

City of Keene
New Hampshire

**JOINT PLANNING BOARD/
PLANNING, LICENSES AND DEVELOPMENT COMMITTEE
MEETING MINUTES**

Monday, August 8, 2022

6:30 PM

Council Chambers,
City Hall

Planning Board

Members Present:

Pamela Russell Slack, Chair
Mayor George S. Hansel
Councilor Michael Remy
David Orgaz, Vice Chair
Roberta Mastrogiovanni
Harold Farrington
Armando Rangel
Randyn Markelon, Alternate

**Planning, Licenses &
Development Committee**

Members Present:

Kate M. Bosley, Chair
Michael Giacomo
Philip M. Jones
Gladys Johnsen
Raleigh C. Ormerod –
remote participation due to
medical quarantine

Staff Present:

Jesse Rounds, Community
Development Director
Mari Brunner, Senior Planner
Evan Clements, Planner
Amanda Palmeira, Asst. City
Attorney
Med Kopczynski, Economic
Development Director

Planning Board

Members Not Present:

Emily Lavigne-Bernier
Gail Somers, Alternate
Tammy Adams, Alternate
Kenneth Kost, Alternate

**Planning, Licenses &
Development Committee**

Members Not Present:

All Present

I) Roll Call

Chair Bosley called the meeting to order at 6:30 PM and a roll call was taken.

II) Approval of Meeting Minutes – June 13, 2022

A motion was made by Councilor Phil Jones to approve the June 13, 2022 meeting minutes. The motion was seconded Mayor George Hansel and was unanimously approved by roll call vote.

III) Public Workshop

Ordinance O-2022-09 – Relating to amendments to the City of Keene Land Development Code. Petitioner, City of Keene Community Development Department, proposes to amend sections of Chapter 100 “Land Development Code” (LDC) of the City Code of Ordinances to change the minimum lot size in the Rural District from 5 ac to 2 ac; Display uses that are permitted within the Conservation Residential Development subdivision (CRD) regulations

in Table 8-1 and the “Permitted Uses” sections of the Rural, Low Density, and Low Density-1 Districts in Article 3; Modify the density factor and minimum lot size for the Rural District within the CRD regulations to 2 ac per unit and 32,000 sf, respectively; Add density incentive options to the CRD regulations, including an open space density incentive, a solar incentive, and workforce housing incentive; Modify the permitted uses within the CRD regulations for the Rural District and Low Density-1 District to include multifamily dwelling with limitations; and, Remove the requirement to submit a “Yield Analysis Plan” and add additional submittal and filing requirements for CRD applications in Article 25.

Public Workshop

Senior Planner Mari Brunner addressed the committee and recalled that staff came before the Committee in June to discuss this ordinance, which at the time was not yet a formal ordinance but rather an idea. Feedback from that meeting was turned into what is before the committee today in the form of an ordinance. In addition, staff identified a couple glitches that they are proposing to fix with this ordinance. She said that this item started out when staff reviewed the Rural District to identify opportunities for housing that would fit within the intent of that district. As part of that effort, staff researched the history of the Rural District, which was historically referred to as the Agricultural District. Staff felt bringing back the minimum lot size to two acres, which is what it was historically, would make a lot of sense. Along with this, the CRD Subdivision regulations were reviewed to ensure they are consistent with the proposed lot size change. While reviewing the CRD regulations, staff found a couple glitches that need to be fixed. In addition, staff took this opportunity to look at ways to promote some of the other community goals within the CRD regulations, including workforce housing, open space preservation, and renewable energy.

Ms. Brunner went on to say that the Rural District is a residential zoning district that is generally located outside of the valley floor of Keene. She referred to a map, and noted that the Rural parcels are shown in green and are generally beyond where City water and sewer service is available as well. The intent of this district is to provide for areas of very low density development that is predominantly residential or agricultural in nature. Permitted residential uses include: single family dwelling, Two-family/duplex (as part of a CRD development only), and manufactured housing, which can only occur in a manufactured housing park.

There are a limited number of commercial, open space and infrastructure uses that are permitted, such as animal care facility, bed and breakfast, greenhouse/nursery, kennel, small group home, cemetery, community garden, conservation area, farming, golf course, gravel pit, small-scale, medium-scale, and large-scale solar energy systems, and telecommunications facilities. This is the full list of uses permitted within the district.

Ms. Brunner noted that there are about 1,118 parcels of land in the Rural District. This figure doesn't include 407 condo parcels, and she explained that the condo parcels are not parcels of land but rather signify the ownership structure. Excluding condos, there are 1,118 parcels which cover an area of over 14,300 acres. The minimum lot size is five acres. However, the five acres can be reduced to two acres if the parcel has access to both City water and sewer. Ms. Brunner noted there is a high number of parcels in the Rural District which are less than five acres that currently exist. In fact, there are 643 which is about 58% of all parcels which she felt was a high number of

parcels to be non-conforming and added it probably goes back to the fact that the minimum lot size used to be two acres. In 1971, the minimum lot size was two acres and prior to 1970 it was 10,000 square feet or one acre if the lot did not have access to City water and sewer. Ms. Brunner further stated staff also believes another reason is the City used to allow a type of development called a Planned Unit Development; an option that existed under zoning and was under the purview of the Planning Board. The Planning Board had the authority to vary the density or intensity of land use, basically they had free range to allow any lot size and any dimensional requirements as long as a holistic plan was presented that showed the full neighborhood plan. There have been a number of PUDs that were approved in Keene, and this is where we see some of the smaller lot sizes in the Rural District. This option ceased to exist prior to 1994.

Ms. Brunner stated the reason for providing this context is because the City is proposing to reduce the minimum lot size in the Rural District from five acres to two acres, partly to bring lots that exist today into compliance with the minimum lot size. Another reason relates to the reasoning for the switch to 5 acres in the first place. Going back to the discussion at the time, it seems that the change to a five-acre minimum lot size was meant to slow growth in the City and also because of concerns regarding access to City water and sewer, and the large land area that was needed for septic systems and leach fields. This technology has improved over time – it is possible to have a septic system and leach field, place it 75 feet from the well, and that can fit on a much smaller lot now. Therefore, staff feels two acres is appropriate in the Rural District, which is still a low density development pattern and would open up moderate amount of development opportunity in the district for people who have developable land.

Ms. Brunner addressed Conservation Residential Development Subdivision regulations (CRD) next. She explained the conservation residential development subdivision is a type of subdivision in which at least 50% of the land is conserved permanently as open space and development is concentrated on the remaining portion of the site. This approach allows the same number of residential units could be built with the conventional subdivision. However, it provides for more flexibility with the design and placement of those units, in order to maximize the protection of important natural features, such as wetlands, aquifers, steep slopes etc. The flexibility allows for units to be placed in the best location while also maintaining the character of the surrounding area.

In order to utilize the CRD subdivision option, the land must be located either in the Low Density, Low Density 1, or Rural district and it must meet the minimum tract size requirements outlined in Table 19-1 of the Land Development Code. Land in Low Density or Low Density 1 has to be at least five acres to start with and in the Rural District, it has to be at least 10 acres. A CRD is required for subdivisions that meet those criteria that propose a creation of three or more lots and the layout of a new road.

Within the CRD Regulations, staff propose to modify the lot size in the Rural District and the density factor to be consistent with the proposed changes for the underlying zoning district. Under the CRD, the idea is that one would get the same number of units as they would with conventional subdivision. By changing the lot size from five acres to two acres, the density factor would also need to be changed to two acres per unit so it would be the same number of units if someone was to pursue a conventional subdivision. In addition, staff is also proposing to

change the minimum lot size from one acre to 32,000 square feet; the reason for that change is so that you can physically fit all the units onto the developable portion of land that is left after someone has placed 50% in conservation.

Ms. Brunner went on to say one thing staff identified after the ordinance was introduced to City Council is that the subdivision regulations currently state that if a lot is created which is less than one acre, it must have the access to City sewer unless otherwise permitted within the LDC. She noted staff provided a red-lined version of the ordinance for the Committee tonight that proposes a minor amendment to clarify that any lots created under the CRD option within the Rural District could have a septic system in place of connecting to City sewer.

Ms. Brunner next addressed what is being referred to as a “menu of incentives” to add to the CRD Regulations to try and promote community goals related to work force housing, renewable energy and land conservation.

The first proposed incentive is an open space density incentive, where the developer would be required to place at least 65% of land in conservation and in return they would get a density bonus of 10% or one dwelling unit, whichever is greater. In order to take advantage of that option the starting tract area has to be at least 10 acres. Referring to the proposed amendment, Mayor Hansel asked why the requirement regarding septic systems cannot be removed in its entirety. He asked if a septic system can fit on a half-acre lot why that could not just be the requirement. Ms. Brunner stated this was a pretty standard requirement from many decades ago when leach fields were a lot larger. However, Ms. Brunner stated staff would not feel comfortable changing this requirement without having a deeper conversation with other City departments, in particular Public Works. The Mayor encouraged staff to look into this issue.

Ms. Brunner addressed the next incentive which is solar. The intent of this incentive is to encourage the installation of solar photovoltaic energy systems in new construction. It is based on the premise that the ideal orientation for buildings to harvest solar energy is within 30 degrees of true south. The criteria to receive this incentive is that at least 50% of the lots within the subdivision must be solar oriented. This means that the longest lot line dimension is oriented within thirty degrees of a true east-west line. All dwelling units on solar-oriented lots must be oriented so that the long axis faces within 20 degrees of true south, and at least 4 kilowatts of solar PV must be installed for each dwelling unit on a solar-oriented lot. In addition, where practical, this option requires that the predominant street pattern shall be oriented within 30 degrees of east-west orientation.

Staff is proposing that there would be additional submittal requirements for this incentive, including a written request that describes how the development meets the criteria as well as a solar access plan that demonstrates it would be possible to site building areas or structures on solar-oriented lots that are not obscured for a minimum of four hours between 9:00 am and 3:00 pm on any day of the year. The Mayor asked whether community solar placement has been contemplated in this proposed. Ms. Brunner answered in the affirmative and stated they have to show that it would be possible to place the building or a building area that is oriented south and then they have to install solar PV per unit but it does not have to be a separate array for each unit, so it could be done as community solar but it has to be located in the

development. Ms. Brunner noted the incentive for this would be 10% or one dwelling unit, whichever is greater, similar to the open space incentive.

The last proposed density incentive is for workforce housing. The intent of this incentive is to encourage development that provides affordable workforce housing. Workforce Housing is proposed to be defined as housing that is sold at initial sale for a price that can be afforded by a household with an income of not more than 80% of the HUD Median Area Income for a family of four in Cheshire County – this is for owner-occupied. For rentals, it is defined as housing that is rented for a price that can be afforded by a household with an income not more than 60% of the HUD Median Area Income for a family of three in Cheshire County. In order to be eligible for this incentive, a development must guarantee that at least 20% of the total number of units, including any units allowed by a density bonus, will be workforce housing. Ms. Brunner noted according to 2021 numbers, she recalls that \$300,000 is the number for workforce housing with an average rental amount of \$1,300 a month. She added this is workforce housing, not subsidized or low income housing.

Ms. Brunner went on to say in order to ensure that any residential units that are designated as workforce housing remain affordable, this ordinance proposes that units shall either be sold or rented with a deed restriction and recorded housing agreement that names an Income Verification Agent who will verify that the purchaser or renter meets the income requirements. The resale value or rental value shall be restricted to the affordable purchase or rental price for a period of 30 years. In addition, the workforce housing units must be of the same approximate size, character, quality, and construction as the market rate units, and they must be distributed evenly throughout the project.

Councilor Giacomo asked whether the resale value of a purchased house is based on assessed value by the City over 30 years. Ms. Brunner stated the resale value would have to continue to be at a price that is affordable and added there is language built into the ordinance – Planner Evan Clements added it is 80% of the AMI plus 2% of the CPI. Councilor Giacomo stated his concern is if affordable housing prices start to go up but income doesn't, the CPI may not have gained as much and asked how the resale price would be calculated in an instance such as that. Mr. Clements stated the goal is to keep it at an affordable price and the properties are not going to appreciate compared to a market rate unit. Tying it with the CPI will allow it to appreciate more compared to other communities that don't do that and it is tied strictly to the median area income. If someone purchases a workforce housing unit and in 15 years the average median income goes down and they are forced to sell that home, they will sell it for less because that home is tied to income not the appreciated value of that house. Councilor Giacomo stated he appreciates the intent and was just looking for loopholes which someone could use in the future if it is not addressed. Mr. Clements added there is nothing stopping a workforce housing unit owner from making improvements, but they would not see a return on investment as opposed to what someone would see with a market rate home.

Councilor Remy stated he understands the intent but doesn't like the idea of not being able to take advantage of owning a home. He stated he is in support of keeping it affordable but is worried about the repercussions. Chair Bosley stated she too agrees with what Councilor Remy just stated; home ownership is valuable and qualifying for one of these units is probably going to

be even a bigger deal for someone who is striving for this opportunity to own their own home but then to take all those perks a normal home owner would receive by having their property appreciate in value, is of concern to her. The Chair felt a home is most people's biggest asset - it's your retirement, it allows for many opportunities and could be someone's biggest savings account. She felt consideration needs to be given to not harming these homeowners. Councilor Remy felt as long as someone owns one of these units for a longer period they should have some benefits. He felt 30 years was a long time.

Ms. Mastrogiovanni asked where the 30 year time limit came from. Ms. Brunner stated this was a standard period other communities have adopted as kind of a reasonable timeframe and also because the developer is getting a permanent density bonus and is increasing the density into the future permanently, staff felt providing that return should last for at least a certain period of time. Thirty years seems to be the period most communities have agreed on.

Chair Bosley stated if this was an agency constructing multi-unit housing developments with the intent to rent, this type of restriction seems fair where owning this property has the intent of turning a profit. However, when one of these properties is sold to a citizen in Keene who is just looking for an opportunity, perhaps lessening those restrictions might be prudent. Most people who move to Keene, do so because they like this community to raise a family but once their kids move away they perhaps want to move closer to them and this type of restriction could be harmful to them.

Chair Russell Slack asked whether there was any type of percentage that can be added. She used an example of a housing grant where each year you live in the home the percentage of return is more. She felt the proposed program is a good opportunity for young families to be able to purchase a home in Keene. Most people moving out of their home in the first 5 to 10 years is slim. People who would qualify for this type of housing are not ones who would get the kinds of raises other type of homeowners do, and this is one way to make it affordable for them. Chair Slack stated many communities across the state are trying to figure out how to make affordable housing available in their communities. She stated she is in favor but would not want to see it go less than 25 years, as most people are going to have a difficult time maintaining these homes.

Councilor Ormerod stated if the Committee was looking to modify the language, NH Housing Authority has guidelines and suggested perhaps looking at the FHA Guidelines for guidance. Mr. Clements noted this program is about incentivizing developers to create affordable dwelling units, it is not necessarily about creating vehicles for wealth building. He stated he understands what was said about what a home can do for most people (a way to build wealth) but indicated this is not the intent of this proposal. It is about creating affordable places for people to live not just for the first person who lives there but for the second and third person. If it doesn't work for the first person and they have to move on because life happens, the unit is then available for the next person.

The Mayor asked whether staff has checked with developers to see if this something they would be interested in. Ms. Brunner stated it is challenging right now with the market that the way it is, but assuming the market does come down, staff did reach out to some other communities that have workforce housing options to this to see how successful they have been. Mr. Clements did

have a conversation with the Town of Exeter and their ordinance sounds like has been successful but it sounds like they only offer a density bonus of 15% but they had indicated if it was put in place again they would like to increase that density bonus to make it more attractive developers.

Mayor Hansel felt a 30 year mortgage for a homeowner seems fine but for an investor it seems too long.

Councilor Jones noted in the Rural District and Agriculture District, when someone constructs a structure and there is no access to water service, they are required to construct a cistern. He asked whether this was part of the zoning ordinance or part of fire code. Ms. Brunner stated it is part of the fire code. Chair Bosley asked whether it would be one cistern for an entire development or whether it would for one unit. Mr. Clements stated a 50,000 gallon cistern has a service radius of 2,500 feet.

Councilor Remy stated he could support 30 years for rental and understands the intent is to create affordable housing and that would also mean providing opportunities for more people to own homes, not just provide a roof over their heads. With the 30 year cap it could potentially trap people in their homes if the market rises.

Councilor Johnson asked how the City would make sure someone from out of state doesn't purchase these homes to make a profit. Ms. Brunner stated this is where the income verification agent would come in. The City has already had a discussion with Keene Housing about this issue and there are agencies elsewhere in the State that will also provide this service. What an income verification agent does is that they verify the buyer or the renter meets the income limits.

Mayor Hansel asked staff to verify that developers will take advantage of this ordinance. He stated he would like to see this clarified before this ordinance is adopted. Chair Russell Slack felt the City should move forward with this ordinance as there are other communities within the state that are going to try this. She felt it was time for the City to do something about affordable housing and this is a start in that direction.

She felt if the City did not wish to start with 30 years that is ok, but it needs to find a period that would work and move this forward. She referred to her own experience purchasing her home, which was in a land trust, which is not something that exists anymore. She indicated the proposed ordinance is a way for someone to be able to own a home in this community.

The Mayor stated he appreciates what the Chair just stated but what he is looking for is verification from developers to see if what is being proposed is sufficient enough incentive.

Chair Bosley stated there was a lot of discussion about this issue during the June Joint Committee meeting. She did not feel there was a perfect answer until we see how it is received. She felt this Committee could be back in 18 months and there might be nothing that has been proposed by a developer with the incentives being proposed. She felt it needs to be a priority to put this item on the books and but not walk away, it needs to be reviewed after a period of time. She stated staff needs to be updating the Committee on how these changes are impacting the community. She stated she was comfortable leaving the 30 years in the language. She indicated

she agrees with Councilor Remy, if properties around you have significantly increased in value more than what you could sell your home, now you are back at a disadvantage. Hence, she would like to see that number be significant – perhaps 15 years. She felt 30 years was a long time to hold someone accountable for a property.

Councilor Giacomo stated the longevity that used to exist with employment does not exist anymore and employment and housing tend to go hand in hand. He felt there is a shift from people owning homes for 30-40 years versus the generation that is coming up in their twenties; it is very common to leave a job every two to four years and he is concerned the City is not taking this into consideration and are using habits we are no longer in. He stated he was agreeable to discussing this with contractors but constructing this type of housing is better than not having any affordable housing at all. He felt data regarding homeownership needs to be looked at. He stated he appreciates what Mayor Hansel says, but felt the item needs to be moved forward.

Chair Russell Slack stated she can't see any 20-30 year olds who are purchasing homes right now as most are burdened with student loans and a majority of them still live with their families. She indicated she was fine with revisiting this issue if that is what the Committee wished to do but felt we need to start somewhere and staff can always do the necessary research. She indicated there are communities who already have this in place and Keene needs to move forward with it.

Chair Bosley agreed the City needed to move forward with it but stated she would like an update within the next 12 months to see how this program is working.

Councilor Jones asked whether the City was creating a reverse incentive; are we taking away the incentive if people want to use property for farming, conservation or open space.

Ms. Brunner stated with the CRD option, they have to put at least 50% of land into permanent conservation, hence it is actually a conservation tool; it is meant to protect more environmentally sensitive areas. It is a way to help protect steep slopes, wetlands and surface waters in the Rural District where there is a lot with those types of natural features. The intent is to preserve more land overall. However, with conventional subdivisions the use of the lot is maximized with the amount of units that you can fit on it to get the best return on investment for that land. With the CRD option it is double the incentive because they put at least 50% of the land in conservation so there is automatically 50% of the land that is protected. With the remaining land it is clustered closer together, so they get the same number of units, and the infrastructure they have to build is not as much – there is no need to build a longer roads or extend the utilities – hence, there is a cost savings there as well. It is an incentive for developers to create a subdivision that works better with the topography and the land features on the site.

Ms. Brunner reminded the committee that this is the public workshop phase, so if they wanted to make changes to the ordinance as long as they are not substantive changes (changing the 30 years would not be considered a substantive) it won't necessarily restart the process.

Mayor Hansel stated he wanted to move forward but wanted to point out to the Committee how the cluster housing models incentive has been an option in the City and maybe that's one permitted in last year. Ms. Brunner stated with the Land Development Code (LDC) there were a

number of changes made to the CRD regulations. Before the LDC was adopted there was one application, since the adoption last year there have been two submittals. The Mayor added we have to be conscious that this plan is used. Chair Bosley stated she understands what the Mayor is saying but the market in Keene has changed over the last ten years and if the City can pursue development and save its green space which something this community enjoys it would be a win for everyone.

Councilor Remy stated at this point he could not support 30 years and also noted he does not see a requirement for primary residency, it only refers to owner occupied.

Ms. Brunner continued with the workforce housing incentive. In return for meeting the workforce housing criteria, the developer would be eligible for a bonus of 20% or one dwelling unit, whichever is greater. In addition, staff is also proposing to allow triplexes in conjunction with the workforce housing density bonus. This would be a change, because it would be allowing triplexes in LD-1 and in the Rural District if the developer pursues the workforce housing density incentive. The thinking behind that is, it is a lot cheaper to build a triplex than to sell three units or to build three single family, still being cautious that this is still the Rural District and we want to make sure that whatever is built fits in the character of the surrounding area.

Chair Bosley referred to condo developments outside of Tanglewood Estates and asked how those structures are designed. Ms. Brunner stated the condo developments she is aware of are located in the Low Density District and they are three to six unit condos. She stated she recalls one condo development in the Rural District but wasn't quite positive.

Councilor Remy asked for clarification on the construction of triplexes; if you provide workforce housing triplexes would a developer also need to provide market rate triplexes as well. Ms. Brunner explained if a developer meets the criteria for workforce housing incentives, then they could add triplexes into their development but only 20% of the dwelling units would have to be workforce housing (some of the units in the triplexes could be market rate).

Ms. Brunner went on to say any applications for the Workforce Housing Density Incentive would need to include the following submittal items: A written request that includes a calculation of the number of workforce housing units provided, a description of each unit's size, type, number of bedrooms, estimated cost, and location within the development; A written statement explaining how the dwelling units will remain affordable for a period of 30 years (i.e. deed restriction, restrictive covenant, etc.); and any additional information the Planning Board may request in order to determine whether the requirements of the Workforce Housing Density Incentive have been met.

Ms. Brunner further stated one of the things the staff identified is that when the LDC was adopted, staff changed the CRD option from a conditional use permit (CUP) application to a subdivision application. She stated she wasn't entirely sure why that change was made, perhaps to make things simpler and easier. Prior to the LDC, the CRD CUP used to be located in zoning, and then the actual CRD regulations were with the Planning Board. However, when the City changed it just to a subdivision application, the part that was in zoning was removed. Currently there is no connection between the zoning ordinance, which is chapters 1- 18 of the

Land Development Code, and the CRD Regulations, which are in chapter 19. When the LDC was adopted, it was all adopted as one document through the same process. Because there is nothing about the CRD Regulations in zoning, the City Attorney has advised that a connection has to be re-established between the Zoning Ordinance and the CRD Regulations. Hence, what is being proposed tonight is to fix that oversight.

The other glitch that was found during a recent application for a CRD subdivision application. When the LDC was adopted, one thing that was done to make the CRD an easier process was a change to the way density was calculated. There are two ways density can be calculated; The first is a simple formula method which is what we have today. The second is using something called a Yield Analysis Plan, which is where a developer has to create a whole plan showing the number of units that they could fit in a CRD if they were to build it as a conventional subdivision. Then they have to verify with the Planning Board that this is the number of units that they could get. They have to then do a separate plan for the CRD. Ms. Brunner stated this is a long involved process and have heard from developers that this is one of the reasons they were previously not in favor of the CRD option.

Hence, with the LDC adoption, the yield analysis method was changed to the formula method, but the requirement to submit a yield analysis plan was not deleted. Hence, staff is proposing to delete this requirement.

Ms. Brunner stated with the Menu of Incentives that is being proposed, the developer is able to choose more than one incentive. However, staff is proposing an overall density cap at 30%.

Chair Bosley opened up the public workshop for public comments.

Mr. Kendall Lane of 5 Hastings Avenue addressed the Committee first. Mr. Lane stated the reason he was invited to address the Committee tonight is because he has been involved in most of the changes that have taken place over the years with the zoning ordinance. Mr. Lane stated as everyone is aware Keene has a housing crisis – the question is why Keene has this housing crisis. Mr. Lane stated between 1950 and 1960 the City grew by 12%. Between 1960 and 1970 the City grew by over 16% (close to a 30% increase in 20 years). In 1960 Keene had the second fastest growing community in the State of New Hampshire, which became a real concern. Mr. Lane stated he first became involved in 1978 when he was part of the Housing Authority, to look at the impact as to the growth that was taking place. Schools were at capacity and water and sewer were having issues due to being over capacity. Development was happening everywhere in order to support the increased population.

Keene knew it had to do something. The first thing was to move the minimum lot size from one acre to five acres. Keene did away with Planned Unit Development as well as all cluster housing proposals. This lasted about 20 years before the CRD came in. He added in the 10 years he was on the Planning Board there was not a single CRD proposal that came before the Board due to its complexity.

After these changes were put in place, between 1970 to 1980 the growth rate fell from 16% to 4%, and continued to fall. It was down to 2% from 2000 to 2010. This served the purpose that

the City set out to do. However, times have changed, the City now has a new water treatment plant. The freeze that was placed on new water connections is not an issue. The City has a new Middle School, a third of which is vacant. The High School has half the number of students it had 30 years ago. The City has closed two elementary schools in the last few years.

Mr. Lane stated when he stepped down as Mayor there were nearly 1,000 industrial jobs in Keene unfilled. He noted Keene is a desirable place to live, but without housing it is almost impossible to attract people to this community. He stated he was on the Re-districting Committee and had chance to look at the census figures early; overall census figures show that the City of Keene's population dropped by 392 people which he said was very misleading. The college population dropped by over 2,000 people. The actual population, people who are not associated with the college grew by about 1,800 people. This is the fastest rate of growth Keene has had since 1970. The reason there are no apartments or houses available is because Keene brought in 1,800 people to fill those positions. The real estate market vacancy rate in Keene is 0.3%.

Mr. Lane noted Keene was successful in bringing people to live, work and support the economy but not when it came to housing. He indicated there are things the City itself can do and felt this proposed ordinance is a reflection of that. He stated Keene has an aging housing market. This needs to be refreshed, new housing needs to be built and make it possible by creating ordinances that are easy to understand, simple and straightforward.

Housing needs the support of Council, not because Keene is going to build affordable housing or workforce housing. But Keene needs to create a level playing field that will support all types of housing so that the City can continue to prosper. Mr. Lane stated he has heard from many businesses that have indicated they can't stay in Keene because of the lack of housing.

Chair Bosley felt Covid has magnified this housing crisis, because we have created a unique community and people who can work remotely have discovered us. This is pushing people who are born and raised in Keene out of Keene.

Chair Slack thanked Mr. Lane for his presentation and stated Keene has housing that is available but unfortunately none of them are affordable housing. She felt what is being proposed is one way to bring in affordable housing.

Mr. Lane stated when creating workforce housing it needs to be maintained, there has to be enough of an incentive on the owner to maintain that property.

Councilor Jones stated in addition to technology and industrial jobs, since Covid began hospitals are having a difficult time finding doctors because the hospital can't find homes for them. SAU29 is having the same issue.

Mr. Lane felt childcare is another big issue when it comes people's ability to work.

Ms. Janet Furcht of 64 Park Avenue addressed the Committee. Ms. Furcht is a member of the Monadnock Interfaith Project and on the Board of Directors for Monadnock Habitat for

Humanity. Ms. Furcht stated the issue that was raised previously about denying people the opportunity to cash in on the appreciation of their home, they are not being denied everything. What people are looking for is a place to live and if at the end of 20 or 30 years, they don't make as much as the person down street, they would have at least had secure housing for their family. Their kids could have stayed in the same school, in the same neighborhood. She stated if it equates to renting a house for 30 years versus owning a house, most families would like to own their own home. She stated she did not want the City to lose sight of that.

She indicated it is great that people who work remotely are owning some of these houses. However, if we don't have a place for people who look after us in the hospital, look after us in the nursing home, look after us when we go shopping, etc., there will be people would have a terminal illnesses at home and not be able to find a homecare worker to help them.

Ms. Laurie Jameson addressed the Committee on behalf of being a member of Monadnock Interface Project. She thanked the committee for all the work that is being done. She indicated workforce housing is not the same as affordable housing. She felt working people in Keene, police, fire etc. deserve a secure housing. She asked that this item be moved forward as there are problems that exist today that need to be handled.

Mr. Thomas Lacy of 241 Daniels Hill Road was the next speaker. He stated he understands the need for housing. He stated he wasn't sure he is comfortable with the changes being considered for the rural zone - 60% change of minimum acres from five acres to two acres, which he felt could have some serious consequences in the rural zone that are independent to workforce housing. He felt there will be some very creative options coming into the rural zone, which is going to make the rural zone not look like what it currently is.

Mr. Lacey did not feel there has been proper analysis and attention paid to what could happen as a result of these changes to the rural zone. He indicated a lot has happened since 1972; there have been two or three real estate booms and busts. There has been the introduction of current use assessment. Many rural properties are in current use if they have a minimum of 10 acres.

He stated the taxes in the rural zone will go up because properties that are between four and ten acres are now going to be identified as potential development area and will be taxed as such. He felt these are consequences of making such a change.

Mr. Lacey further stated between the period of 2005 to 2008, there were extended meetings on land use and the importance limiting development in the rural zone because of storage of water, storage of nutrients that additional upland development would cause. He stated he understands the momentum but has not heard the consequences for the owners there currently live in the rural zone and how it is going to affect them. Mr. Lacey stated the three uses that help a town's tax base is commercial, industrial and open space – open space doesn't require city services. He added he does acknowledge the need for the housing, but felt the rural zone is going to be affected negatively based on these proposed changes.

With no further comment, Chair Bosley closed the public hearing.

Mayor Hansel felt in reading this documents the housing authority and the nonprofit developers are the ones who are going to take advantage of these incentives. He stated he would like staff to make sure that the City is not creating some kind of a unfair advantage for nonprofit developers to do affordable housing.

Chair Slack stated Housing Authorities will never have an unfair advantage and stated she cannot think of any other way to solve the housing issue. The Chair stated there will never be a perfect solution.

Councilor Remy stated he would be okay with 30 years if the language says it has to be their residence for 10 years.

Chair Bosley stated she heard the term “housing security” mentioned today by a member of the public and felt this adds another layer to the discussion that she hadn’t considered. When you rent you are always at the mercy of your landlord, but when you own you have more stability and freedom.

Mr. Clements clarified that with the owner occupied units, if someone were to immediately turn the property into a rental or an investment, it would be considered mortgage fraud and there are securities built into the contract and there are financial practices that are in place for added protection.

Councilor Remy noted the header refers to “owner occupied” but nowhere in the language does it talk about the unit having to remain as owner occupied. Mr. Clements stated the deed will outline this language. It is not in the ordinance, but it becomes the applicant’s responsibility to guarantee that these units do remain owner occupied for the term outlined in the ordinance.

Councilor Jones asked Councilor Remy whether his concern is that the property would be used as a rental or a second home (vacation). Councilor Remy stated he wasn’t sure if owner occupied would mean it is being used as a primary residence.

Chair Bosley stated that, to qualify for an owner occupied mortgage, you would have to live in the residence only for the first 12 months. At that point it can be rented out and felt language would either have to be built into the deed or into the ordinance. She asked what happens in a situation where someone has to sell their home because they have to move for a job and can’t sell the property and would have to then rent the property.

Councilor Giacomo, with reference to the CPI issue, said that with the exception of a period in the late 1920’s, any 30 year period will give you about a 150% return and did not feel that is a terrible return and hence did not have an objection to the 30 years.

A motion was made by Mayor George Hansel that the Planning Board find the Ordinance O-2022-09 as amended consistent with the Comprehensive Master Plan. The motion was seconded by David Orgaz and was unanimously approved on a 7-1 vote with Councilor Remy voting in opposition.

A motion was made by Chair Kate Bosley that the PLD Committee recommends the Mayor set a public hearing on the amended Ordinance. The motion was seconded by Councilor Michael Giacomo and carried on a unanimous roll call vote.

IV) New Business

None

V) Next Meeting – Monday, September 12, 2022

VI) Adjourn

There being no further business, Chair Bosley adjourned the meeting at 8:26 PM.

Respectfully submitted by,
Krishni Pahl, Minute Taker

Reviewed and edited by,
Mari Brunner, Senior Planner