

***Town of Candia
New Hampshire***

Solid Waste Impact Fee

Prepared for
Planning Board
Town of Candia, New Hampshire

Prepared with the assistance of the
Southern New Hampshire Planning Commission

Adopted by Planning Board: **February 4, 2026**

Effective Date: **February 4, 2026**

Town of Candia Solid Waste Impact Fee

A. Purpose of Report

This report provides a basis for the Town of Candia to update its impact fee for solid waste facilities, which is assessed to new development within the community. The procedures for impact fee assessment are detailed in Section 16.03C of the Town of Candia Zoning Ordinance and the State of New Hampshire Revised Statutes Annotated (RSA) 674:21, V. The amount of the Solid Waste Impact Fee for facility improvements is based on the methodology and impact fee schedule detailed in this report, which documents the proportional basis for the fees.

B. Authorization for Impact Fees

The establishment and assessment of impact fees are authorized by New Hampshire RSA 674:21, V. As defined in RSA 674:21, V, an impact fee is *“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.”*

An impact fee is a one-time charge to new development, which is intended to offset the proportional impact of that new development on the costs borne by local government to provide public capital facilities. Under the provisions of RSA 674:21, V., *“solid waste collection, transfer, recycling, processing, and disposal facilities”* are eligible for impact fee assessment.

In accordance with RSA 674:21, V(b), in order for a municipality to adopt an impact fee ordinance, it must have enacted a capital improvements program pursuant to the requirements of RSA 674:5-7. On March 20, 2024, the Town of Candia Planning Board adopted an updated Capital Improvements Program (CIP) for 2024-2029.

The provisions of RSA 674:21, V(c) require that impact fees must be *“accounted for separately, segregated from the municipality’s general fund, [and] may be spent upon order of the municipal governing body.”* In addition, impact fee revenue is *“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.”* Impact fees cannot be used for the costs of upgrading or maintaining existing facilities and infrastructure if those needs were not explicitly necessitated by new development.

In 2012, the New Hampshire Legislature adopted several amendments to RSA 674:21 regarding the administration of impact fees. A new subsection (l) was inserted which states that, *“No later than 60 days following the end of the fiscal year, any municipality having adopted an impact fee ordinance shall prepare a report listing all expenditures of impact fee revenue for the prior fiscal year, identifying the capital improvement project for which the fees were assessed and stating the dates upon which the fees were assessed and collected. The annual report shall enable the public to track the payment, expenditures, and status of the individually collected fees to determine whether said fees were expended, retained, or refunded.”* It shall be the Town of Candia’s responsibility to ensure that this annual reporting occurs in accordance with this legislative requirement.

C. Methodology and Approach

There are a variety of methods that may be used to calculate impact fees. The choice of a particular method depends mainly on the service characteristics of the community and planning requirements for the facility type being addressed. Each method has advantages and disadvantages, and to some extent they are interchangeable as each method must allocate facility costs in proportion to the needs created by development. In simplest terms, the process of calculating impact fees involves two basic elements: determining the cost of development-related capital improvements and allocating these costs equitably to various types of development. However, the calculation of impact fees can be complex because of the many variables involved in defining the relationship between development and the need for the facilities. This report details the public need for solid waste facility improvements resulting from new development within the Town of Candia.

The methodology used in calculating the Town of Candia's solid waste impact fees involves the following steps:

1. Defining historical and projected population growth and determining household size by housing type in the Town of Candia;
2. Compiling an inventory of solid waste facilities in the Town of Candia and determining the Maximum Service Population of the solid waste facilities;
3. Determining the total capital investment in solid waste facilities in the Town of Candia and any applicable credits thereto;
4. Calculating the cost per capita for solid waste facility needs attributable to new residential development in the Town of Candia; and
5. Translating the per capita costs for solid waste facility needs into residential solid waste impact fees.

D. Properties Benefitting from Impact Fees

A solid waste impact fee is charged to development that benefits from improved solid waste facilities. The use of the Town of Candia's solid waste facility is limited to Candia residents and is intended primarily for household waste. Thus, the solid waste impact fees are charged only to new residential development because the benefits of the Town's solid waste facilities accrue primarily to the occupants of dwelling units within the Town of Candia (i.e. the residents of the Town).

E. Schedule of Solid Waste Impact Fees

Figure 1 sets forth the schedule for the assessment of solid waste impact fees for the Town of Candia for new residential development. For new residential uses, the fees are assessed on a dwelling unit basis. However, for Accessory Dwelling Units (ADU), the fees are assessed on a square footage basis as detailed in Section K of this report.

The Town of Candia may adopt solid waste impact fees that are less than the amounts provided in Figure 1. However, a reduction in impact fee revenue may necessitate an increase in other municipal revenues, a decrease in planned capital expenditures, and/or a decrease in the town’s service standards to address the needs for such capital facilities.

Figure 1: Solid Waste Impact Fee Schedule (Residential)

Housing Type	Development Unit	Estimated Number of Persons/Unit	Cost Per Person	Impact Fee (per Dwelling Unit)
Single-Family Detached	Dwelling Unit	2.62	\$356	\$933
Duplex	Dwelling Unit	2.13	\$356	\$759
Multi-Family (3+ Units)	Dwelling Unit	1.74	\$356	\$620
Manufactured Housing	Dwelling Unit	2.02	\$356	\$720

Notes/Sources:

1) Derived from 2020 U.S. Census and 2023 American Community Survey 5-year data.

It is recommended that the schedule of solid waste impact fees be reviewed and adjusted as necessary by the Candia Planning Board every three (3) years.

F. Town of Candia Growth Trends and Household Size

The Town of Candia has experienced substantial population growth from the post-World War II period to the present. In the 50-year period from 1950 to 2000, the Town more than tripled in population. While the Town continues to attract in-migration as a driver of population growth, this growth is being partially offset by the natural decline of the aging population. As shown in Figure 2 below, based on projections developed by the NH Office of Planning and Development, the Town of Candia is projected to grow from a population 4,013 in 2020 to a population of 4,478 in 2040.

Figure 2: Town of Candia Population Growth Projections

Population	Historical Data ¹			Projection ²	
	2000	2010	2020	2030	2040
Town of Candia Population	3,939	3,909	4,013	4,333	4,478

Notes/Sources:

1) Historical population data based on U.S. Census figures.

2) Population projections for 2030 and 2040 based on NH Office of Planning and Development data prepared by RLS Demographics, Inc.

Town of Candia Household Size

There are four types of housing units in the Town of Candia: 1) Single-family Detached; 2) Duplex (two attached units); 3) Multi-family (3+ units); and 4) Manufactured Housing. The estimated number of persons per housing unit (i.e. household size) for each of these housing types in the Town of Candia is detailed in Figure 3 below.

Figure 3: Household Size (by Housing Type) in the Town of Candia

Housing Type	Estimated Number of Persons/Unit
Single-Family Detached	2.62
Duplex	2.13
Multi-Family (3+ Units)	1.74
Manufactured Housing	2.02

Notes/Sources:

1) Derived from 2020 U.S. Census and 2023 American Community Survey 5-year data.

G. Candia Solid Waste Facilities Data and Determination of Maximum Service Capacity

The Town of Candia’s transfer station and recycling center is the Town’s primary solid waste facility and is located at 29 Deer Run Road. Construction of the transfer station and recycling center was completed in 2007 and opened in 2008. The facility includes a 6,000 SF transfer station building, equipment, and site circulation infrastructure. In 2011, a 480 SF garage was constructed that is used as a “Swap Shop” where residents can leave or pick up usable items. The purpose of the Swap Shop is to prevent usable items from unnecessarily entering the waste stream.

The Town of Candia’s transfer station and recycling center was based on a similar facility in the Town of Lee, New Hampshire and is designed to serve a maximum service population of 6,700 residents. Based on the population projections detailed in Section F of this report, the facility is expected to meet the Town of Candia’s needs well beyond 2040.

Figure 4 provides a summary of the Town of Candia’s solid waste facility inventory and estimated maximum service population.

Figure 4: Town of Candia Solid Waste Facility Inventory

Facility	Parcel Number	Year Built	Total Building SF	Est. Maximum Service Population
Transfer Station/Recycling Center and Site Circulation Infrastructure	408-30-21	2007	6,000	6,700
Garage (Swap Shop)	408-30-21	2011	480	6,700

Notes/Sources:

1) Total building SF is based on Town assessing records.

H. Capital Investment in Solid Waste Facilities and Credit Evaluation

Funding was committed for construction of the Candia transfer station and recycling center in 2007 at an original cost of \$1.5 Million. The original bonded debt for the construction of the facility was fully amortized in 2017 and there is no remaining debt service on the facility. As such, there are no credit allowances for future debt service payments included in this solid waste impact fee. However, the Candia transfer station and recycling center was supported by a \$5,000 “NH the Beautiful” grant, which is included as a credit herein.

Funding was committed for construction of the transfer station’s garage (“Swap Shop”) as a warrant article with an original cost of \$15,000. No bond debt was incurred to support the construction of the garage.

After adjusting costs to current year (2025) dollars as detailed in Figure 5, the average cost per square foot for solid waste facilities in the Town of Candia is calculated to be \$368/SF.

Figure 5: Town of Candia Capital Investment in Solid Waste Facilities

Facility	Total Building SF	Year Built	Original Capital Investment (Year of Expenditure)	Adjusted Capital Investment (2025 Dollars)	Cost/SF (2025 Dollars)
Transfer Station/Recycling Center, Equipment, and Site Circulation Infrastructure	6,000	2007	\$1,500,000	\$2,372,512	\$395
Garage (Swap Shop)	480	2011	\$15,000	\$21,802	\$45
Subtotal	6,480			\$2,394,314	\$369
Credit - NH the Beautiful Grant			\$ (5,000)	\$ (7,606)	
Total	6,480			\$2,386,708	\$368

Notes/Sources:

- 1) Total building SF is based on Town assessing records.
- 2) Inflation adjustments based on U.S. Bureau of Labor Statistics Inflation Calculator.

I. Cost Per Capita for Solid Waste Facilities

As detailed in Section G, it is anticipated that the Town’s existing solid waste facilities can accommodate an estimated future service population of 6,700. Accordingly, this impact fee is based on recouping new development’s proportionate share of the Town’s total capital investment in solid waste facilities.

The preceding items calculated in this report are used to determine the Cost/Person for solid waste facilities attributable to new development in the Town of Candia as detailed in Figure 6 below.

Figure 6: Determination of Solid Waste Facilities Cost/Person Attributable to New Development

Cost Component	Units		Max. Service Population	Total Capital Investment	Cost Per Person
Candia Solid Waste Facilities (Total)	6,480	SF	6,700	\$2,386,708	\$356

J. Residential Impact Fees for Solid Waste Facilities

Figure 7 provides the schedule of impact fees by housing unit type for residential development based on the capital cost per person for solid waste facilities (Figure 6) multiplied by persons per housing unit.

Figure 7: Residential Impact Fees for Solid Waste Facilities

Housing Type	Development Unit	Estimated Number of Persons/Unit	Cost Per Person	Impact Fee (per Dwelling Unit)
Single-Family Detached	Dwelling Unit	2.62	\$356	\$933
Duplex	Dwelling Unit	2.13	\$356	\$759
Multi-Family (3+ Units)	Dwelling Unit	1.74	\$356	\$620
Manufactured Housing	Dwelling Unit	2.02	\$356	\$720

Notes/Sources:

1) Derived from 2020 U.S. Census and 2023 American Community Survey 5-year data.

K. Solid Waste Impact Fee Assessment Procedure for Accessory Dwelling Units

Given that ADUs in the Town of Candia are limited to owner-occupied single-family residential properties, and that both NH RSA 674:71 and the Town of Candia Zoning Ordinance establish that an internal or attached ADU is an extension of a single-family residential use of a parcel, it is therefore most appropriate to derive the impact fee for ADUs as an extension of the single-family residential impact fee assessment. Accordingly, the procedure detailed herein considers an ADU’s living area as a proportionate increase in the living area of an existing single-family parcel.

The methodology for determining the appropriate solid waste impact fee for an ADU in the Town of Candia involves two steps as detailed below.

1. *Deriving a per square foot solid waste impact fee for single-family residential development by using the average living area of a single-family home in the Town of Candia.*

Based on the Town’s current assessing database, the average living area of a single-family home in the Town of Candia is **1,932 SF**. This figure can be used to calculate the per square foot solid waste impact fee for single-family residential development as detailed in the table below.

Impact Fee Category	Single-Family Residential Impact Fee (Per Dwelling Unit)	Average Single-Family Home Size in the Town of Candia (SF)	Single-Family Residential Impact Fee (Per Square Foot)
Solid Waste	\$933	1,932	\$0.48

2. *Applying the per square foot fee to the living area created by adding the ADU.*

The per square foot single-family solid waste impact fee of **\$0.48/SF** calculated above can then be applied to the living area of the ADU.

Overall, this per square foot methodology enables more flexibility for assessing impact fees to ADUs in the Town of Candia. For instance, a 500 SF studio ADU would be assessed a lower impact fee than a 750 SF one-bedroom ADU. Thus, the difference in the assessed impact fees logically reflects the difference in each ADU’s probable impacts.

L. Additional Administrative Considerations

The residential impact fee schedule presented herein is applied, by type of structure, to any new construction or conversion activity that results in a net increase in the number of dwelling units within the Town of Candia.

Conversions and Additions

In cases where a conversion or addition to a structure changes the number of dwelling units within the structure to a new housing type classification, the impact fee may be computed by calculating the impact fee for the new use and number of units and subtracting the fee that would have applied to the existing development if it were new.

For example, if a single-family detached home were converted to a duplex:

$$\begin{array}{rcl}
 \text{Impact Fee for Duplex housing type (2 units @ \$759)} & = & \$ 1,518 \\
 \text{Less Impact Fee amount for Single-Family unit} & = & \underline{(\$ 933)} \\
 & & \$ 585
 \end{array}$$

By applying this procedure, the baseline impact already present in the form of an existing single-family home is considered. The conversion is then assessed only for the incremental impact generated by the change. In order to address these and other similar types of conversions and additions, the Town of Candia will be responsible for working with the fee-payer during the building permit process.

Updating the Fee Schedule

The impact fee methodology has been designed to allow for future updates or modification of the underlying assumptions. It is recommended that the variables in the impact fee model be updated based on new information and documentation to produce revised impact fee amounts every three (3) years. Updates to the fee schedule using the methodology described in this report should be made after consideration of all of the variables involved, as some of these elements are interdependent.

Assessment/Collection of the Impact Fees

The Town of Candia's solid waste impact fees represent a *one-time charge* collected at the point where new residential dwelling units are authorized by building permit. As such, this methodology recognizes each new dwelling unit as a permanent addition to the base of demand placed on the Town of Candia's solid waste facilities and recognizes that the use and need for facility improvements may vary by type of dwelling unit within the community.

These requirements, however, do not prevent the Town of Candia 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 Town of Candia Planning Board. If an alternative schedule of payment is established, the Town of Candia 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 in accordance with RSA 674:21.

The actual implementation of this impact fee methodology and the resulting fee matrix developed herein are subject to the provisions of Section 16.03C of Town of Candia Zoning Ordinance. While this report establishes a rational basis for determining proportionate dollar amounts for impact fees that could be assessed for solid waste facilities, the impact fees to be assessed and collected must be implemented primarily to ensure that adequate public facilities remain available to accommodate new development and to secure more of the revenues needed for such facilities at the time new development takes place.

Additionally, the Town of Candia Planning Board should continue to update the municipal Capital Improvements Program (CIP) on an annual basis to ensure that the revenues collected through adoption of this impact fee schedule are spent by the town within six years of collection and that the solid waste facility needs outlined in the CIP remain consistent with the funding appropriated for them.

All impact fees assessed and collected by the Town of Candia must be spent within six years, otherwise the town is legally bound under RSA 674:21, V(e) to refund the fees with any accrued interest.

M. References and Acknowledgements

The following reference sources contributed to the development of this document.

- *Town of Candia Solid Waste Impact Fee* prepared by the Southern New Hampshire Planning Commission, June 2009.
- *Impact Fee Development – A Handbook for NH Communities* prepared by the Southern New Hampshire Planning Commission, 1999.

Additionally, the Southern New Hampshire Planning Commission recognizes the work of Bruce Mayberry of BCM Planning, LLC in Yarmouth, Maine. Mr. Mayberry's work on the development of impact fee methodologies has influenced not only the development of this document, but similar efforts for communities around Northern New England.