roadway maintenance expenses will be paid for by the developers and thereafter the property owners. Increases in service demands will be realized by a few city departments including the school department along with the police, fire and DPW. With so many services available on-line, other city agencies will see few impacts in counter-service demand from the proposed development.

B. Local Revenues From Development

1) Property Taxes

Local property taxes provide the bulk of municipal revenues for New Hampshire communities. The 2024 Tax Rate for Laconia is \$13.63 as outlined in Figure 4. For purposes of this Report, a local tax rate of \$12.67 will be used to estimate revenues, which excludes the County Tax Rate.

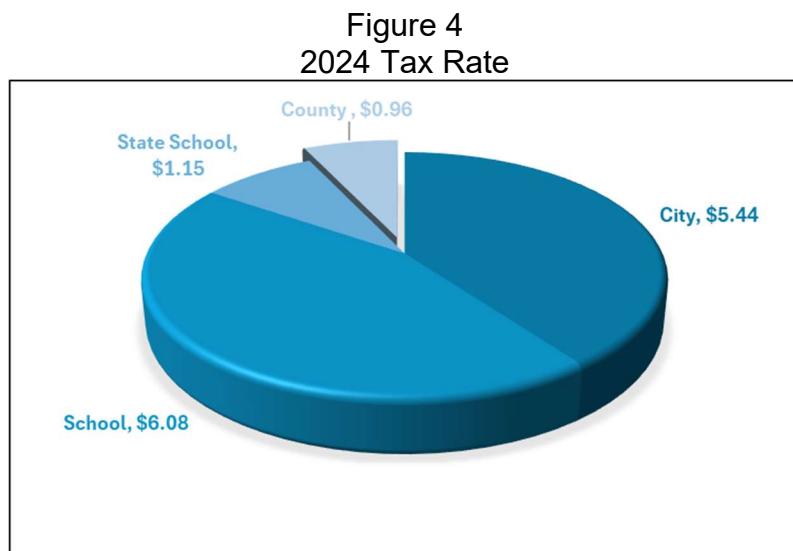


Table 3 and 4 outline the anticipated municipal property tax revenue that may be generated by the proposed residential and commercial development based upon area market conditions³. At full projected buildout, it is estimated that the subject site will have an estimated assessed value of \$542,152,000 and generate **\$6,869,075** in annual local property tax revenue to the community. This estimate assumes a 10-year buildout, with projected tax revenues being lower in the initial years of the development program.

³ Values derived based on discussions with Assistant City Assessor Tara Baker, review of city assessments, review of recent sales, as well as discussions with local realtors.

Table 3
Residential Estimated Value and Property Taxes

Residential Program	Units	Assessment/Unit	Total
Single Family Owner Occ.	50	\$550,000	\$27,500,000
Single Family Owner Occ.	75	\$800,000	\$60,000,000
Duplex Owner Occupied	30	\$400,000	\$12,000,000
Duplex Owner Occupied	46	\$550,000	\$25,300,000
Townhome Owner Occupied	50	\$525,000	\$26,250,000
Townhome Owner Occupied	89	\$680,000	\$60,520,000
Garden Apartments	850	\$140,000	\$119,000,000
Rental Single Family	200	\$290,000	\$58,000,000
Rental Duplex	260	\$180,000	\$46,800,000
Rental Townhome	390	\$170,000	\$66,300,000
Total Residential	2,040		\$501,670,000
Local Tax Rate	\$12.67		
Estimated Annual Taxes			\$6,356,159

Table 4
Commercial Estimated Value and Property Taxes

Commercial Use	Assessment	# Units	Value/Room
Bank			
379 Main Street	\$3,066,900	12,409	\$247.15
62 Pleasant St.	\$4,403,600	24,126	\$182.53
	\$7,470,500	36,535	\$204.48
Proposed Bank	\$4,089,503	20,000	
Office	Assessment	Sq. Ft.	Assess. Sq. Ft.
Proposed Office	\$2,200,000	20,000	\$110
Hotel	Assessment	# Rooms	Value/Room
Summit	\$1,286,100	44	\$29,230
Best Western	\$2,448,100	104	\$23,539
Average	\$3,734,200	148	\$25,231
Proposed Hotel	\$3,153,885	125	
Commercial	Assessment	Sq. Ft.	Assess. Sq. Ft.
Shaws Plaza Gilford	\$12,008,300	88,036	\$136.40
Proposed Retail	\$16,368,258	120,000	
Recreation	Assessment	Sq. Ft.	Assess. Sq. Ft.
Wellness 827 N. Main	\$1,400,800	18,160	\$77.14
Proposed Recreation	\$5,785,242	75,000	
Medical	Assessment	Sq. Ft.	Assess. Sq. Ft.
22 Strafford St #1	\$1,441,200	10,225	\$140.95
734 Main St.	\$1,154,300	9,442	\$122.25
Laconia Clinic 724 Main	\$3,201,600	19,477	\$164.38
Average	\$5,797,100	39,144	\$148.10
Proposed Medical	\$8,885,806	60,000	
Total Non-Residential	\$40,482,695		
Local Tax Rate	\$12.67		
Estimated Annual Taxes	\$512,916		

Once complete, Laconia Village will be the largest taxpayer in the community⁴ as summarized in Table 5, increasing the community's total assessment by 12.2%

Table 5
Estimated Increase In Valuation

Total Non-Residential Assessment	\$40,482,695
Total Estimated Residential Assessment	\$501,670,000
Total Estimated Assessment	\$542,152,695
2024 Total Taxable Assessed Value	\$4,414,876,331
Increase in City Taxable Assessed Value	12.28%

2) Miscellaneous Yearly Revenues

Another major source of revenue for the community is from motor vehicle registration fees, which generated \$3,700,000 in FY2024. Table 6 outlines the projected registration fees from the proposed housing units which are estimated to total \$499,860 annually. Again, these estimates will start lower but increase over the initial buildout years. Additional revenues may be realized through business vehicle registrations and boat registration fees.

Table 6
Vehicle Permit Fees

	Per Vehicle		
	# ⁵	Fee	Total Tax
Estimated Motor Veh. Registrations	2,777	\$180	\$499,860

3) Total Project Revenues

Once complete, the proposed development is estimated to generate \$7,368,935 in new annual property taxes and vehicle registrations as summarized in Table 7.

Table 7
Projected Gross Revenue

Est. Prop. Taxes	\$6,869,075
Est. Car Reg.	\$499,860
Total Estimated Revenue	\$7,368,935

⁴ FY25 City Budget document.

⁵ Assume 32% of owner occupied units are season; Vehicles per unit: Single: 2 vehicles/unit – rental 1.5, duplex: 1.5, townhome: 1.5, garden apartments: 1.25 unit, rental duplex and townhomes: 1.5 vehicles per unit. Assume average value of \$12,000 and \$12 per \$1,000.

C. Municipal Service Costs

Given the nature of the proposed development project, as will be seen by the analysis below, a few municipal departments will realize measurable increases in service demands from the proposed development. A majority of the proposed new roadways will be private, and maintenance expenses relating to the private roadways will be paid for by the developers and then ultimately by the property owners. This does not imply that no costs will occur as a result of this development project. Increases in service demands will be realized by a few city departments; most notably school, police, fire and DPW.

It should be noted the costs outlined are “estimates” and no actual tax impacts will be realized without review and approval by appropriate department heads, administrators and elected officials.

1. Police & Fire Departments

The Police and Fire Departments are projected to experience measurable increased service demands from the proposed project. For Fiscal Year 2025, the Police Department budget was \$8,736,089 and the Fire Department \$6,141,635.

To assess the degree of impact this project may have on these departments, emergency call data from a variety of similar uses in the local market⁶ were reviewed. The emergency call data was obtained and averaged to determine the annual number of calls per unit and square feet. These ratios were then totaled to derive an objective and independent averaging of call volume per metric, which was then used to generate projected emergency calls for each department. Table 8 summarizes these findings for the proposed uses.

Extrapolating from the comparable call data, increases are projected in the city’s police and fire department call volume. Annual police calls are projected to increase by 951 annual calls (18.2 calls per week); the department responds to

⁶ Fougere Planning emergency call office use database.

some 19,000 calls annually⁷. The estimated calls could increase the department's total calls by 5%. Annual fire and EMS calls are projected to increase by 305 calls (90 fire & 215 EMS) annually or 5.8 calls per week. The department responds to some 4,560 calls annually; the proposed project will increase annual calls by 6.6%.

Table 8
Estimated Emergency Calls

Police Calls	Police Calls/Unit	Residential	Units	Fire Calls	Fire Calls/Unit	EMS Calls	EMS Calls/Unit
32	0.30	Townhomes: Akron, Breckenridge, Dillon, Windsor	106	6	0.06	6	0.06
160		Proposed townhomes 529	30		30		
10	0.37	Single Family: Sterling	27	1	0.04	4	0.15
120		Proposed single family 325	12		48		
23	0.24	Garden: Apple Ridge Apartments	96	4	0.04	5	0.05
204		Proposed Garden 850					
9	0.13	Duplex: Harvest, Garden, Liberty, Freedom	72	1	0.01	4	0.06
42		Proposed Duplex 336	5		19		
Police Calls	Police Calls/Unit	Hotels	Rooms	Fire Calls	Fire Calls/Unit	EMS Calls	EMS Calls/Unit
71	0.68	Best Western	104	6	0.06	12	0.12
8	0.18	Summit Rise	44	6	0.14	4	0.09
79	0.53	Total Average	148	12	0.08	16	0.11
67		Proposed hotel 125	10		14		
Police Calls	Police Calls/Sq. Ft.	Health Care	Sq. Ft.	Fire Calls	Fire Calls/Sq. Ft.	EMS Calls	EMS Calls/Sq. Ft.
0	0	Healthfirst	10,225	12	0.0012	34	0.0033
19	0.0010	Laconia Clinic	19,477	3	0.0002	15	0.0008
5	0.0005	Medical Office	9,442	0	0.0000	2	0.0002
24	0.0006	Total Average	39,144	15	0.0004	51	0.0013
37		Proposed health care 60,000	23		78		
Police Calls	Police Calls/Sq. Ft.	Commercial	Sq. Ft.	Fire Calls	Fire Calls/Sq. Ft.	EMS Calls	EMS Calls/Sq. Ft.
76	0.0034	Vista	22,520	2	0.00009	4	0.00018
259	0.0029	Shaw's Gilford	88,036	4	0.00005	9	0.00010
77	0.0012	Market Basket Tilton	66,735	2	0.00003	11	0.00016
412	0.0023	Total Average	177,291	8	0.00005	24	0.00014
279		Proposed commercial 120,000	5		16		
Police Calls	Police Calls/Sq. Ft.	Office	Sq. Ft.	Fire Calls	Fire Calls/Sq. Ft.	EMS Calls	EMS Calls/Sq. Ft.
	0.0009	Fougere Planning Database	500,000		0.00004		0.00001
36		Proposed office space 40,000	2		0.40	1	
Police Calls	Police Calls/Sq. Ft.	Recreation	Sq. Ft.	Fire Calls	Fire Calls/Sq. Ft.	EMS Calls	EMS Calls/Sq. Ft.
10	0.00009	Executive Health & Sports - Londonderry	110,165	5	0.00005	14	0.00013
7		Proposed health club 75,000	3		10		
951		Total Annual Estimated Emerg. Calls		90		215	

⁷ Laconia Operating Indicators by Function, 2022-23.

Police Department

As noted above, the proposed project is estimated to generate 951 calls annually (18.2 calls weekly) once complete; the Department responds to approximately 19,500 calls yearly citywide. To gain an understanding of local police operations and how the proposed new land uses may impact department, we met with Police Chief Matthew Canfield. Presently there are five open positions, three existing and two that were recently funded for new hires. The Chief supports the Laconia Village and believes it will be a positive addition to the community. The existing site with its abandoned buildings has created issues for the department in the past and having the property rehabilitated will help curb vandalism and property damage activities. Given the scale of the proposed development, the Chief initially believed the addition of three - five officers will be necessary⁸. The average cost of an experienced patrol officer, with benefits, is \$100,000 annually. To account for potential costs to the police department from the proposed uses and to be conservative, the addition of 7 officers has been accounted for, with an estimated annual cost of **\$700,000**.

Fire Department

As detailed in Table 8, once the project is fully built out Fire Department calls are estimated to increase by 305 calls annually (5.8 calls a week - 90 fire related calls and 215 EMS calls); a 6.7% annual increase in calls. We met with Chief Tim Joubert to review the project and the noted emergency call findings. The Chief noted that the department responds to some 4,500 – 5,000 calls annually, with 75% EMS related. At this time the department has two vacancies, but hiring has been very positive. New fire equipment will be arriving soon, including a new pumper and ladder in late 2025 and an ambulance in early 2026. A part-time position presently covers fire related inspections, the Chief believes bringing

⁸ Upon further consideration, the Police Chief asked to increase his estimated workforce impact of 3 to 5 officers to an estimated need for 15 – 17 officers, along with the need to add dispatch and civilian staff; additional space needs at the police station may also be necessary. Based upon the estimated 5% increase in calls, the consultant believes the potential costs of an estimated seven new officer hires is a reasonable assumption, especially as the buildout period allows for a somewhat phased ramp-up.

in a third party inspector (paid for by the developer) will be necessary to address increased inspection requirements. Given the scope of the project, the Chief also believes a new substation may be necessary to address the proposed project and as well as existing demands; 12 positions would be needed to cover the building 24/7. These positions would have a cost range of \$71,000 - \$101,000 (average \$86,000); with a total cost of \$1,032,000 (12 x \$86,000). In addition, a new dispatch position may be needed at a cost of \$100,000, generating a total estimated cost of \$1,132,000. Given the estimated call volume the project may increase department calls by 6.6%, as well as the new substation will serve existing neighborhoods, $\frac{1}{2}$ of the estimated cost increase will be assigned to the project for a cost of **\$566,000**.

It should also be noted that the Fire Department collects ambulance fees for service in an enterprise fund and in FY23/24, collected \$1,045,916 or an average of \$482 per call. If 215 EMS calls are generated from the proposed development, the city would realize \$103,630 in new annual revenue assisting in offsetting potential department costs.

2. DPW

To discuss potential impacts on department operations, we met with the Director of Public Works Wesley Anderson and Assistant Director Nate Guerette. The department maintains some 79 miles of roadways, street lighting, and other tasks including interfacing with the regional wastewater treatment plant operations.

As noted previously, most of the proposed roads within Laconia Village will be private. It is anticipated that the main roadway through the Village will be public, with an estimated length of 4,250 feet; the new roadway will also accommodate on-street parking as well as adjoining sidewalks.

Streets

The Director did not believe additional staffing would be required because of the new public roadway; but increased maintenance costs should be accounted for. Although the new roadway will be 4,250 feet, the 24 foot wide road will also include 20 feet of lane on each side for parking, along with a public sidewalk. To account for the entire “roadway”, the road length was tripled to a total length of 12,750 feet. Table 9 summarizes the estimated increased road maintenance costs totaling **\$21,705** which takes into account winter overtime expenses⁹.

Table 9
Estimated Street Maintenance Expenses

Highway Maintenance	\$180,000
Winter Maintenance	\$240,000
Winter Maintenance O/C	\$55,000
Drainage Maintenance	\$30,000
Internal Service - 15%	\$90,153
Total Road Operating Expenses	\$595,153
City Roads - 79 Miles	
Cost Per Foot - 417,120 total feet	\$1.42
New Roadway - width 64 feet	12,750
Estimated Maintenance Cost	\$18,105
Winter Overtime Allocation	\$3,600
Total Estimated Cost	\$21,705

Highway Block Grant funding may increase as a result of the proposed new roadway; the city receives approximately \$4,264 per mile (total funding \$366,900). With the new roadway, approximately \$3,424 in new funding may be realized.

Street Lighting

In FY25, street lighting costs totaled \$105,000 with the city operating 1,310 streetlights (\$81 each). The Assistant Director suggested assuming a new light

⁹ FY24 winter overtime cost totaled \$116,000; \$1,469 per mile (2.4 miles on new roadway proposed).

every 100 feet, for a total of 43 new streetlights. Based on these assumptions, new streetlights costs are estimated to total **\$3,483**.

Solid Waste

Solid waste is presently picked up by the city if a property fronts along a public street. Residential units, up to four units, receive one 65 gallon container and a 95 gallon recycling container. Multi-family uses; five or more units and business are allowed up to four containers maximum. The average annual cost per container is \$275. At this time details of units and businesses that will front on the public road are not known. To account for some costs, 400 barrels are estimated at a total cost of **\$110,000**.

The Director did note that although a majority of the residential units may have private trash disposal, any residents may pay for bulk disposal at the transfer station. Given current activity at the transfer station, which is presently overseen by one employee, the size of the scale may have to be increased to accommodate the anticipated new residents.

Total estimated increased DPW costs total **\$135,188** (road maintenance, street lighting and solid waste).

Utilities

Both sewer and water utilities are enterprise funds, with rate revenues covering annual expenses. Any system upgrades necessary to adequately serve the proposed project will be borne by the developer. Laconia is a part of the state operated Winnipesaukee River Basin Program (WRBP) that provides sewer service to the city and the region. The state presently charges membership dues which include cost for administration, debt and operation/maintenance. Once the state property is transferred to the development team and no uses exist on the site (no sewer flow), the developer will incur an annual cost for its 2% share of

membership in the WRBP. At this time this cost is estimated to be approximately \$102,000 (O&M, Administration, Debt Service & Replacement Fund). The developer and City agree to work with the WRBP to transfer the 2% membership and associated costs to the city soon after closing. The developers have agreed to cover the excess of these city costs over revenue from project sewer usage fees.

3. Other Departments

As noted previously, most roadways within the development will be private. Given the type of development proposed, additional measurable impacts are not anticipated to other city departments¹⁰. To be conservative, we will account for a miscellaneous cost¹¹ of **\$284,800**.

In discussions with the Code Enforcement Officer, given the long term buildup of the project, existing staffing levels could accommodate required inspections. Third party testing would be required for portions of the development. Any costs to the Building Department will be offset through the one time generation of building permit fees. Building permit fees will generate hundreds of thousands of permit fees over the life of the project.

¹⁰ It is anticipated that limited measurable impacts will occur to the library, town clerk and other departments.

¹¹ Potential other municipal costs estimated at \$120/unit & \$40,000 for non-residential uses.

B) School Costs

As outlined above, the proposed project is to construct a mixed use community involving some 2,040 housing units consisting of single-family homes, duplexes, townhouses, apartments and commercial space. Table 10 outlines the housing unit profile; it is anticipated that the development will take at least 10 years to build out.

Table 10
Unit Profile

Residential Program	Units
Single Family Owner Occ.	50
Single Family Owner Occ.	75
Duplex Owner Occupied	30
Duplex Owner Occupied	46
Townhome Owner Occupied	50
Townhome Owner Occupied	89
Garden Apartments	850
Rental Single Family	200
Rental Duplex	260
Rental Townhome	390
Total Residential	2,040

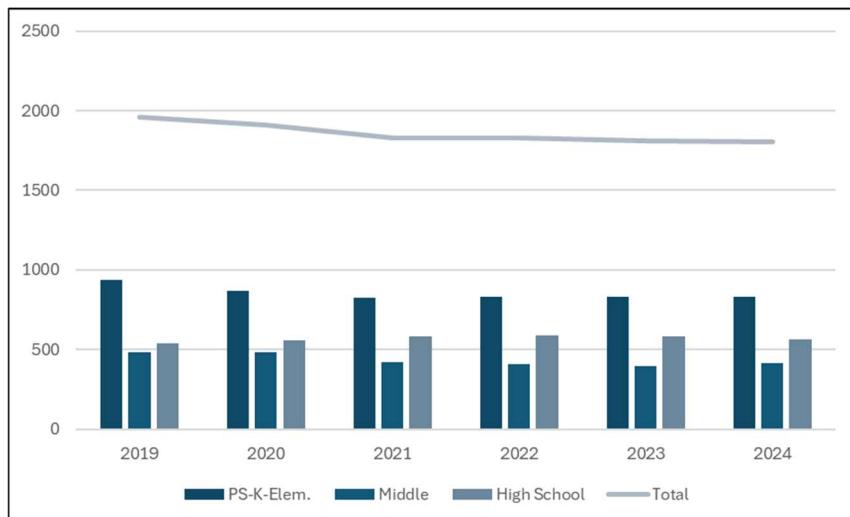
School Enrollment Trends

Since 2019 school enrollment, except for the high school, has steadily declined in Laconia as outlined in Table 11 and Figure 5; overall enrollment has declined 7.9% over this time period.

Table 11
Enrollment 2019 – 2024

	2019	2020	2021	2022	2023	2024	% Change
PS-K-Elem.	936	870	827	830	833	830	-11.32%
Middle	486	481	422	408	397	414	-14.81%
High School	539	561	583	590	583	562	4.27%
Total	1,961	1,912	1,832	1,828	1,813	1,806	-7.90%

Figure 5
School Enrollment 2019 - 2024



Estimated School Age Children

To estimate the number of school age children (SAC) that may live in the proposed development, Fougere Planning reviewed SAC information supplied by the school district from a number of local housing unit types. Based upon this data research, as detailed in Table 12, it is estimated that 141 SAC may reside within the new housing units. The addition of these new students will occur over a 10 year time horizon, smoothing and spreading enrollment increases.

Table 12
Estimated School Enrollments

Residential Townhomes	# Units	Address	SAC	Per Unit SAC
Townhomes	49	Breckenridge & Akron Way	1	0.020
Townhomes	42	Dillon Way	2	0.048
Townhomes	15	Windsor Square	0	0.000
Totals	106		3	0.028
Proposed Townhomes: Owner & Rental	529		15	
Apple Ridge Apartments - Garden	96	65-67 Provencal Road	5	0.052
Proposed Garden Apartments	850		44	
Duplex Units	40	Harvest Lane & Garden Circle	1	0.025
Duplex Units	32	Liberty Run & Freedom Lane	0	0.000
Totals	72		1	0.014
Proposed Duplex: Owner & Rental	336		5	
Residential - Owner Occupied	# Units	Address	SAC	Per Unit SAC
Single Family Homes	27	Stirling Drive	0	0.000
Single Family Homes	6	Butternut Lane	0	0.000
Single Family Homes	24	Turner Way	4	0.167
Single Family Homes	6	Phoenician Way	1	0.167
Single Family Homes	11	Parsonage Drive	0	0.000
Totals	74		5	0.068
Proposed Single Family Owner	125		8	
Residential - Rentals	# Units	Address	SAC	Per Unit SAC
Single Family Homes	16	Marco Lane	4	0.250
Single Family Homes	7	Lido Lane	2	0.286
Single Family Homes	12	Anna Maria Lane	6	0.500
Totals	35		12	0.343
Proposed Single Family Rental	200		69	
Total Estimated School Age Children			141	

Given the limited data available, noting grade profiles for the various housing types was not possible. Data for owner-occupied single-family homes trended towards higher middle/high school enrollment while rental single family homes showed a higher percentage of elementary school age children.

The consultant met with Assistant Superintendent Amy Hinds and Business Administrator Diane Clary to review the proposed development program as well as the estimated new school age children. Based upon discussions with school administrators, no capacity issues within the school district. In addition, both believe the estimated new students may be less than projected.

The Assistant Superintendent noted that as the project is built out, school costs may increase and could include busing, special education and teacher expenses. Total bussing expenses presently total \$1,500,000, with each bus costing approximately \$214,000 annually. The cost of one bus will be covered in this

outline (\$214,000). Special education costs (SPED) totaled \$13,300,000 this fiscal year for services provided to 20% of the student population (approximately 338 students). This equates to an average per student cost of \$34,725 which generates potential SPED cost totaling \$992,300 ($20\% \times 141 \text{ students} = 28$ potential SPED students). Given the declining enrollment, significant staff increases are not anticipated. To be conservative, school staff suggested accounting for 5-6 teachers with an average cost including benefits of \$120,000. As such, 5 teachers have been accounted for with a cost totaling \$600,000. Total estimated annual school costs total **\$1,806,300**, which should be considered a very conservative cost estimate.

It should also be noted that the city receives Adequacy Aid from the State, which is estimated to total \$12,656,583 for FY26. At this time Base Adequacy¹² per student aid equals \$4,265. Other qualified State Aid that may be generated including Free and Reduced Lunch payments of \$2,392 per student, Special Education \$2,184, and English learners \$832. If total enrollment levels should increase, additional state educational funding will be provided to assist in offsetting potential costs that could total over **\$601,000** (141 students \times \$4,265 per student).

One Time Fees/Improvements

Other fees may be generated by the proposed project. Should offsite improvements be necessary, they will be reviewed during the local approval process.

¹² NH Dept. of Education, FY2023 Estimate Municipal Summary of Adequacy Aid

SUMMARY

Table Nine
Fiscal Summary

Gross Property Tax & Auto Registration Revenues	\$7,368,935
Estimated Municipal Costs	
Police	-\$700,000
Fire	-\$566,000
DPW	-\$135,180
Misl.	-\$284,800
School Costs	-\$1,806,300
Total Estimated Costs	-\$3,492,300
Net Positive Fiscal Impact	+\$3,876,647

Based upon the report's findings, gross yearly revenues generated by the proposed project are estimated to total \$7,368,935. The anticipated yearly fiscal cost to the city is estimated to be \$3,876,647, resulting in an ANNUAL positive fiscal impact of approximately **\$3,876,647**.

Key findings from the proposed Laconia Village development include:

- Once complete, the proposed Village will be the largest tax paying development in the city, increasing total property assessment by \$542,152,000 (12.2%).
- An estimated \$3,876,000 annual positive fiscal impact may occur to the community, with actual positive revenue most likely exceeding this figure.
- Hundreds of thousands of dollars in building permit fees will be generated over the anticipated life of the project.
- The positive fiscal findings of the project will provide an opportunity for the community to fund needed capital projects limiting impacts to the City's overall tax rate, as well as assisting in limiting future tax rate increases.

- Overall, the declining school enrollment is anticipated to continue, and the estimated 141 school age children projected to be added to the school system over a 10 year time frame, will not create capital improvement needs.
- The new population will benefit the local economy with increased demand and spending in the area supporting the existing business community.

MARK FOUGERE

PRINCIPAL OF FOUGERE PLANNING AND DEVELOPMENT

Mark Fougere is an AICP land use planner with over 34 years of public and private sector experience and holds a master's degree in planning. Mr. Fougere has an extensive background in project management dealing with a broad array of planning related issues including spearheading rezoning efforts, managing development teams, site and land use planning, impact fees, fiscal impact analysis, public presentations, expert witness testimony, land use law analysis, and consensus building challenges. Mark has also served on a municipal planning board and as a Selectman. He has managed numerous rewrites and amendments to zoning ordinances and site plan/subdivision regulations. Mr. Fougere has worked extensively in many New England communities on fiscal impact analysis, traffic corridor studies, housing, workforce housing, and land use regulations.