

**City of Keene**  
**New Hampshire**

**PLANNING, LICENSES AND DEVELOPMENT COMMITTEE**  
**MEETING MINUTES**

**Wednesday, February 22, 2017**

**7:00 PM**

**Council Chambers A**

**Members Present:**

David C. Richards, Chair  
Philip M. Jones, Vice-Chair  
George S. Hansel  
Bart K. Sapeta  
Robert B. Sutherland

**Staff Present:**

John Rogers, Acting Health & Code Director  
Rebecca Landry, ACM/IT Director  
Rhett Lamb, ACM/Planning Director  
Beth Fox, ACM/ HR Director  
Thomas Mullins, City Attorney  
Kurt Blomquist, Public Works Director

**Members Not Present:**

**Other Councilors Present**

Jan Manwaring  
Bettina Chadbourne  
Carl Jacobs  
Terry Clark

Chair Richards called the meeting to order at 7:00 PM.

**1) Request for Lodging House License - 57 Winchester Street**

John Rogers, Acting Health & Code Director reported the re-inspections were completed on Friday with all items found to be in compliance. Mr. Rogers continued staff has no objections to the issuance of this license.

There being no public comments or Committee questions Chair Richards asked for a motion.

Councilor Sapeta made the following motion which was seconded by Councilor Hansel.

On a vote of 5-0, the Planning, Licenses and Development Committee recommends that 57 Winchester Street Realty, LLC be granted a lodging house license on property located at 57 Winchester Street for a period of one year from the date of issuance. Said license is conditional upon the following:

- 1) Compliance with all applicable laws, ordinances, codes and rules and regulations;
- 2) No more than 16 persons may reside on the premises;
- 3) No more than 27 persons may be within the structure at any one time;
- 4) No less than 8 vehicular parking spaces must be provided on the premises;
- 5) The names, home addresses, and motor vehicle registrations of the residents of the licensed premises shall be available on the premises at all times for inspection upon request by the Police, Code Enforcement or Fire Departments;
- 6) Continued violation of the City parking ordinances by residents of the premises or their guests, as determined by the Police or the Code Enforcement Department may be grounds for suspension or revocation of the license;
- 7) No alcoholic beverages may be sold on the premises except by written permission of the New Hampshire Liquor Commission;
- 8) Loud noises or other disturbances after 10:00 PM that continue after warning by the Police Department may be grounds for suspension or revocation of the license;
- 9) Access to the common areas of the licensed premises shall be granted to the Police, Code Enforcement, Fire and Health Departments of the City of Keene at all reasonable times;
- 10) The cellar space does not meet the qualifications for public assembly and therefore cannot be used as a gathering space;
- 11) The continuation of the license is subject to and conditioned upon successful passage of two inspections to be conducted by the City; and
- 12) Compliance with any recommendations of City staff.

This license expires on the 3rd day of March, 2018 and may be revoked by the City Council in accordance with Sec. 46-590 "Suspension or Revocation".

Chair Richards recommended changing the agenda order to hear agenda item #3 next.

### **3) Zoning Map Amendment - West Surry Road and Zoning Ordinance Amendment High Density 1**

1. Avanru Letter dated 2/21/2017
2. Ordinance O-2016-18
3. Ordinance O-2016-19

Chair Richards advised there would be no public input as the public hearings have already been held. He also explained the petitioner has withdrawn the request.

Referring to the packet Rhett Lamb, ACM/Planning Director noted the petitioner's letter expresses his desire for the Committee to vote against an ordinance. Mr. Lamb explained the process for withdrawal really does not exist under these circumstances.

Chair Richards commented the Joint Committee voted this as not being consistent with the Master Plan. He questioned how to make the motions; asking do we make the motion to adopt then vote against, or make a motion to reject. The City Attorney commented the Committee could make the motion to not adopt.

Chair Richards asked for Committee questions or comments.

Councilor Sutherland commented this was a great opportunity for the community to come out and speak on this. He continued he thinks from the get go we (the Joint Committee) recognized that while the Master Plan does call out for review of these City nodes, it does not specify where it is we should be adopting or expanding High Density. On the face of it there were a number of reasons why this was rejected not only by the public, but also by member Committees. He also commented it is great we recognized the short comings of the Master Plan; and noted there is still more planning to do. Chair Richards noted he would also be voting against this issue noting his concern for a triangle of High Density in the middle of this area (Low Density to Agricultural).

There being no public comments or additional Committee questions or comments, Chair Richards asked for a motion.

Councilor Jones made the following motion which was seconded by Councilor Hansel.

On a vote of 5-0, the Planning, Licenses and Development Committee recommends to City Council the rejection of ordinances O-2016-18 and O-2016-19.

Chair Richards advised the public this would go to full Council next week. He noted they are welcome to attend and there would be no public comments taken unless the Mayor makes a special exception.

## **2) Comprehensive Economic Development Ad hoc Committee Recommendations**

Chair Richards reported the Chair of the Committee, Councilor Greenwald, has requested this be put on more time because he cannot be present. He continued Councilor Hansel has a few things he wants to bring up; possible directions and motions that could come from that. Chair Richards suggested we let Councilor Hansel do that and we focus just on those issues because we will go through the whole thing when Councilor Greenwald returns. Chair Richards recognized Councilor Hansel.

Councilor Hansel said he appreciates the fact Councilor Greenwald wants to tackle the whole document and make comments on some of the bigger issues it brings up. Councilor Hansel continued he would like to pick out three of the action items tonight that he feels are especially pertinent, somewhat time sensitive, and that we should try to get the ball rolling on. He noted the first two are the incentives programs that are mentioned in the Economic Development Action Plan.

1. RSA 79-E was signed into law by the State of New Hampshire in 2006, it allows for local municipalities to give temporary tax relief for a property owner that wants to substantially redevelop a property located within a Historic District, downtown, or certain areas designated by the municipality. Councilor Hansel clarified the tax relief applies to the added value put on the property under development. There is no tax relief for the existing value of the property. He suggested this is one tool in the toolbox that could be used for challenging projects that are not very attractive to developers. Noting details would need to be worked out, Councilor Hansel said his understanding is that we need a resolution to adopt the enabling legislation.

Councilor Hansel noted he would be making a motion tonight to have staff prepare that resolution.

Chair Richards asked if there were any parameters on dollar value involved with this. Councilor Hansel replied from his reading of the RSA it is pretty flexible as far as the municipality's ability to place restrictions. Councilor Hansel said that is his understanding and added we can probably get the Attorney's view at another meeting, after we put together a draft resolution.

Rebecca Landry, ACM/IT Director said she wanted to point out there were eight members of the Economic Development Committee who understand this is more than likely going to more time, and will be here in two weeks to talk about the issues. Ms. Landry read clarifying information directly from the RSA to put things in perspective.

Chair Richards questioned if the Committee should ask for a draft resolution and then get more information at the next meeting. Tom Mullins, City Attorney noted the concern he has with this is the Statute says the governing body can craft this by resolution or by ordinance. The City Attorney suggested keeping in mind that this Statute is written for multiple, different kinds of communities. The City in a lot of ways operates by ordinance; it may be that City Council wants to adopt this as an ordinance. The City Attorney continued this is one of the conversations he wanted to have with the City Assessor, because a lot of the tax rules exist as a result of Statutes. The City Attorney continued resolutions are generally less commanding and because this reaches out and affects people out in the community the Council may want to adopt this through an ordinance. The City Attorney noted it is hard for him to sit here and suggest the Committee do it one way or the other, and his concern is the possibility the Committee might want to do this by ordinance and not a resolution.

Councilor Sutherland asked if we could reach out to other cities to find out what has or has not worked so that we get it right the first time. Councilor Hansel replied we (the Committee) did get some of that feedback; 10 percent of New Hampshire cities have adopted RSA 79-E, but not many have utilized it. Councilor Hansel suggested examples can be found on Google.

Councilor Jones referred to the five year term mentioned in the RSA and asked if the starting point is from the day the relief is allowed or upon completion of the development. The City Attorney advised these are details that would have to be looked at under the Statute and addressed when we come back with the draft resolution or ordinance. Continuing Councilor Jones asked if the county and schools would be required to sign off on this, similar to the TIF Districts. Rhett Lamb, ACM/Planning Director said staff would provide the answer to this question.

Councilor Sapeta asked if there was a symbiotic connection to the existing SEED District. Mr. Lamb noted the inherent conflict in the existing TIF Districts; in the TIF Districts the incremental value of development is captured or reinvestment in the community in a manner that supports development. This is the reverse of the RSA 79-E idea which provides relief on incremental value. Mr. Lamb continued TIF and 79-E do not really work well together. He

explained we would have to be really conscious of where the TIF Districts are and apply 79-E more selectively to the degree allowed by Statute.

Noting it sounds like this should come back as an ordinance Councilor Jones suggested it come as a draft without a number so we can give our input without the amendment process.

Chair Richards asked if this should be kept here at the Committee. Noting this is not a zoning issue (Joint Committee not necessary). Mr. Lamb suggested going to the Planning Board at some point.

There being no public comments Chair Richards asked for a motion.

Councilor Hansel made the following motion which was seconded by Councilor Jones.

Chair Richards indicated it should come back as an ordinance, and with the input we have it can come back for more discussion.

On a vote of 5-0, the Planning, Licenses and Development Committee recommends that staff prepares a draft resolution or ordinance to adopt RSA 79-E for review by the Planning, Licenses and Development Committee.

2. Economic Revitalization Zones (ERZ) Credits as explained by Councilor Hansel were used for Black Brook. Councilor Hansel reported this is a state run program through the Department of Resources and Economic Development (DRED) that allows for developers to sell tax credits against the state business tax. He continued there is a finite amount of money available in these tax credits statewide. The reason Councilor Hansel thinks this is pressing is because there is a proposal to up the amount of these ERZ tax credits with the State Legislature right now (up to 1.4 million dollars from around a half million dollars). Councilor Hansel said the timing is important to us if we want to take advantage of this opportunity to expand/consider some new ERZ zones. This requires us to consider where we think this might be a good fit and submitting those potential sites to the Department of Economic Resources and Development for their approval. Councilor Hansel said what he would be asking for tonight is for the Committee to direct staff to prepare a list of potential Economic Revitalization Zones (ERZ) in the City of Keene so we can review/talk about them, and submit them to the Department of Resources and Economic Development.

Mr. Lamb commented we have done some initial work on this already so we have a head start on coming back with information for discussion. Mr. Lamb continued the suggested motion would then be to ask staff to prepare that information for you to bring back for consideration by this Committee.

Referring to the word “zone”, Councilor Sutherland asked if this had any implications to zoning. Mr. Lamb replied in the negative noting it is separate from zoning. Mr. Lamb added the program is operated by the State and not the City once you establish these districts. Councilor Sutherland then asked if this would be applied to some of the rezoning on Marlboro Street. Noting they might not exactly overlap Mr. Lamb replied in the affirmative.

Councilor Jones commented he believes this is only utilized for underutilized corporate parks or structures; he added we cannot add it to something being utilized for a good purpose. Mr. Lamb noted he would have to get back to the Councilor on that. Rebecca Landry, ACM/IT Director read (source not identified) unused or underutilized industrial parks and vacant land or structures previously used for industrial purposes, but currently not in use. Councilor Hansel added it is based on new jobs that it creates and the credit they get is a percentage of the salaries of the newly created jobs.

There being no questions or comments from the public or further comments by the Committee, Chair Richards asked for a motion.

Councilor Hansel made the following motion which was seconded by Councilor Jones.

On a vote of 5-0, the Planning, Licenses and Development Committee recommends that staff be directed to prepare a list of potential Economic Revitalization Zones in the City of Keene for the review and submission to the Department of Resources and Economic Development.

3. Business Advocacy and Response Team (BART) as noted by Councilor Hansel is a concept he presented to the Economic Development Committee. Adding the Committee found this idea favorable; Councilor Hansel explained this would create a group of doers, a standing team of people that will be welcoming potential new businesses to the community and paying attention to the existing businesses. Councilor Hansel explained members of this team will be asked to contribute to lead generation, lead cultivation, and holding people's hand through the development regulatory processes. Councilor Hansel envisions this team would include potential members like the Mayor, City Councilors, the Chamber of Commerce, an MEDC representative, and others from the business community. He continued right now we do not have a formalized mechanism for dealing with enquiries (new potential businesses). Councilor Hansel stated it is going to take us a long time to streamline the regulatory process here in Keene. We are making progress with things like the Land Use Code update and in the meantime this team will really help facilitate economic activity. Councilor Hansel envisions the members having unique skill sets and bringing something to the Committee. Councilor Hansel provided an example of making contacts at trade shows attended on a regular basis. He also noted the importance of the team reporting back to this Committee to let them know that they are doing something and reaching out to the existing businesses. Councilor Hansel recommends directing staff to start putting together a plan for this team so the next time around we have a better idea of how to implement these things. Referring to staff, Chair Richards asked if this was really directed to the City Manager or the Mayor. The City Attorney clarified it would be the City Manager.

Councilor Sutherland commented it seems to him a feedback loop is needed. Councilor Sutherland suggested we need to document why businesses have left which becomes part of the feedback loop. This would enable us to learn what we can do better. Chair Richards replied noting he thinks we should move on with what Councilor Hansel is saying because we really need to try to bring new businesses in. Councilor Hansel suggested that would be a great task

for this group. Councilor Jones referred to the Committee recommendations noting under the BART section there is a bullet that says collect information about specific needs and challenges.

Noting he had read through the document, the City Attorney asked if the intention here is to create a public body that reports back to this Committee. He added once you have it set up with the reports coming back to this Committee it starts to look like a public body. The City Attorney noted City staff is precluded from being members of public bodies. He then asked if this is something the Committee would like staff to explore and come back with some options. Councilor Hansel indicated exploring it is fine and noted there are definitely challenges to this team being a public body. He recommends exploring how it could be a public body and also seeing how it would exist outside of that.

Councilor Chadbourne asked if members of MEDC and the Chamber participated or expressed an interest in the discussions regarding this team. Replying in the affirmative, Councilor Hansel reported Jack Dugan and Phil Suter were both on the Committee. Councilor Hansel indicated people are working on this independently and we are just trying to come up with a mechanism so they can share the information. Councilor Hansel sees this as an action group; not a Committee gathering information. Continuing Councilor Chadbourne noted there are cities in New Hampshire with an Economic Development employee. She feels this is something the City should consider even if this is a contract position. Councilor Hansel replied the Committee did discuss hiring an Economic Development person; in his opinion the numbers are very difficult to make that work. He calculates 3.4 million dollars in development would be needed every year to cover the cost of a \$100,000 annual salary. After additional comments Councilor Chadbourne reiterated she is in support of a contractual person not a permanent employee. Ms. Landry gave a reminder there may be members of the Economic Development Committee that are planning on being part of this discussion in a couple of weeks. Ms. Landry continued so after you vote on the motion that is made it would be great to have this put on more time to give them an opportunity to weigh in. Chair Richards replied that is all part of the plan.

Councilor Jacobs referred to the recruitment effort and asked if consideration was given to making this a regional effort; not just a City of Keene effort. Councilor Hansel replied in the affirmative adding he knows Councilor Greenwald wants to present a lot of what happened at the Committee. Chair Richards noted Councilor Jacobs was not present for the beginning of this discussion and explained how this will go on more time, and that Councilor Hansel had issues he wanted to address this evening. Chair Richards continued the whole plan will not be discussed until Councilor Greenwald and the rest of the Committee can be present. Councilor Jacobs noted his understanding and reiterated he thinks he would still ask the question about the group being interested in the region and not just Keene. After additional comments Councilor Jacobs noted he feels we have more to gain working together than by competing with each other. Councilor Jacobs would like to see this particular thing be regional in focus. Councilor Hansel affirmed this was discussed at the Committee and he is sure we will have a lot to discuss regarding the regional aspects. As far as this team goes Councilor Hansel indicated a big part of the team will be providing a welcoming face to developers working with projects inside the City.

Noting this is an important step for us to be taking, Councilor Sapeta commented on the importance of ensuring the representation on the team be very broad and not just limited to business. There are not for profits that are vital to the community. The Councilor stated he believes there will be opportunities for them to bring some input to this as well. He suggested there could be a potential for a conflict-of-interest and recommends this be very carefully reviewed. Chair Richards agreed and noted the intent is to ask the City Manager to come back with a plan after we ensure he gets all the comments from this meeting so he knows what we are thinking.

There being no public comments or additional Committee questions Chair Richards asked for a motion.

Councilor Hansel made the following motion which was seconded by Councilor Jones.

On a vote of 5-0, the Planning, Licenses and Development Committee recommends that the City Manager be directed to come up with a plan to create a Business Advocacy and Response Team.

Councilor Hansel made the following motion which was seconded by Councilor Sutherland.

On a vote of 5-0, the Planning, Licenses and Development Committee recommends the review of the Economic Development Committee recommendations be put on more time until the next cycle.

**4) Adjournment** - There being no further business before the Committee Chair Richards adjourned the meeting at 7:39 PM.

Respectfully submitted by,  
Mary Lou Sheats Hall  
February 23, 2017

Additional Edits by,  
Terri M. Hood  
Assistant City Clerk