## <u>City of Keene</u> New Hampshire

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

Monday, October 17, 2022

6:30 PM

Council Chambers, City Hall

#### <u>Planning Board</u> Members Present:

Pamela Russell-Slack, Chair David Orgaz Mayor George S. Hansel Emily Lavigne-Bernier Harold Farrington Roberta Mastrogiovanni Armando Rangel Randyn Markelon, Alternate Kenneth Kost, Alternate

# Planning, Licenses & Development Committee Members Present:

Kate M. Bosley, Chair Philip M. Jones Gladys Johnsen Raleigh C. Ormerod

Planning, Licenses &

## **Staff Present:**

Jesse Rounds, Community
Development Director
Mari Brunner, Senior Planner
(Zoom/Conference Phone)
John Rogers, Building & Health
Official
Dan Langille, City Assessor
Evan Clements, Planner (Zoom)

### <u>Planning Board</u> Members Not Present:

Councilor Michael Remy Gail Somers, Alternate Tammy Adams, Alternate

# **Development Committee Members Not Present:**Michael Giacomo

#### 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 – September 12, 2022

A motion was made by Mayor Hansel to approve the September 12, 2022 meeting minutes as presented. The motion was seconded David Orgaz and was unanimously approved.

#### III) Public Workshop

Ordinance O-2022-09-A — 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.

Chair Bosley asked staff to present. Jesse Rounds, Community Development Director, addressed the Committee. He said that this is the second time that staff has come before the Committee to discuss this ordinance at a public workshop, and thanked everyone for coming. Tonight, staff will go over the ordinance as it is written; however, staff are recommending that a segment of the ordinance be split off, specifically, the change to the Rural District minimum lot size, and that the ordinance move forward with just the changes to the Conservation Residential Development Subdivision (CRD) regulations. He said that staff hopes the Committee will vote on the ordinance with this change tonight.

Mari Brunner, Senior Planner, addressed the Committee next. She said that, to reiterate what Mr. Rounds said, staff are recommending at this time the Committee separate out the Rural District portion of the ordinance and put that on a separate track. She referred to a presentation, and said that this presentation will focus on the proposed changes to the CRD regulations. However, if there are any questions about the proposal to reduce the minimum lot size in the Rural District from five to two acres, which again staff are recommending should be separated out from the ordinance at this point, she is able to answer questions and has prepared slides.

Ms. Brunner said she will give an overview of the Rural District and the CRD Regulations, then review the proposed changes to the CRD regulations. She started by reviewing the intent statement for the Rural District, which states "The Rural (R) District is intended to provide for areas of very low density development, predominantly of a residential or agricultural nature. These areas are generally outside of the valley floor, beyond where city water, sewer and other city services can be readily supplied." Next, she reviewed the current dimensional standards, none of which are proposed to change if the minimum lot size portion of the ordinance is separated out. She referred to a map of the Rural District, and noted the location of points of interest to help people orient themselves (Central Square, Goose Pond, Keene High School, Keene YMCA, and Langdon Place). The areas shown in green are all zoned "Rural." She said that these areas are generally out of the valley floor, and showed a map that shows the extent of City sewer and water, which illustrates the fact that there is not much overlap between City water and sewer service and the Rural District.

Ms. Brunner continued, saying that there are 1,121 parcels in the Rural District (this increased slightly with the new data for this year). She referred to a pie chart that shows parcel counts by size range and a pie chart that shows the percentage of parcels that are conforming with respect to lot size (42%) and non-conforming with respect to lot size (58%). Chair Bosley asked for clarification on what it means for a parcel to be non-conforming. Ms. Brunner said this chart is

showing parcels that are non-conforming specifically with respect to lot size, which means they are less than five acres in size. These are the parcels that are non-conforming today. She noted that staff felt this was an important statistic to know because having a non-conforming lot restricts what a property owner can do with it.

Ms. Brunner discussed development constraints within the Rural District, and said that staff attempted to map these constraints to the best of their ability, but she noted there are constraints that they cannot map. The first constraint is parcel size – if a parcel is less than 10 acres in size, it cannot be subdivided today without a variance because the minimum lot size is five acres. In addition, a lot must have both frontage and access on a Class V road or better in order to be developed, and conservation easements can also prevent any future development. A major constraint is the presence of surface waters on a property – these include wetlands, rivers, streams, lakes, ponds, vernal pools, etc. and property owners are required to maintain a 75 foot buffer around all of these. Staff does not have all of these surface waters mapped, but the City does have a wetlands map that is shown. Finally, steep slopes with greater than a 25% grade cannot be developed, and precautionary slopes (between 15-25% grade) are limited in what can be impacted (up to 20,000 square feet per parcel). The final map shows all of these features overlaid on the Rural District map. Ms. Brunner said that everything shown in green is what is left over and can theoretically be developed. Chair Bosley asked what the percentage of the map was grayed out. Ms. Brunner said that staff were not able to do an analysis to calculate the area that was grayed out, however it is a significant amount. She noted there are further constraints that are not shown, so the point that she is trying to make is that development in the Rural District is very challenging.

Chair Russell-Slack asked Ms. Brunner to show the map of land-locked parcels, and asked for confirmation that they are not developable. Ms. Brunner said that is correct; they need frontage to be developed. Councilor Jones said that, to put the steep slope numbers into perspective, Chesterfield Hill is a 9% slope, so the 15-25% slope areas are very steep. This is why they aren't buildable. Chair Russell-Slack said another comparison is the property on Route 9, as you turn off Winchester Street going toward Concord that land cannot be built upon due to steep slopes.

Ms. Brunner gave an overview of the CRD Subdivision regulations next. The purpose of these regulations is to create an opportunity for development to occur in the Rural, Low Density, and Low Density 1 districts in a way that will protect environmentally sensitive areas, such as wetlands and steep slopes. It does this by allowing for greater flexibility and creativity in the design of the development. She referred to a graphic that illustrates this concept. The image on the top is a piece of land that was subdivided as a conventional subdivision, whereby the entire parcel of land is divided up into individual lots and you are left with the entire parcel being developed into a certain number of dwelling units. The bottom image shows the same parcel of land that is developed as a CRD subdivision. In this case, the dwelling units are clustered closer together and a portion of the land is conserved as green space. Overall, the developer gets the same number of units, but at least 50% of the land is put into conservation. This is the idea behind a CRD subdivision. Ms. Brunner reviewed the terminology for CRDs, including tract (starting piece of land), lots (new parcels created as part of the subdivision), open space (land permanently conserved), and primary conservation areas (wetlands & surface waters, slopes greater than a 25% grade, floodways, & springs).

Next, Ms. Brunner showed a table with the dimensional standards for CRD subdivisions. The table is split into two sections — there are dimensional standards for the starting tract of land, and standards for the new lots that are created. She noted the tract must be at least 10 acres to start in the Rural District, or five acres in Low Density or Low Density 1. She also showed a table with the CRD density factors, which are used to calculate the maximum number of allowed units for a CRD subdivision development. She noted that the method for calculating the number of units used to be done using a "yield analysis" method; however, this process is difficult and adds expense to the process. The density factor method is simple and works well — to get the maximum number of units, you divide the tract size by the density factor. Next, Ms. Brunner reviewed the permitted uses within the CRD regulations, which allow for greater flexibility in housing type. She said that in the underlying zoning districts for Rural, Low Density, and Low Density 1, only single family homes are allowed. CRD allows two family, and in Low Density, multi-family with up to six units are allowed. The open space uses are restricted to conservation, agriculture, forestry, or passive recreation.

Ms. Brunner said that she is now going to talk about the changes that are proposed within the CRD regulations. She said that staff are proposing to add what they are referring to as a "menu of incentives" to the regulations. The intent of these incentives is to encourage developers to build developments that provide a public benefit in return for an increase in the number of units they can include in a development. There are three options proposed, and the total allowable density bonus is proposed to be capped at 30%. The first density incentive option is for open space. The starting tract must be at least 10 acres, if the developer conserves at least 65% of the area as open space (up from 50%), they get a density bonus of 10% or one unit, whichever is greater.

The second density incentive option is the "solar friendly subdivision" option. The developer would need to meet specific criteria, in return they would get a density bonus of 10% or one unit, whichever is greater. The third option is for workforce housing. For this option, due to the challenges with developing workforce housing, the developer would need to meet the workforce housing criteria and in return they would get a density bonus of 20% or one unit, whichever is greater. In addition, they could build triplexes (three-unit multifamily buildings).

Ms. Brunner said that the goal of option 2 (solar friendly subdivision) is to encourage the installation of solar photovoltaic (PV) energy systems in new construction. It is based on the premise that the ideal orientation to harvest solar energy is within 30 degrees of true south. The proposed criteria for the solar friendly subdivision include:

- 50% of lots must be "solar oriented," which is defined as having the longest lot line dimension oriented within 30 degrees of a true east-west line.
- Dwelling units on solar oriented lots must be oriented so the long axis faces within 20 degrees of true south
- For each dwelling unit on a solar-oriented lot, 4 kW of solar PV must be installed. Ms.
  Brunner noted that the solar PV must be installed within the development, but not
  necessarily on the same lot at the dwelling unit, and it could be roof-mounted or groundmounted.
- Where practical, roads shall be oriented within 30 degrees of east-west orientation.

The submittal requirements for this option include a description of how the development meets the criteria just reviewed as well as a solar access plan. The intent of the solar access plan is to demonstrate that building areas or structures on solar-oriented lots would get enough sunlight for solar PV to be feasible.

The third incentive option is for workforce housing. The goal of this incentive is to encourage new developments that provide workforce housing as part of the mix, and to provide a diverse supply of home ownership and rental opportunities to households that are low or moderate income. Within this ordinance, "Workforce Housing" is proposed to be defined as for-sale housing that is affordable to a household of four earning up to 80% of the HUD Area Median Income (AMI) or rental housing that is affordable to a household of three earning up to 60% AMI. Ms. Brunner said that these numbers for Cheshire County right now are a sale price of \$233,500 for a family with an income of \$71,280, or a rental price of \$1,200 (including rent and utilities) for a family of three with an income of \$48,110.

The proposed criteria for owner-occupied units includes the following:

- 20% of dwelling units must be Workforce.
- Units sold with deed restriction & recorded housing agreement that names an Income Verification Agent to verify purchaser meets the income requirements.
- Resale value restricted to the affordable purchase price for a period of 30 years. In addition, the resale value of the unit is not to be more than the original purchase price plus two times the accumulated consumer price index.
- Workforce units must be approximately of the same size, character, quality, etc. and be evenly distributed throughout the project.
- Affordability defined as housing that can be purchased under a conventional mortgage whereby the combined annual expenses for principal, interest, property taxes, homeowner's insurance and condominium fees (if applicable) will not exceed 30% of household income.

The proposed criterial for rental units includes the following:

- 20% of dwelling units must be Workforce.
- Units sold with deed restriction & recorded housing agreement that names an Income Verification Agent to verify renter meets the income requirements.
- Rental value restricted to affordable rental price for a period of 30 years.
- Workforce units must be ~same size, character, quality, etc. and be evenly distributed throughout the project.
- Affordability shall be defined as housing that can be rented whereby the combined annual rental and utility expenses will not exceed 30% of household income.

Finally, the submittal requirements would include a written request for the density incentive that includes a calculation of the number of units provided under this section and a description of each unit's size, type, number of bedrooms, estimated cost, location within the development, and other relevant data, as well as a written statement describing how the proposed development will meet the criteria described previously. In addition, the Planning Board can request additional information if the Board deems it is necessary. Filing requirements would include written documentation of any legal instruments required to demonstrate compliance with the criteria of any and all optional density incentives granted by the Planning Board. Such documents shall be

submitted to the Community Development Department and are subject to the review and approval by the City Attorney prior to signature.

Mayor Hansel asked what would happen in the case where a property owner has a deed restriction on their property, then the City changes the code later on to be either less restrictive or more restrictive. He asked whether the development would be under the code from when it was built due to the deed restriction and how the owner would deal with that issue. Ms. Brunner said that the owner would be beholden to the deed restriction and the rules that were in place when the property was developed. Evan Clements, Planner, added that all projects are beholden to the zoning under which they were approved, including any workforce housing developments. In addition, the City itself is listed as party on the restrictive covenant and is able to amend it as needed. The owner can work with the City to make changes to the deed restriction. The restrictive covenant is a legal document where the City is a named party that is negotiable down the line. For example, if a property owner moves and needs to rent out their property for a period of time, then that is something they can work out with the City. Chair Russell-Slack asked who at the City the property owner would work with. Ms. Brunner stated the property owner would reach out to the Community Development Department in the first instance, then work with the City Attorney's Office to amend the covenant. Chair Russell-Slack clarified it would not go back to City Council or the Planning Board. Ms. Brunner said that is correct; however, any changes would need to be consistent with the regulations on the books at the time.

Chair Bosley thanked staff and said that this Committee has heard this presentation before and has had a lot of their questions answered already. She asked for public comment next. Councilor Johnson stated that she would like to apologize for her comment at the public hearing, she realizes that sometimes it is difficult for people to follow along and know what is going on.

Chair Bosley stated that there are two portions of the ordinance, the first issue is the five acres to two acre lot size, which will most likely be removed tonight, and the second is the changes to the CRD regulations which staff just reviewed. She asked that people identify which issue they are referring to in their comments.

The first speaker was Tad Lacey of 241 Daniels Hill Road. Mr. Lacey stated he is on the fence with respect to CRDs. He felt the City could accidentally approve something that technically meets the requirements, but in the future may wish it didn't. He stated he didn't know whether a little more investigation of what, exactly, it means to have a CRD in the rural zone should be pursued. He stated he owns a piece of property at the end of a town-maintained road, which could potentially be a CRD. He thinks it would be a bad idea to place a CRD at this location because, for example, it would add significant costs to the City to maintain the road. With respect to workforce housing, we are all hearing how bad the situation is worldwide. He noted that most communities have not solved this problem. He personally thinks that workforce housing and affordable housing should be within the City's existing infrastructure for two reasons. First, if people start having failures for instance with well and septic – it would be better for them to be on City service. Secondly, he is thinking of children in the neighborhood who would need access to City parks. Therefore, he doesn't think the uses allowed for CRD make sense. Finally, he is aware the Governor approved quite a bit of money for investigating this issue, and the City received some funding, and suggested the City should wait until that investigation is done before moving forward with this proposal.

Chair Russell-Slack asked if Mr. Lacey was referring to Invest NH. Mr. Lacey replied he wasn't sure. Chair Russell-Slack stated that the Invest NH program is federal funding the state received which the Governor is using for housing, but it is only for projects that are ready to go. Mr. Rounds added the City applied for and received funding for a Housing Needs Analysis (\$15,000) and additional funding for regulatory development. This will be an ongoing project, it is part of a larger effort to find solutions, and the discussion tonight is just one small part of this overall solution. Mr. Lacey thanked staff for the information and stated that he felt workforce housing should be within the City infrastructure. He also felt the other CRD uses should be investigated more because they are going to cost more, especially with respect to road maintenance.

Bobby Williams, Ward II City Councilor and resident at 66 North Lincoln Street addressed the Committee next. He noted to what the Town of Amherst is doing with density multipliers – they have been recommended as one of the best examples in the state of what is already happening. Amherst has quite a list of density multipliers, including workforce housing, having open space be accessible to the public, etc. The Councilor stated the item he would like to see is for disability access which says that, if the development meets ADA Standards, the developer could get a density bonus of 15%. He felt this would fill a critical need; if someone is in a wheelchair, they are much more limited in where they can live. He reiterated this is a density multiplier he would like to see.

Eloise Clark of 1185 Roxbury Road was the next speaker. Ms. Clark stated she is pleased that the Committee is considering splitting off the five acre to two acre change. She said it is really important to go slow. These are the types of areas that, if they get developed, you won't know what you have lost until it is gone. She wanted to emphasize what others have said about staying within the already built infrastructure. She would like to see the Committee focus on other districts, wait five years and monitor the situation.

Derek Scalia of 16 Hillside Avenue began by thanking the Committee for their service to the community, and said he was here as a person of faith and a member of the Monadnock Interfaith Project (MIP). He stated he was speaking in support of the ordinance change, primarily for the acreage change but also the changes presented this evening. For several years he has been studying alongside MIP and others on the causes of housing insecurity and factors contributing to the housing crisis. What he learned is that the issue is very complex - there is no one solution or ordinance that will solve everything, it will take a lot of creativity and many changes to make that impact. He also comes forward as a deep lover of the environment and this region. He stated he recognizes that rural identity is something special. He added that he appreciates everyone who advocates for green space and our environment. One of the benefits of the system that we have is there are checks and balances inherently in our coding, regulations and ordinances that we have in place to protect our wetlands and other development constraints, to preserve our environment and the integrity of this region. Just because land may qualify due to its acreage, it doesn't mean that it will actually go through because of the other ordinances in play. This ordinance, to him, opens up possibilities to address housing needs while maintaining our rural identity and green space. Mr. Scalia felt it would not be a cure-all, but it is a step forward. He added as we are debating these issues, our region is suffering and more importantly, people are hurting and we have an obligation to serve those individuals.

Ms. Janet Furcht of 614 Park Avenue addressed the Committee next stated that she has been on the MIP Housing team for a few years and has been studying this issue for a while. She stated the MIP Housing team is most concerned about people with less than 60% AMI and is happy to see the focus on workforce housing and asked the Committee not lose sight of that. With respect to CRD, she said that the City is putting in lots of protections for surface waters, steep slopes, etc. so as housing is developed these environmental areas are protected. With respect to the comments about only adding housing where infrastructure already exists, she questioned whether the existing infrastructure has the capacity to support the significant increase to the volume of housing. Ms. Furcht added the community is aware of the housing insecurity that exists. This is an issued raised even by major employers in this region. She noted that a major employer in Peterborough is purchasing land and constructing their own housing. This is also something that is happening in Jaffrey.

Ms. Furcht felt the City needs to make it possible for people to come to this area and work in our companies so they continue to exist and thrive. Lastly, she expressed support for the comments regarding incentives for ADA. She noted that much of the older housing stock in Keene is not accessible and is as far from ADA compliant. She noted individuals who are wheelchair bound become isolated and housebound. Hence, providing more opportunities for our neighbors is important to improve their mental state.

Mr. Cole Mills of 68 Langley Road felt workforce housing should be constructed in the City center where there is access to infrastructure and walkability. Mr. Coles stated he chose to live in a rural neighborhood so as to provide for space between him and his neighbors. With this ordinance, he could be living next to a condominium with a tremendous amount of traffic. This will take a scenic road in Keene and burden it with heavy traffic, which will also require upgrades. He also noted to the issue of emergency services.

Mr. Mills went on to say it is very expensive to build right now. Hence, to construct workforce housing you have to build multi-family or manufactured housing. Single family homes are not feasible. He noted the increase in housing prices in Keene at the present time. He felt lack of housing is not the issue, the issue is that Keene is geographically undesirable and there is lack of convenience. He said that going from five acres to two acres won't solve anything. However, it might take beautiful scenic neighborhoods and destroy them. He also noted that Keene has one of the highest tax rates. If the lot size change goes through, that will split his land into two buildable lots, which will add \$50,000 to his tax bill. He stated Keene has more housing than it has ever had and has an aging population. The housing crisis is a temporary issue. He felt Keene will see a big turnover in the next 10-15 years as the baby boomers age out, making housing available for the next generation.

Mr. Mills said that he is disappointed that Ms. Brunner and other members of staff who worked on this item are not large property owners who own property in the Rural District. He felt they don't have any investment in the community; they are renters and don't understand what makes the neighborhood or community special. The figures they are using are not updated and no one can construct those properties unless they are condos. Mr. Mills added in addition, bringing kids into the school system also places a burden on the rest of the tax payers. He also said that the conversation on deed restrictions was enlightening and is a contract that can change. The CRDs

do protect areas, but they condense housing which changes the feel of the area. These uses should be inside the infrastructure where they fit in with the neighborhood feel. He noted that he could probably qualify for workforce housing because there is no asset test, so as a retiree he could exploit that. In conclusion, he asked the Committee not to change the acreage from five acres to 2 acres and to think about workforce housing only in areas of the City that can afford it and to place CRD in those in areas where they fit the neighborhood.

Ms. Laura Tobin of Center Street addressed the Committee next. She said she wanted to speak to both issues, and specifically to the workforce housing issue. Ms. Tobin stated at the present time it is not possible to accommodate everyone without a sacrifice and right now it is people that are being sacrificed and pretty soon this will become apparent. She referred to conversations she overheard regarding the price to rent and the income paid in the area which makes it difficult to afford housing. She also noted to the lack of medical providers in this area and to the shortage of police officers. Ms. Tobin stated she has lived in Keene since she graduated in 2006. She has come to accept that even with a college degree, she will never be able to afford to purchase a property and part of that comes back to rents being so high. She hears that there are homes available for \$300,000, but those are not starter homes. When starter homes are not available, people are in apartments longer.

Ms. Tobin stated she attended a meeting at the Savings Bank of Walpole recently and learned that this issue isn't something new and it's been difficult to find an answer that works. It is true communities everywhere are struggling but there needs to be a solution.

Ms. Matthew Hall of 431 Hurricane Road stated what is before the Committee is a complex subject. He stated he understands the lack of affordable housing but questioned the real purpose of this change; is it to increase the tax base. He questioned whether the workforce problem was the same as affordable housing. At the same time, there are things that are influencing the problem that we have no control over. One issue is individuals who own multiple single-family homes; it is one of the hottest real estate investments. He did not feel the rural zone was holding the community back when it comes to housing. He suggested placing taxes on properties that are not primary occupancy. Mr. Hall felt when someone tries to purchase a home in this area they are bidding against purchasers outside of New Hampshire and that is what is driving the cost of these homes up.

Mr. Hall felt if the City wanted to maximize livable space, additional units should be added to larger homes without changing the external structure. He felt this would cost a lot less if water and sewer are available. He felt this would be a much better solution than building where you would need a wetlands permit, septic, wells, etc. Mr. Hall stated affordable housing in the rural District would be a challenge. He also referred to some of the elderly population who own homes in the rural district and if their taxes are raised the City will be forcing them out of their homes.

Mr. Hall went on to say they have had issues with excess water on Hurricane Road to the point where school buses couldn't get through and the excess water issue was partially due to new development. He added the water issue is getting worse. Mr. Hall stated when variances are approved and there is a clause added where no runoff would get on to an abutter's property – he questioned if the City makes sure this standard is adhered to.

Mr. Hall stated the Committee should consider the Master Plan, Ordinance 2017-10 where it spells out some of these concerns. Mr. Hall read a statement from the Master Plan regarding infill development and how it should be consistent with existing development patterns. He noted the state has a similar statement. He asked the Committee to consider existing structures within the City where we can, for less money provide an incentive to construct an apartment, maybe lower their taxes to add this apartment which will create more infill development.

Mr. Gary Warewine of 411 Hurricane Road was the next speaker. Mr. Warewine stated that we are living in a crisis. He felt to make the changes the City would like to see, would require funding.

Ms. Pat Gutierrez of 467 Hurricane Road stated she lives in the rural district and has lived in her property for about five years. She stated they have been through a flood, a bear breaking into their garage twice, and speeders. She stated they moved to this neighborhood because of its beauty. She agreed housing is a crisis around the world. She felt people are purchasing housing and turning it into short-term rentals. She questioned what would preclude someone from doing a short-term rental on their property, because this is what is ruining the housing market. Mr. Rounds in response stated there will be a deed restriction on these CRD developments, which would mean these workforce housing can only be owner occupied for the 30 years; workforce housing is part of the property.

Ms. Gutierrez stated her other question is in relation to wetlands and noted staff had previously stated that the City does not have complete wetlands maps. She noted there was development planned for Hurricane Road and there is a wetland that abuts her property that flood all the time. However, three years ago a development was approved in the area above her property. She stated she had called the state about this wetland and was told the wetland it didn't qualify for protections. She questioned how wetlands are ranked in New Hampshire. Mr. Rounds stated if a wetlands can be delineated by a wetlands scientist that wetland is protected. However, if this property was developed before that regulation was in place, that regulation would not apply. Ms. Gutierrez asked when the regulations went into effect. Chair Bosley noted the committee was not here to debate a specific project. Ms. Gutierrez thanked the Committee for their time.

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

Chair Bosley stated she is a landowner in the rural district and a majority of her land is in current use but if it wasn't in current use even with the five acre minimum, her land could be developed. She indicated she knows of others who have similar land and have discussed these topics keeping the best interest of the City in mind. She also stated this committee, over the past several years, has painstakingly worked on many areas of the Land Development Code and noted the rural area is not being targeted specifically for housing. The committee has looked at downtown core, downtown transition, institutional areas, industrial areas; this is a process where they are looking at the entire city to provide housing opportunities. As opportunities are created in one area, people will be moved from one area to another area. However, if you don't create opportunities for units to be developed, none of that movement can happen. There are people who want to relocate to this area, possibly remote workers, because this is a beautiful and desirable place to live. However, this places a strain on the people who already live here. The Chair stated the City is trying to create

opportunities for housing stock in our community for police officers, nurses, firefighters, etc. not just for homeless people. She stated there is a distinct line between affordable and workforce housing. Workforce housing is for people who are working regular jobs, they are not individuals who have housing vouchers but are first time homebuyers, possibly divorcees who want a stable home for their children. She added the City is not solely targeting the rural district; there is a proposal to increase height in the downtown, permitting apartments above commercial buildings – the City is looking at this issue holistically.

Chair Bosley said that she appreciated the comments about accessibility. She asked Ms. Brunner if staff discussed this item. Ms. Brunner said that staff did not discuss this; however, her understanding is that the building code does require accessible units for multi-family units, but the Code Enforcement Superintendent John Rogers who is present today may be able to provide more information. Mr. Rogers addressed the committee and stated the building code does dictate which unit must be accessible and multi families would require a certain percentage. Chair Bosley asked whether there are any density bonuses or incentives for accessibility; Mr. Rogers stated there are not, but this is a possibility, especially as the committee looks at other districts.

Chair Bosley asked if the committee is in favor of removing the five acres to two acres from this ordinance. Councilor Jones asked if this would create two ordinances. Chair Bosley stated it would move the CRD changes forward as part of this ordinance, and the committee would come back at a later point for the five to two acres discussion. Chair Russell-Slack asked if this means that the committee would be continuing the five to two acre discussion. She thought it was getting split into two ordinances, and both would move forward as separate issues. Chair Bosley said the five to two acres would need to be re-submitted as a formal ordinance and it would need to come back to this Committee for another discussion and vote. Chair Russell-Slack stated she is not happy this issue will come back again, as the Planning Board has already discussed this twice. Chair Bosley in response stated that the City Council wanted to separate out these issues because there were concerns from the community about the five to two acres, and any time we can be transparent and do things in front of the public, it is better.

Chair Bosley asked Dan Langille, the City Assessor to discuss the land taxation issue. Mr. Langille addressed the committee and stated the Assessing Department is guided by state statute and assessing standards, it is based on state policy not City policy. They are required to follow what the state requires. The next thing to understand is that taxes are based on market value. The Assessing Department is not predicting what the value will be, they are merely reporting what the market is dictating. Mr. Langille explained revaluation of properties happen every five years at a minimum. When there is a zoning change, they have to take a look at how the zoning change affects assessed values. If a lot becomes "subdividable," they have to consider that, again based on what the market dictates. Chair Bosley stated her concern is that, what the City is saying is for example if someone has an eight acre lot which is currently only permitted to locate one home. If the proposed zoning change is put in place, the minimum lot size will change and that lot could be subdivided and the City could at that point would be looking to increase the tax portion for that home owner based on a potential subdivision or for something that has not been planned for yet.

Mr. Langille stated the City has to tax a property based on its highest and best use. They look at a property based on what the general market dictate. They don't look at a property based on the

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specific owner or property, it is what the market is generally doing. However, he noted that it would not be taking the value and doubling or tripling that value, it is the rate that would increase. Chair Bosley asks where this policy is coming from. Mr. Langille said it is a state policy.

Chair Bosley asked if the committee is comfortable with the separation and if the committee is then it would be moving just the ordinance with the five to two acre portion stricken and will be moving the CRD language forward to a new public hearing. Councilor Jones asked if this would still be the A version. Mr. Rounds said, if the Committee removes the five to two acres, it would be a "B" version. Councilor Johnsen asked for clarification about separating out the two issues. Chair Bosley stated the CRD changes seem less controversial. However, five to two acres seems to have a lot more controversy. She felt if the ordinance is not split, the entire issue would be disregarded.

Chair Russell-Slack asked if this ordinance is split what happens to the CRD. She stated she would like to understand the next steps. Mr. Rounds said that if the committee directs staff to create a "B" version, staff can do that and remove the five to two acre change and preserve the CRD language and submit a B version. The five to two acres could come back later.

Chair Russell-Slack stated that she wanted to address the five to two acres now. She stated did not want it to start over and come back sometime later. She noted to comments she heard tonight and added there is a housing crisis now and the City is trying to help resolve this issue and felt the five to two acre change is one of the answers. The Chair went on to say if someone doesn't want to sell their land they will not be forced to do so.

The Chair noted to the new 100 Nights shelter being constructed. Chair Russell-Slack pointed out that the City has seven shelters and are building a new one because the need exists. She stated the housing crisis is not just about the homeless but it spans across the workforce in Keene. There is a solution that is before us now but if others have solutions asked that they be brought forward. She indicated the City has been trying to come up with a resolution but unfortunately the solution is not going to make everyone happy. Chair Russell-Slack stated she is in favor of both of these ordinances. Chair Bosley said she would be open to moving both forward as two separate ordinances.

Ms. Brunner in response stated the committee could either move both of these issues forward together as one ordinance, or they can modify the ordinance and create a B version, but they cannot split it into two ordinances. Chair Bosley asked if that means the process would have to start over from the beginning for the five to two acres, and have a first reading, public workshop, public hearing, PLD vote, etc. Ms. Brunner answered in the affirmative. Chair Russell-Slack stated she did not want this to be delayed much longer and asked that the five to two acres come back for the November Joint Planning Board and PLD Committee meeting. Staff stated they will try to make that happen.

Councilor Jones stated he has been opposed to this ordinance from the beginning. He read a section of the Master Plan regarding the transfer of development rights and stated he thought this is what people have been asking for. Chair Russell-Slack stated she has a difference of opinion. Councilor

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Ormerod clarified that we will have one B version of an Ordinance coming back for CRD, and a new ordinance for the five to two acres will be coming back. Chair Bosley agreed.

A motion was made by Mayor George Hansel to direct staff to create a B version of O-2022-09-A removing the changes having to do with five acre zoning down to two acre zoning. The motion was seconded by Councilor Ormerod and carried on a 10-1 vote with Councilor Jones voting in opposition.

A motion was made by Mayor George Hansel that the Planning Board find that Ordinance O-2022-09-B is consistent with the Comprehensive Master Plan. The motion was seconded by David Orgaz and carried on a unanimous vote.

A motion was made by Chair Bosley to request the Mayor to set a public hearing on Ordinance O-2022-09-B. The motion was seconded Councilor Johnson and carried on a 3-1 vote with Councilor Jones voting in opposition.

#### **IV)** Staff Updates

Mr. Rounds stated the City has received a grant for the Housing Needs Assessment and the City Manager has begun negotiation with a consultant and the City should have a consultant on board soon. Mr. Rounds stated staff expects this process to be complete by spring.

#### V) <u>New Business</u>

Councilor Johnson asked for clarification on community engagement. Ms. Brunner stated there is a posting at City Hall, on the City's website as well as email alerts regarding the agenda. Chair Bosley noted the City website has been updated which seems a lot better.

#### VI) Next Meeting – Monday, November 14, 2022

There being no further business, Chair Bosley adjourned the meeting at 8:55 PM.

Respectfully submitted by, Krishni Pahl, Minute Taker

Reviewed and edited by, Megan Fortson, Planning Technician