CHAPTER II: NON-REGULATORY FUNCTIONS

THE MASTER PLAN

Since local master plans impact not only the individual municipality but the region as well, it is strongly recommended that planning be conducted in the context of a wider area. In this way, the special historical and cultural qualities of the municipality, the region, and the state can be protected. It was with this intent that the legislature made significant amendments to the master planning statutes in 2001 – to provide more definitive guidance to planning boards in planning and managing future growth.

The statutes describing the individual elements of a master plan were rewritten and reorganized, and several new elements were added. All sections of a master plan should be designed to be consistent with each other.

In addition, planning boards and regional planning commissions are encouraged to develop their municipal and regional plans to be consistent with the policies and priorities established in the State Development Plan, which must be created in consultation with local officials, representatives of the business and environmental community, and the general public.

WHAT IS A MASTER PLAN?

Preparing a Master Plan for your Community was developed by Southern New Hampshire Planning Commission and states, in the simplest terms, that a master plan is a planning document that serves to guide the overall character, physical form, growth and development of a community. It is the basis in which a municipality's land use regulations come from. It describes how, why, where and when to build or rebuild a city or town. It provides guidance to local officials making decisions on budgets, ordinances, capital improvements, zoning and subdivision matters, and other growth-related issues.

A master plan provides an opportunity for community leaders to look ahead, establish new visions and directions, set goals, and map out plans for the future. Properly done, a master plan should describe where, how, and at what pace a community desires to develop physically, economically, and socially. In short, a master plan functions much like a roadmap or a blueprint; it is a guide to the future.

This language typically translates into a format common to most master plans:

- Inventory of current conditions;
- Recommendations for future land use in the community;
- Set of policy goals and recommendations to achieve the future land use recommendations.
**WHY HAVE A MASTER PLAN?**

RSA 674:1 makes it the duty of every planning board to “prepare and amend from time to time a master plan to guide the development of the municipality.”

- Envision the best and most appropriate future development of the community;
- Aid the planning board in designing ordinances that result in preserving and enhancing the unique quality of life and culture of New Hampshire;
- Guide the planning board in the performance of its duties, to achieve principles of smart growth, sound planning and wise resource management;
- Establish statements of land use and development principles; and
- Establish legal standing for implementation of ordinances and other planning board regulations.

While the master plan is not a legal document, it does provide the legal basis for zoning and other land use regulations. Specifically, in order to adopt a zoning ordinance, the planning board must have adopted a master plan with, at a minimum, a Vision section (formerly Goals and Objectives) and a Land Use section. In addition, certain types of ordinances cannot be legally adopted unless an up-to-date master plan is in place (these are discussed in Chapter III).

A master plan is a legal prerequisite for the following:

- Adoption of a zoning ordinance (RSA 674:18);
- Adoption of a historic district (RSA 674:46-a IV);
- Establishment of a capital improvement program (RSA 674:6); and
- Adoption of a growth management ordinance (RSA 674:22).

**CHARACTERISTICS AND ELEMENTS OF A MASTER PLAN**

As stated in *The Practice of Local Government Planning* (Hollander, Pollock, Reckinger, and Beal, 2nd ed., Washington; International City Management Association, 1988, So and Gretzels, editors, pp. 60-61) a master plan has the following characteristics:

- First, it is a physical plan. Although a reflection of social and economic values, the plan is fundamentally a guide to the physical development of the community. It translates values into a scheme that describes how, why, when, and where to build, rebuild, or preserve the community.
- A second characteristic is that it is long-range, covering a time period greater than one year; usually five years or more.
- A third characteristic of a general development plan is that it is comprehensive. It covers the entire municipality geographically – not merely one or more sections. It also encompasses all the functions that make a community work such as transportation, housing, land use, utility systems, and recreation. Moreover, the plan considers the interrelationships of functions.
- Finally, the master plan is a guide to decision-making for the planning board, the governing body and other municipal officials.

Another important characteristic of the master plan is that it is a statement of public policy. The plan translates community values, desires, and visions into land use regulations and development principles that can guide the future growth of the municipality. The policies of the plan provide the basis upon which public decisions can be made.
RSA 674:2 has been amended several times and expanded the elements of a master plan from 10 to 15. The only required elements continue to be the Vision section and a Land Use section and, as before, these are the two elements required to support a zoning ordinance.

According to RSA 674:2, II, the Vision section should serve to direct the other sections of the plan. It must contain a set of statements that articulate the desires of the citizens affected by the plan, not only for their locality, but for the region and the state as well. Finally, it must contain a set of guiding principles and priorities to implement that vision.

The Land Use section serves as the basis for the other sections of the plan. In this section, the vision statements are translated into physical terms. It should be based on a study of population, economic activity, and natural, historic, and cultural resources. This section must show existing conditions and the proposed location, extent and intensity of future land use.

RSA 674:2, III states that the master plan may also include the following sections:

**Transportation.** Considers all pertinent modes of transportation and provides a framework for both adequate local needs and for coordination with regional and state transportation plans.

**Community Facilities.** Identifies facilities to support the future land use pattern, meets the projected needs of the community, and coordinates with other local governments, special districts and school districts, as well as with state and federal agencies that have multi-jurisdictional impacts.

**Economic Development.** Proposes actions to suit the community’s economic goals, given its economic strengths and weaknesses in the region.

**Natural Resources.** Identifies and inventories any critical or sensitive areas or resources, not only those in the local community, but also those shared with abutting communities. This section, which may specifically include a water resources management and protection plan, shall provide a factual basis for any land development regulations that may be enacted to protect water resources and other identified natural areas. A key component in preparing this section is to identify any conflicts between other elements of the master plan and natural resources, as well as conflicts with plans of abutting communities. Nothing in this subparagraph shall be construed to permit municipalities to regulate surface or groundwater withdrawals that they are explicitly prohibited from regulating.

**Natural Hazards.** Documents the physical characteristics, severity, frequency, and extent of any potential natural hazards to the community. It should identify those elements of the built environment at risk from natural hazards as well as the extent of current and future vulnerability that may result from current zoning development practices.

**Recreation.** Shows existing recreation areas and addresses future recreation needs.

**Utility and Public Service.** Analyzes the need for and shows the present and future general location of existing and anticipated public and private utilities, both local and regional, including telecommunications utilities, their supplies, and facilities for distribution and storage.
Cultural and Historic Resources. Identifies cultural, archeological, and historic resources and protects them for rehabilitation or preservation from the impact of other land use tools such as land use regulations, housing, or transportation. Such sections may encourage the preservation or restoration of stone walls, provided agricultural practices as defined in RSA 21:34-a are not impeded.

Regional Concerns. Describes the specific areas in the municipality of significant regional interest. These areas may include resources wholly contained within the municipality or bordering, or shared, or both, with neighboring municipalities. The intent of this section is to promote regional awareness in managing growth while fulfilling the vision statement.

Neighborhood Plan. Focuses on a specific geographical area of local government that includes substantial residential development. This section is to be considered a part of the local master plan, and must be consistent with it. No neighborhood plan can be adopted until a local master plan is adopted.

Community Design. Identifies positive physical attributes and provides for design goals and policies for planning in specific areas to guide private and public development.

Housing. Assesses local housing conditions and projects future housing needs of residents of all levels of income and ages in the municipality and the region (as identified in the regional housing needs assessment performed by the regional planning commissions) and which integrates the availability of human services with other planning undertaken by the community.

Energy. Includes an analysis of energy and fuel resources, needs, scarcities, costs, and problems affecting the municipality and a statement of policy on the conservation of energy.

Implementation. Sets forth a long-range program detailing the specific actions, time frames, and allocation of responsibilities for the many tasks and regulations to be adopted to implement the goals of the plan and procedures that may be used to monitor and measure the effectiveness of each section of the plan.

Coastal Management. Addressing planning needs resulting from projected coastal property or habitat loss due to increased frequency of storm surge, flooding, and inundation.

ADOPTION AND AMENDMENTS

As provided by RSA 674:4, the master plan is adopted by the planning board after a duly noticed public hearing (see Appendix B). Master plan adoption is not done by town meeting, as is required for the adoption of zoning amendments. The master plan may be adopted one section at a time or as a whole. Any amendments, extensions or updates of the plan are subject to the same public notice procedure as the initial adoption.

How often should a master plan be updated?

RSA 674:3, II includes language that recommends a revision to the master plan every 5 to 10 years. It is also recommended that a water resources management and protection plan should be reviewed and revised every 5 to 10 years.

The Planning Board may wish to review the Master Plan annually or bi-annually to make sure information is still applicable and meets the goals and vision of the community.
A good rule of thumb is to ask the question: “Have conditions in town changed sufficiently since the last master plan to warrant a reexamination of its policies and recommendations?” This would especially apply if significant zoning amendments were being considered. In this case, the master plan should always be reviewed since, as noted above, the zoning ordinance is supposed to represent the implementation of the master plan. If zoning amendments are being proposed that are at odds with the master plan, something needs to be done. Either the master plan needs to be updated to reflect new circumstances, or the zoning amendments should be considered inconsistent with the goals of the master plan.

Also, remember to file a certified copy of the master plan and its various amendments with the town or city clerk’s office. RSA 675:6, III provides that the master plan, as well as subdivision, site plan, and historic district regulations, are not legal or have any force and effect until copies are filed with the town or city clerk.

**MASTER PLAN PREPARATION**

RSA 674:3 states: “In preparing, revising, or amending the master plan, the planning board may make surveys and studies, and may review data about the existing conditions, probable growth demands, and best design methods to prevent sprawl growth in the community and the region. The board may also consider the goals, policies, and guidelines of any regional or state plans, as well as those of abutting communities.”

Pursuant to RSA 674:3, during the preparation of the master plan, the board is required to inform the general public and to solicit comments regarding the future growth of the community. The board is also required to inform the general public, the NH Office of Strategic Initiatives, and the regional planning commissions and solicit public comment.

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For a step-by-step guide to the process of developing a master plan, refer to “Preparing a Master Plan for your Community” developed by Southern Regional Planning Commission in 2004 and available at: http://www.snhpc.org/.

**THE CAPITAL IMPROVEMENTS PROGRAM**

The capital improvements program, known by the acronym CIP, links local infrastructure and equipment investments with Master Plan goals, land use ordinances, and economic development. A capital improvements program bridges the gap between planning and spending, between the visions of the Master Plan and the fiscal realities of improving and expanding community facilities.

A CIP is an outline of anticipated expenditures for capital projects projected over a period of at least 6 years. Capital projects are those that relate to infrastructure and the purchase of land and, in some cases, engineering studies. Capital projects do not include regular maintenance and operations.

**Authorization**

RSA 674:5 empowers the local legislative body to authorize the planning board to prepare and amend capital improvements programs only in municipalities that have adopted a Master Plan. As an alternative, the legislative body may authorize the governing body to appoint a capital improvements program committee to prepare a CIP. This committee must have at least one member of the planning board and may include, but is not limited to, other members of the planning board, the budget committee, or the town or city governing body.

**Purpose of a Capital Improvements Program**

The CIP must classify projects according to the urgency and need for realization, and must recommend a time sequence for implementation. The CIP may also contain the estimated cost of each project as well as the sources of revenue. The program must be based on information submitted by the departments and agencies of the municipality and must 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.

Capital improvements programming affords a municipality numerous benefits, including:

- Preserving public health, safety and welfare;
- Anticipating the demands of growth;
- Improving communication and coordination;
- Avoiding undue property tax increases;
- Developing a fair distribution of capital costs;
- Building a foundation for growth management and impact fees;
- Identifying “scattered and premature” development;
- Supporting economic development.

**Preparation of the Capital Improvements Program**

While preparing the capital improvements program, the planning board or committee must consult with the mayor or the board of selectmen and other local agencies or boards, including the school board, and must review the recommendations of the Master Plan in relation to the proposed capital improvements.
Also, whenever the planning board or capital improvements program committee is authorized to prepare a CIP, all municipal departments and every affected school district must, upon request of the board or committee, provide a statement of all capital projects it proposes to undertake during the term of the program. The planning board or committee must then study each proposed capital project and advise and make recommendations to the department, authority, agency, or school district concerning the relation of its project to the capital improvements program being prepared.

Adoption

Develop a time sequence for CIP expenditures over a period of at least six years. Adjust the starting dates for projects and modify the annualized tax impact of capital improvements using bond financing, capital reserve accounts, and other revenues. Strive for an annual level of capital expenditures that approximates an affordable level of local tax expenditures for new capital improvements and that keeps the tax rate relatively stable.

RSAs 674:5 through 674:8 describe the preparation and effect of the CIP, but contain no specific guidelines for the adoption of a capital improvements program or capital budget. It is recommended that the program be adopted by the planning board or CIP committee under the same process used for adoption of the Master Plan. Generally, this procedure requires at least one public hearing prior to adoption, unless there are substantive changes made as a result of the comments received at the public hearing. A certified copy of the plan is then filed with the city or town clerk and the NH Office of Strategic Initiatives. While adoption procedures are absent from the statute, RSA 675:9 specifically requires that a copy of any “capital improvements plan” which is adopted must be filed with the NH Office of Strategic Initiatives.

**STEPS FOR THE COMPLETION OF A CIP**

| Step 1 | Organize for the CIP process. |
| Step 2 | Define capital projects. |
| Step 3 | Perform a fiscal analysis. |
| Step 4 | Review the master plan. |
| Step 5 | Communicate with departments. |
| Step 6 | Review proposed capital projects. |
| Step 7 | Prepare a 6-year project schedule. |
| Step 8 | Adopt and implement the CIP. |

**RELATIONSHIP OF CIP ADOPTION TO LAND USE REGULATIONS**

While the statutes do not specify an adoption procedure for a CIP, the laws governing implementation of certain land use regulatory procedures, such as impact fee and growth management ordinances, do require CIP adoption. An adopted CIP may also have a functional role in the review of subdivisions and site plan applications and the impact of their development on municipal services and costs.