

# The Cost of Community Services

Town of Lee, New Hampshire

February 2005

Lee is growing and most of the growth is through the building of residential units. Of the total permits issued between 1990 and 2000, 83% were for single-family homes. With current zoning there is the potential that 1,744 new single-family homes could be added to the existing 1,643 dwelling units in Lee now.

## POPULATION TRENDS

Year	Pop.	Increase	%Increase
1950	575	-	-
1960	931	356	62%
1970	1,481	550	59%
1980	2,111	630	43%
1990	3,729	1,618	77%
2000	4,145	416	11%
2010	4,730*	585*	14%
2020	5,360*	630*	13%

\* Projected

Source: US Census 2000

## LAND USE ACREAGE BY TYPE

Current Use	6,389 Ac	(49%)
Cons. Restriction	1,056 Ac	(8%)
Residential	3,164 Ac	(25%)
Commercial	487 Ac	(4%)
Tax Exempt	1,133 Ac	(9%)
<u>Other (roads, water, etc.)</u>	<u>697 Ac</u>	<u>(5%)</u>
Total Lee Area	12,926 Ac	(100%)

At the request of Lee's Agriculture Committee, a subcommittee of the Planning Board's Master Plan Update Committee, and with the support of the selectmen, a Cost of Community Services Study was conducted for Lee. Using methodology developed by The American Farmland Trust, the revenues and expenses of Lee were compared by land use type. By examining the revenues generated by residential property, commercial property and open land to the services required by each land use type, a ratio is calculated.

## VALUATION BY LAND TYPE

Current Use and Conservation Restrictions	\$1,089,763	(.3%)
Residential Land And Buildings	\$339,474,400	(89.2%)
Commercial Land And Buildings	\$40,186,800	(10.5%)

The results for the Cost of Community Services Study conducted for Lee indicate that:

- For every dollar generated in revenue by Residential property, \$1.11 is required back in services (fire, police, roads, etc.)
- For every dollar generated by Commercial property, \$0.48 worth of services are required.
- For every dollar generated by Open Land, \$0.51 worth of services are required.

## INCOME AND EXPENSE RATIO

	Residential	Commercial	Open Land
Revenues:	\$8,445,301	\$1,073,941	\$164,316
Expenses:	\$9,389,108	\$518,599	\$84,042
Ratio:	\$1 / \$1.11	\$1 / \$0.48	\$1 / \$0.51

How do Lee's Cost of Community Services study results compare to other towns?

### NH Average Ratios:

Residential	\$1 / \$1.08
Commercial	\$1 / \$0.40
Open Land	\$1 / \$0.52

### National Average Ratios:

Residential	\$1 / \$1.15
Commercial	\$1 / \$0.28
Open Land	\$1 / \$0.36

Lee is blessed with many diverse and vibrant agricultural operations such as dairy, sheep, llamas, forage crops, vegetables, floriculture and a vineyard. Forest management occurs on private lands through small commercial operators. Approximately one fourth of Lee's acreage is considered wetlands or at least wet soils.

Lee has been aggressive in seeking conservation easements on strategic properties in town. Lee's efforts have been largely in recognition of the natural resource benefits of conservation on certain properties but there is an increasing understanding that conservation easements are fiscally positive for the town as well.

**ADDITIONAL BENEFITS OF OPEN LAND**

- Water quality protection through infiltration and natural filtration
- Aquifer recharge
- Floodwater detention
- Wildlife habitat
- Scenic vistas

As of February 2005 Lee has permanently conserved 1,648 acres of land through fee simple purchase or the purchase of a conservation easement. A goal has been set at conserving at least 25% of the *remaining* upland acres in town through purchase or voluntary conservation easements on an additional 1,821 acres.

**CONSERVATION PROTECTION GOAL**

Water Bodies	282
Wet Soils (hydric A&B)	3,711
Upland Soils	<u>8,933</u>
Total Acres in Lee	12,926

Acres Permanently Protected - 1,648  
(as of February 2005)

8,933 Acres of Uplands
<u>- 1,648 Acres protected</u>
7,285 Acres remaining
<u>x 25% Goal</u>
1,821 Acres needing protection to meet goal

This will allow for growth, but still maintain the environmental and aesthetic benefits of open land and the positive revenue generation that open land can provide.

Property taxes continue to rise and economical ways to preserve Lee's rural character and reduce town expenses are needed.

By putting more land under conservation easements Lee is reducing the potential for residential growth that would cause an increase in the tax rate to meet the services new homes would demand.

Acknowledgements: This report was completed at the request of Lee's Agriculture Committee which has dedicated considerable volunteer time to the preservation of open land and viable agriculture in Lee. This report was made possible through local donations and a grant from the Statewide Program of Action to Conserve the Environment (SPACE).

A full report is available at the Town Office or on-line at: <http://www.leenh.org/>