



Joint Committee of the Planning Board and Planning, Licenses & Development Committee

AGENDA

Monday, January 8, 2024

6:30 PM

City Hall, 2nd Floor Council Chambers

1. **Roll Call**
2. **Approval of Meeting Minutes** – November 13, 2023
3. **Presentation: Cottage Court Overlay Project** – The City’s consultant, Bill Eubanks of SGA NW, will provide an overview of the project, discuss outreach efforts, and present preliminary recommendations. More information is available at keenenh.gov/cottagecourt.
4. **New Business**
5. **Next Meeting** – Monday, February 12, 2024
6. **Adjourn**

1 City of Keene
2 New Hampshire

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4
5 JOINT PLANNING BOARD/
6 PLANNING, LICENSES AND DEVELOPMENT COMMITTEE
7 MEETING MINUTES
8

Monday, November 13, 2023

6:30 PM

Council Chambers,
City Hall

Planning Board

Members Present:

Harold Farrington, Chair
David Orgaz, Vice-Chair
Mayor George S. Hansel
Roberta Mastrogiovanni
Armando Rangel
Kenneth Kost, Alternate (voting)

Planning Board

Members Not Present:

Councilor Michael Remy
Emily Lavigne-Bernier
Ryan Clancy
Randyn Markelon, Alternate
Gail Somers, Alternate
Tammy Adams, Alternate

Planning, Licenses &

Development Committee

Members Present:

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

Planning, Licenses &

Development Committee

Members Not Present:

Ward Four Council Seat,
Vacant
Michael Giacomo

Staff Present:

Jesse Rounds, Community
Development Director
Mari Brunner, Senior Planner

9
10 **I) Roll Call**

11
12 Chair Farrington called the meeting to order at 6:30 PM and a roll call was taken.
13

14 **II) Approval of Meeting Minutes – August 14, 2023**

15
16 A motion was made by Mayor George Hansel that the Joint Committee approve the August 14,
17 2023 meeting minutes. The motion was seconded by David Orgaz and was unanimously
18 approved.
19

20 **III) Public Workshop**

21
22 **a. Ordinance – O-2023-16** – Relating to permitted uses in the Downtown Core, Downtown
23 Growth, and Commerce Districts. Petitioner, City of Keene Community Development
24 Department, proposes to amend Section 8.3.2. of Article 8 of the Land Development Code
25 (LDC) to add a definition for “Charitable Gaming Facility” and amend Table 8-1, Table 4-1, and

26 Table 5.1.5 to display “Charitable Gaming Facility” as a permitted use in the Downtown Growth
27 District and Commerce District. In addition, the petitioner proposes to amend Section 8.4.2.C.2.a
28 of Article 8 of the LDC to remove drive-through uses as a permitted use by Special Exception in
29 the Downtown Core District.

30
31 Community Development Director Jesse Rounds addressed the Committee and stated the Keene
32 Zoning Code is permissive, which means it permits exactly what it says it permits. Therefore, if
33 it doesn’t say a specific use, then that use is not allowed. However, there is room for
34 interpretation in that new uses that aren’t defined and are determined to be similar to an existing
35 use after interpretation by the Zoning Administrator are allowed.

36
37 When there is a new use or a use that needs better definition, staff propose an ordinance change
38 in order to work with this Committee and the community through a process to better define these
39 uses so that people have a chance to say what their city should look like. The community through
40 this process defines exactly what is allowed, so when a new use comes along, we have an
41 opportunity to talk about the uses we allow in our community.

42
43 What is before the committee tonight is Charitable Gaming Facility which is allowed under
44 “Recreation/Entertainment Facility - Indoor.” This is because, when Charitable Gaming
45 Facilities first came into Keene, it was a new use and the Zoning Administrator thought it fit
46 under the definition of “Recreation/Entertainment Facility - Indoor.” Mr. Rounds went over what
47 the definition outlines for Recreation/Entertainment Facility - Indoor : “*A facility for spectator
48 and participatory uses conducted within an enclosed building, including but not limited to*” – this
49 is the entire definition part, the rest is a list of uses that fit this definition, and casino, charitable
50 gaming facility, and bingo hall do not appear on this list. It is very specific about what it allows.
51 The City feels this is an opportunity for the City to define a use that is growing across the state
52 and is appearing in various communities.

53
54 Mr. Rounds noted this use (Recreation/Entertainment Facility - Indoor) is permitted in
55 Downtown Core, Downtown Growth, Downtown Institutional, Commerce, Commerce Limited
56 and Business Growth and Reuse. Downtown Core is the Main Street area, Downtown Growth is
57 outside of the historic part of Main Street, going east and west. Downtown Institutional is the
58 Keene State campus and Commerce is West Street and Main Street south of 101. Commerce
59 Limited is more of the car dealership area. Business Growth and Reuse is intended to be
60 neighborhood-oriented, light industrial areas. These are the areas where Recreation/
61 Entertainment Facility - Indoor uses are permitted.

62
63 Mr. Rounds next went over the definition that is being proposed: “*A facility licensed in
64 accordance with the requirements of RSA-287D (which is the RSA in the State Statute that
65 defines charitable gaming in the state) and operated by a Licensed Game Operator as defined by
66 RSA 287D:1, VII or any facility operated by a person or entity licensed by the lottery
67 commission under RSA 287-D:7 to operate games of chance on 5 or more dates per calendar
68 year. Does not include games licensed under our RSA 287-E.*” Mr. Rounds explained that this
69 section (RSA 287-D:7) is specific to Bingo and Lucky 7.

70

71 Mr. Rounds stated that the main point here is that this is a licensed use by the state, it is not like a
72 bowling alley or a movie theatre or any of the other uses that are listed under the definition of
73 “Recreation/Entertainment Facility – Indoor.” This use doesn’t occur very often, so this is an
74 opportunity to define it and have a discussion about where it should go in our city. That gets
75 back to the point of a permissive zoning code – if we know a use is growing in our community or
76 there is a chance of it coming to our community, we ought to talk about it, define it, and see
77 where it needs to go.

78
79 Mr. Rounds stated the proposal is to locate this use (“Charitable Gaming Facility”) in the
80 Downtown Growth and Commerce districts. Mr. Rounds referred on a map to the areas he had
81 outlined earlier where this would be permitted. He noted that the Commerce District is generally
82 located around the main roads and is where automobile-oriented businesses are located, meaning
83 there are large parking lots. He stated the reason staff felt Downtown Growth would be an
84 appropriate location is because this is where there are bigger buildings, the Land Development
85 Code allows for infill with larger buildings, lot line to lot line, and this area has a lot of parking.
86 While parking is not necessarily required, it is there. He felt there are a lot of opportunities in
87 these two districts for the growth of this industry. Mr. Rounds paused to see if there are any
88 questions.

89
90 Mr. Kost felt the intent of this ordinance makes a lot of sense. The Entertainment use is allowed
91 in a lot of districts, but it is a broader use. With respect to where Charitable Gaming uses should
92 be located, he stated he sees Downtown Growth as being a little different – it is meant to be
93 walkable and connected to the downtown, and stated he felt this use fits better in Commerce
94 where there is lots of parking, store fronts and areas to build.

95
96 Mr. Rangel stated he wanted to understand a little more about Charitable Gaming Facility – he
97 asked whether this is a business that can obtain this license and then can run charitable games out
98 of their currently existing business or whether it was a charitable organization that could
99 purchase a building for the purpose of running charitable games. Mr. Rounds stated the way the
100 State Statute is written, there are tiers of licenses. You do have to obtain a license to operate such
101 a facility, but generally the way it is handled throughout the state is that a business obtains an
102 operator license, and then charitable organizations contract with that business.

103
104 Councilor Bosley noted this ordinance does not trigger until the business obtains a license and
105 the business does need to have five or more gaming devices, less than that would be a secondary
106 use. Someone who wanted to have this use as a small operation would not be prohibited by this
107 ordinance. Mr. Rounds clarified if someone operates a charitable gaming facility for fewer than
108 five days, then they don’t need to obtain a license. Councilor Bosley noted that there was a
109 provision that has to do with the types of gaming, not days. Mr. Rounds stated this is something
110 he had concluded incorrectly.

111
112 Mr. Rangel asked why this use was brought forward for consideration. Mr. Rounds stated it has
113 been growing across the state, and in talking with other cities, they are seeing these uses grow in
114 places they didn’t expect. In addition, last year a property owner proposed a change to the
115 definition of “Recreation/Entertainment Facility- Indoor” to allow it in the Business Growth and

116 Reuse District. Mr. Rounds added City Council also received a letter from the Mayor asking the
117 city to look into this use.

118
119 Mayor Hansel added this was brought to his attention in late 2021, when someone inquired about
120 it and he started having discussions with staff when the City was in the middle of adopting the
121 land use code. At the time, staff suggested waiting until that code was adopted. However,
122 legislation has changed, and it became more popular and hence, he brought it forward again.

123
124 Mr. Rounds addressed drive-throughs next. He indicated drive-throughs are permitted in the
125 Downtown Core and are permitted in many districts. They are permitted in the Downtown Core
126 by Special Exception, which is a process that goes through the Zoning Board of Adjustment. Mr.
127 Rounds stated what staff is proposing is to remove the ability to get a Special Exception for a
128 drive-through in the Downtown Core. This would mean there would be no future drive-throughs
129 in the Downtown Core. However, there are currently three or four existing drive-throughs, and
130 those would be allowed as a nonconforming use. They would continue to operate and there are
131 some limited ways they could expand and change while still remaining a legal nonconforming
132 use. When discussing where Charitable Gaming Facility should be located staff looked at
133 walkable neighborhoods. He noted the Master plan and the LDC talk a lot about this issue and
134 that Downtown Core should be this pedestrian scale. He noted Special Exception has confusing
135 requirements and at times doesn't address what is intended in a district. This concluded Mr.
136 Rounds presentation.

137
138 Mr. Kost referred to the map and indicated the area where drive-through will not be permitted,
139 which is Main Street and a small portion of Washington Street. Chair Bosley clarified the
140 existing drive-throughs will be grandfathered and one permitted drive-through that is not
141 completed and this too would be grandfathered. Mr. Rounds agreed they would be grandfathered.

142
143 The Chair asked for public comment next. The Chair indicated this is not a formal public
144 hearing, it is a workshop but he will permit public comment.

145
146 Attorney Michael Atkins with Shaheen and Gordon from Peterborough, NH addressed the
147 Committee on behalf of Dorie Mattson, who is a property owner downtown. He stated he was
148 before the committee to speak in opposition of the ordinance. He noted this is a very highly
149 regulated state statutory scheme. He felt what is being considered is preemptive by that state
150 statutory scheme and Ms. Mattson has already moved forward in the application process and has
151 already spoken to the city in this regard to utilize her property in the Downtown Core area in
152 accordance with RSA 287E to locate a Charitable Gaming location. Adopting this currently
153 would not only be preempted but would suggest a regulatory taking, particularly in regard to her
154 property.

155
156 Mr. Jared Goodell of 39 Central Square, #201 addressed the committee next. Mr. Goodell stated
157 he has some background in charitable gaming. He owned and managed a charitable gaming
158 facility in Keene. He felt this request was appropriate and the city has heard a lot of debate about
159 the downtown project which is to maintain a level of "old school" New England. He did not feel
160 uses such as casinos belonged on Main Street - they are loud, they attract a lot of traffic and it is
161 contrary to what we want in downtown, specifically as it relates to parking.

162 Mr. Goodell directed the committee’s attention to ITE traffic data as it pertains casino traffic
163 volume. Mr. Goodell felt this ordinance does not go far enough particularly as it relates to the
164 exception and referred to the last sentence of the proposal where it says *does not include games*
165 *licensed under RSA 287-E*. He stated he understands the intent of the Community Development
166 Department wanting to preserve the ability for fraternal organizations like the Elks, American
167 Legion, or even churches who operate bingo games that might exist in the Downtown Core area.
168 As it reads on its face, the body of law that encompasses RSA 287-E and it seems to pertain only
169 to those fraternal organizations or nonprofit organizations, who are the only people who can
170 operate Games of Chance as it relates to Bingo or Lucky 7; Mr. Goodell felt that was not correct
171 as that Statute does allow for commercial bingo halls, which essentially would allow slot style
172 machines which are called Lucky 7 machines. These machines fall under the bingo statute.
173 Under this current proposal, someone could operate a commercial bingo hall and have it be full
174 of these machines. He felt this is not something the city is not going to want in its downtown.
175

176 Mr. Goodell felt Charitable Gaming is great in Keene, it is invaluable to our local charities but
177 did not feel it belonged downtown. Mr. Goodell proposes that language be added that says *does*
178 *not include games licensed under RSA 287 E except those operated by commercial bingo halls as*
179 *defined in RSA 287-E:1 v-a*.

180
181 He stated there was also some confusion about the license as it relates to five or more days – he
182 noted it is five or more calendar days per year. Gaming laws in this state are “rough”. When this
183 body of law was introduced, it was restrictive and over time items have been added to create
184 what it is today; it is not a clean body of law and at times can be confusing. He commended the
185 Community Development Department for bringing this up. He indicated the Town of Conway is
186 going through a struggle as it pertains to this very item. He indicated gaming is growing rapidly
187 and felt now is the time for the city to take some restrictive action that makes sense.
188

189 With no further comments, the Chairman closed the public hearing.
190

191 Mayor Hansel felt this item makes sense – when you look at the master plan and how it defines
192 the downtown along Main Street, there has been a lot of growth with uses such as restaurants, the
193 Colonial Theater, retail and felt charitable gaming use is inconsistent with the uses the city has
194 been trying to promote. The uses the city is trying to promote are geared around the parking
195 program and moving people through the downtown for short stops or going in to see a couple
196 hour shows.
197

198 The Mayor indicated parking in downtown is a shared resource and hence we have to be very
199 cautious and careful as these different uses come up that the city does not disturb that ecosystem
200 in a way that would be detrimental to the look and feel of downtown.
201

202 With that, a motion was made by Mayor Hansel that the Joint Committee find the proposed
203 Ordinance consistent with the 2010 City of Keene Master Plan. The motion was seconded by
204 David Orgaz.
205

206 Ms. Brunner stated the public workshop phase is the time the Joint Committee can make any
207 changes to the Ordinance. She referred to the suggestion from the last speaker from the public

208 regarding modification to language and stated this would be the time to make that change, if that
209 is what the Committee wants to do. Councilor Bosley asked staff for clarification.

210
211 Mr. Rounds in response stated RSA 287 E is as confusing as RSA 287 D; it is structured in the
212 same way and it allows for an outside business to operate, for example, a bingo hall that does all
213 the things Mr. Goodell outlined. The use as worded would allow the city (zoning administrator)
214 to evaluate if a bingo hall would fit under charitable gaming or whether it was a different use.
215 However, this item is open now and the committee could add stipulations to it.

216
217 Chair Bosley referred to the following language "... *does not include games licensed under*
218 *RSA287-E* she clarified whether this language prohibits this ordinance from shutting down bingo
219 halls, essentially that are run in the downtown. She asked what RSA 287-D:e.1.b.a. refers to. Mr.
220 Rounds stated it is actually RSA 287-E and added RSA 287 E:1.v.a is the definition section.
221 Ms. Brunner referred to the language 287-E:1 - Definitions - Section 5. v.a. *Commercial Hall*
222 *means any hall owned or leased by an individual Corporation, Realty Trust, Partnership,*
223 *Association or any other person who rents or leases the hall to a charitable organization for the*
224 *operation of Bingo games, excluding halls owned by any charitable organization or*
225 *governmental subdivision is specified in RSA287-E:5,b.1.*

226
227 Councilor Bosley asked whether this definition gets more clearly to the heart of what the city is
228 trying to protect. Mr. Rounds stated the reason he excluded RSA 287 E when he wrote the
229 ordinance language was so that the city could allow charitable organizations like a church to
230 continue to have bingo in their basement, for example. He added this is new information and he
231 did not realize it was operated in exactly the same manner; two facilities that do the same thing
232 through different means - One is charitable gaming facilities, essentially Games of Chance,
233 Poker, Roulette etc (table games). Then Bingo and Lucky 7, which look like slot machines. By
234 separating these out the intention was someone could have a number of Lucky 7 machines in
235 their bar and they would need the same license if for instance you were to have Poker.

236
237 Councilor Bosley stated she did not feel the spirit of the ordinance is intended to allow for large
238 facilities and felt this needs to be tuned up. Mr. Rounds agreed and stated the language could be
239 changed to *..as defined under RSA 287D 1. B.ii and RSA 287E: 1 5.a.*

240
241 Ms. Brunner stated if the committee intended to amend the ordinance they would have to vote as
242 a committee to amend the ordinance and then create an A version.

243
244 A motion was made by Councilor Bosley that the Planning Licenses and Development
245 Committee amend the Ordinance with new language. The motion was seconded by Councilor
246 Ormerod.

247
248 Councilor Jones asked Councilor Bosley for clarification on her motion. Councilor Bosley stated
249 her motion is to prohibit commercial bingo halls from being located on Main Street. The City has
250 figured out a way to protect the church basements; this motion is to not allow big commercial
251 bingo halls. It was suggested that the motion and second be withdrawn to add more clarification
252 to the discussion.

253

254 Councilor Bosley withdrew her motion and Councilor Ormerod withdrew his second.
255

256 Mr. Kost referred to the Downtown Growth District and noted the intention of this area is *to*
257 *provide the flexibility needed to create a mixed use environment suitable for commercial,*
258 *residential, civic, cultural, open space in areas of downtown where growth is desired with*
259 *standards for new construction and infill that complement the walkable urban form of Keene's*
260 *downtown.* He indicated he is comfortable with this use in the Commerce District but has
261 concerns allowing it in the Downtown Growth District, especially those areas that get closer to
262 Main Street.
263

264 Councilor Jones noted there is an exception for Bingo and Lucky 7 to be located in any area and
265 suggested adding Keno to that list as well. He indicated Keno is in many cities in New
266 Hampshire, but it was defeated on the Referendum twice in Keene. He felt this was mostly
267 because the language wasn't very clear on the Referendum. He added the Lottery Commission
268 calls for Keno to be in any use that has a liquor license which could be any part of the city.
269 He felt if Keno ever passed on a Referendum, the city would have to change this ordinance and
270 go through this process again. Mr. Rounds stated the Councilor is correct Keno has been denied
271 in the city on the Referendum but future voters could vote to approve it. He added, however, he
272 wasn't sure if the city could create a definition for a use that is not permitted but once it is voted
273 in by future voters it would have to go through a similar process such as this.
274

275 A motion was made by Councilor Bosley to amend the definition of Charitable Gaming Facility
276 to include Commercial Hall under New Hampshire RSA 287E. The motion was seconded by
277 Councilor Ormerod.
278

279 Councilor Jones clarified this would allow bingo halls in the downtown. Councilor Bosley stated
280 it would prohibit certain types of bingo halls in the downtown. A charitable organization that is
281 running a charitable gaming facility would still be allowed, but a for-profit organization that is
282 running a charitable gaming facility would not be allowed. Staff agreed that was correct.
283

284 The amended motion made by Councilor Bosley carried on a unanimous vote.
285

286 Councilor Bosley asked whether the committee wanted to address the concern raised by Mr.
287 Kost. Councilor Ormerod asked what the economic impact would be if this use was restricted
288 from Downtown Growth. Ms. Brunner stated staff might be not able to give the committee the
289 economic impact if this use was prohibited in Downtown Growth but there has been desire
290 expressed to locate this use in Downtown Growth. She added this district has the potential for
291 development unlike Downtown Core which is mostly built out. If this use was denied from
292 Downtown Growth, the existing use would be legally non-conforming but any new Charitable
293 Gaming Facilities that wanted to locate in Keene would only be permitted in the Commerce
294 District.
295

296 Mayor Hansel stated he appreciates Mr. Kost's concern because it is difficult to separate these
297 districts and their different uses. However, the future of Downtown Growth is yet to be defined
298 in many ways. The Mayor noted there is a lot more space in this district for parking and felt this
299 area does not have the same kind of problems with these types of facilities as the Downtown

300 Core, which is fully built out and has an established look, feel and uses the city is trying to
301 promote.

302
303 Councilor Bosley agreed with the Mayor and noted Downtown Growth to the west does
304 encroach onto Main Street but over time the Commerce District is likely going to merge into
305 Downtown Growth and overlap on the edge and so will Downtown Core. She felt eventually
306 Downtown Growth will disappear and the city will end up with more defined districts.

307
308 A motion was made by Mayor George Hansel that the Planning Board find that the amended
309 Ordinance O-2023-16, the A version, is consistent with the 2010 Comprehensive Master Plan.
310 The motion was seconded by David Orgaz and was unanimously approved.

311
312 A motion was made by Councilor Phil Jones that the Planning Licenses Development Committee
313 formalize the public hearing already set by the Mayor for December 7. The motion was seconded
314 by Raleigh Ormerod and was unanimously approved.

315
316
317 **IV) Presentation: SWRPC Regional Housing Needs Assessment** – J.B. Mack, Assistant
318 Director for Southwest Region Planning Commission, will give a presentation on the Southwest
319 New Hampshire Regional Housing Needs Assessment Report that was completed in 2023. The
320 full report is available online at www.swrpc.org/housing.

321
322 JB Mack, Assistant Director for Southwest Region Planning Commission (SWRPC), addressed
323 the committee next. He indicated he is before the committee to provide a presentation on the
324 Regional Housing Needs Assessment. He stated he is aware that the city has done its own work
325 with Camoin and Associates. He noted however, housing issues are also a regional matter so felt
326 it was important to look at the perspective of housing situation in surrounding communities.

327
328 Mr. Mack stated the Regional Housing Needs Assessment is a robust document which was
329 published earlier this year. The last time SWRPC published a regional housing needs assessment
330 was in 2014, and a lot has happened since then. Hence, this document was in need of an update.
331 Mr. Mack noted the State Statute requires regional housing needs assessments to be periodically
332 updated to provide data and analysis to towns and respective regions to help inform towns on
333 their housing development. The information in the report focuses on SWRPC's planning district,
334 which includes all Cheshire County, 10 towns in Hillsborough County, and Town of Langdon in
335 Sullivan County.

336
337 He indicated they obtained much of their data from sources like New Hampshire Housing, US
338 Census, and economic data. They also talked to Planning Board members, residents of Keene,
339 Code Enforcement officers, Planners, Real Estate Agents, and anyone else involved in the
340 housing sector to get their perspective on this issue.

341
342 Mr. Mack stated he would first like to address key information and trends associated with the
343 regional housing needs assessment. He indicated Southwest New Hampshire was growing quite
344 fast in the 1970s, at a pace of 27% more housing units and during the 70s and 80s grew another
345 23%. As we approach modern times, there is a decline and he referred to the orange arrow on the

346 graph which shows the rate of growth. During the 2010's housing unit production actually
347 slowed to only about 2% for the entirety of Southwest New Hampshire, which is quite a change
348 in the past decade.

349
350 Mr. Mack noted housing stock is overwhelmingly single family detached homes, and those are
351 the most popular type of housing and this is what many are looking for. However, we don't have
352 a diversified housing portfolio in the Southwest region. Housing units such as duplexes, small
353 multifamily apartments, large apartment buildings, and manufactured homes are
354 underrepresented in the region. Mr. Mack referred to the graph which shows differences in
355 housing units in 2010 and 2020. The gray line shows the change between 2010 and 2020. There
356 was a high number of 50 or more units built in the 2010's and this has to do with buildings right
357 here in Keene (Washington Street Apartment) as well as the conversion of the Mill on West
358 Street. Duplexes and Triplexes have decreased during the 2010's due to either remodeling or
359 other reasons.

360
361 Mr. Mack stated the housing inventory in the southwest region was largely constructed prior to
362 the 1940s and represents an older housing stock when compared to New Hampshire and the
363 United States. There is a disproportionate number of these 1940's and pre 1940 housing, which
364 is also rental housing. Older housing units are generally more expensive to live in, especially
365 during winter due to heating costs and will result in a disproportionate need to renovate or
366 replace existing units to make them more energy efficient compared to other parts of New
367 Hampshire or the rest of the country.

368
369 This region has many more owner occupied units in Southwest New Hampshire compared to the
370 State and the country. Mr. Mack stated Keene is an exception. Camoin did a good job at
371 explaining that, but half of the communities in the region have ownership rates of actually 84%
372 or more that are owner occupied units. Keene represents over a third of all rentals in the entire
373 region with Peterborough coming in next at 8% and Swanzey, Jaffrey, Winchester and Walpole
374 coming in after that. Between 1979 to 2020 there has been a slight increase in renter occupied
375 units versus owner occupied units.

376
377 Mr. Mack stated the big issue with housing is the vacancy rates that we have in our region. New
378 Hampshire Housing Finance Authority put out a report suggesting that in Cheshire County we
379 have a 0.7% vacancy rate for rental units. Typically, the number should be 5%. The region has
380 not seen the 5% rate since around 2012.

381
382 Mr. Mack referred to the census data regarding vacancies. He cautioned the committee when
383 talking about vacancies, the census has many definitions for this term; it could be housing units
384 that are spoken for, housing for migrant workers, people that have just bought a home, or people
385 that have just decided to rent a home - the unit is still vacant, seasonal or recreational use. He
386 referred to a bar graph and noted the real vacancies are the ones that are vacant units for sale and
387 vacant units for rent. When those numbers are applied to all housing units in the region, that
388 number gets to about 1.6% of units that are actually vacant.

389
390 Councilor Bosley referred to the chart and asked what happened in 2002 that brought our
391 vacancy rate down to this extent; she noted this was the pre mortgage crisis. 2008 is when the

392 mortgage world collapsed and we started seeing foreclosures happen. She asked what was
393 driving the low rate prior to that. Mr. Mack stated it has a lot to do with the region not having a
394 lot of housing. Growth has slowed substantially and wasn't keeping up with population and need.
395 It has been a long term issue.

396
397 Mr. Mack then talked about supply and demand. When there are few vacancies you often have
398 higher pricing, due to more competition. The city at one point reached \$350,000 as a median
399 price home in our region; this was during the summer of 2022. In Cheshire County median home
400 price is \$324,000 and on average it is on the market for about 42 days. Median rent continues to
401 go up as well. Looking at the most recent New Hampshire Housing Finance Authority numbers
402 survey for Cheshire County; a two bedroom in Cheshire County is priced at an average of
403 \$1441.00.

404
405 Mr. Mack stated one of the things they did with the Regional Housing Assessment is to look at
406 wage growth versus housing cost. Covid brought to light essential workers; these people that are
407 critical to our communities. People we need to work in our restaurants, hospitals, clinics. He
408 indicated they looked at 15 different occupations and the median wage for these different
409 occupations in Cheshire County and compared that to the median home price (from 2021). What
410 was realized with housing (one income) even someone like an engineer is not making enough to
411 afford a median home. When you look at some of the essential workers - childcare workers,
412 waiters and waitresses, even in a two-person working household they wouldn't come close to the
413 median home price in our region, same is true with median gross monthly rent.

414
415 Mr. Mack noted when using the term affordable it is 30% of someone's household income to be
416 able to afford housing.

417
418 Mr. Mack stated he would like to discuss population trends and projections, because population
419 is a principal driver for housing need. He referred to a slide and noted the dark blue bars which
420 refers to historic population growth between 1930 and 2020. The light blue bars show projected
421 population change between 2030 to 2050. The orange line shows the historic rate of change by
422 decade. Historic data on this chart shows that 2020 was the first time Southwest New Hampshire
423 actually lost population in a long time. The last time we lost population was 100 years ago in
424 1920. Mr. Mack stated the population projections done with a state demographer looked at all
425 counties in New Hampshire and their expectation is that we will continue to grow a little into
426 2030, but after that we will probably be dropping off in population. This has to do a lot with our
427 aging population and in-migration; fertility rates are going to be lower – we will be producing
428 less of our homegrown population.

429
430 He noted what we need to start thinking about is if we want to sustain our regional workforce,
431 for instance. The Greater Monadnock Chamber is strategizing on how we can bring new people
432 into this Community.

433
434 Mr. Mack explained that population is driven by births minus deaths plus or minus net migration.
435 He referred to a chart that showed those three components; it breaks out every five years between
436 2000 and 2020; number of births shown in purple, number of deaths shown in black and
437 migration orange. When you add up births, deaths and migration, the result is shown in the light

438 blue bar. There is a significant change when you get to the 2010's - net population growth in
439 Cheshire County was about 300 people. In 2015 the number dropped to negative 733 and then a
440 slight bump in 2020. Mr. Mack stated this is by no means is a strong growth for this area.

441
442 Another driving factor for housing is household size. Camoin Associates talked about this as
443 well. He referred to a chart comparing 2020 to 1940. One person household size was only 7% of
444 all the households in 1940 and this number has quadrupled to 28% by 2020. The inverse is
445 happening with larger size households. Pre 1940 housing was built originally for larger
446 household sizes. This region has a large stock of pre 1940 housing which is larger than what we
447 need for today's households.

448
449 Incidentally, 55% of single owner-occupied homes in Cheshire County are 65 and over. These
450 are people that are aging and will possibly start needing additional assistance.

451
452 The other big change that is going on both nationally and locally is that more households are
453 made up of unrelated individuals.

454
455 Councilor Ormerod noted that much of the housing stock that is pre 1940 is not energy efficient
456 so these seniors are going to have rising cost of energy to just operate these facilities. He asked
457 whether the analysis gets into that issue. Mr. Mack answered in the negative but felt one can
458 make a logical conclusion that if you are living in a 1940's housing that that this would be a
459 challenge that our region faces - to try to create more energy efficient homes. This is a challenge
460 that is unique to the southwest region compared to the rest of the state or the country. Mr. Mack
461 stated there are also younger people living in these homes and around 40% are rentals.

462
463 Mr. Mack then addressed Key Challenges. Some challenges can be addressed at the local and
464 regional level, but some are more national and statewide. One big issue is inflation as well as
465 COVID which had a major impact on the housing industry. Consumer Price Index went up in
466 2023 after COVID creating an increase in cost of building materials, partially because of
467 inflation, but also because of supply chain issues. However, he added the spike in price of
468 lumber is less of an issue now. It is still trending up, but the supply chain issue doesn't seem to
469 be as much of an issue now.

470
471 Mr. Mack indicated the mortgage interest rate, which was 3% 14-15 years ago (\$1,600) month is
472 now close to 7% which equates to approximately \$2,500 at the present market rate. He added
473 interest rates have a huge impact on affordability.

474
475 Mr. Mack went on to say there are state challenges which the state has been trying to address
476 such the Invest New Hampshire program, which uses some of the COVID stimulus funding to
477 help construct more workforce housing. There were some incentive programs to get communities
478 to permit more affordable housing. Some other things also were put in place such as due process.
479 For instance, the state created a Housing Appeals Board so that Planning Board decisions can be
480 appealed to a Housing Appeals Board rather than having to go before the Supreme Court. Also,
481 things like incentives for senior housing, permitting accessory dwelling units allowed by right in
482 single family zones.

483

484 Mr. Mack stated something else that the state is going to look at in the next legislative season is
485 septic systems and what the state currently permits for septic systems. This would affect a lot of
486 the towns around Keene where communities could achieve higher density, therefore, more
487 affordable housing can be constructed if septic design standards could be relaxed a bit. Mr.
488 Mack noted most of our communities don't have wastewater infrastructure. This is important
489 because you can create more affordable housing by creating more dense conditions for housing
490 when sewer and water is available.

491
492 A generalized zoning analysis was completed which looked at permitted uses for one family,
493 two-family or three plus family housing. What was discovered is that our region is
494 overwhelmingly single family detached units. 92% of the land is zoned to allow for that. We are
495 simply not allowing duplexes or triplexes as much as we are single family homes in this area.
496

497 Mr. Mack next referred to a rendering of the labor force in this region. The region peaked in
498 about 2012, we are losing labor force primarily because of our aging population. Keene is one of
499 the communities that has been affected greatly by this issue. Keene lost about 1,350 people in the
500 labor force in the last decade which was a reduction in the labor force by about 11%. What the
501 data shows is net migration is pretty flat – this means that just as many people are coming into
502 the community are being replaced by people that are moving out - retirees are not necessarily
503 moving in droves to Florida or South Carolina for instance. There is a housing issue for the labor
504 force because there isn't enough extra housing for people coming into work. Keene needs these
505 people because the labor force is shrinking dramatically.
506

507 Mr. Mack stated they did some qualitative analysis and one of the things they looked at was an
508 employer survey. They reached out and heard back from 57 employers representing 18 different
509 communities and nine different industries. Almost all of them said the region needs more
510 housing. Mr. Mack stated they also did a community survey and received 310 responses from
511 people all over the region with different incomes, owners, renters, as well as homeless
512 individuals. Again, most people agreed the region needs more housing; we need more moderate
513 income housing, rental housing, and low income housing. He referred to another slide, the
514 information on it comes from a housing consultant that worked for the State Regional Planning
515 Commissions to try to quantify the need for housing across the state and the region.
516 The chart shows the cumulative need for housing by 2040 for the region, each color represents a
517 different category that they looked at; affordable rentals, affordable owner-occupied housing and
518 market rate rentals and market rate, and owner-occupied housing. It was determined the regions
519 would need about 4,700 additional units by 2040. He noted the trend line shown on this chart for
520 housing that needs to be created is nowhere close to the growth challenge we had in the 70's and
521 80's and felt it was something that could be done.
522

523 He noted next to Cumulative Housing Targets and said this was based on population growth and
524 workforce needs. Keene is the dominant job center for the region and Keene is at the top on the
525 list of housing targets.
526

527 In conclusion, Mr. Mack stated there are four takeaways from the Housing Needs Assessment.
528 The first is *Individuals and households living in Southwest New Hampshire have varied needs*
529 *that are not sufficiently being met.* "One size fits all" is not something we can go by, different

530 people have different needs. A single-family unit doesn't work for everybody, two story
531 buildings are not appropriate for the aging population, so we need to think about the diverse
532 needs of our population. So the region needs to think about diverse housing needs.

533
534 The second takeaway is that *housing plays a much more important role than an individual or*
535 *household shelter; it is an essential ingredient for maintaining a community's vitality.* Mr. Mack
536 stated this region is experiencing an unprecedented decline in labor force and increasing aging
537 population. Housing is critical to making sure we can have a sustainable labor force in our
538 region. When talking about the aging population, social isolation is one of the top health risks for
539 our aging population. It is really about community, not just the individual. Making sure we have
540 a healthy and economically vibrant community.

541
542 The third takeaway is *transportation, water, sewer, energy and broadband are part of a package*
543 *of household needs.* Mr. Mack stated we live in a more complex society and when talking about
544 housing, there is a whole package that goes along with it.

545
546 The fourth takeaway is the *housing market isn't likely to improve without new strategic*
547 *improvements* – housing needs are only likely to change when there are partnerships among all
548 groups in a community.

549
550 This concluded Mr. Mack's presentation.

551
552 Chair Farrington asked whether Mr. Mack, as someone who has regional experience, whether he
553 has any suggestions or examples of cross boundary solutions. Mr. Mack stated Keene has already
554 done this; for example exploring if water and sewer can be expanded if there is capacity and
555 working with neighboring communities to facilitate affordable housing across boundaries.
556 Another infrastructure to think about is transportation infrastructure; public transit to make this
557 area more affordable. He asked the committee to look at what is called the NH Housing Toolbox
558 which has good ideas and innovative ideas, some of which require regional cooperation.

559
560 **V) New Business**
561 None

562
563 **VI) Next Meeting – Monday, December 11, 2023**

564
565
566 **VII) Adjournment**

567
568 There being no further business, Chair Farrington adjourned the meeting at 8:30 PM.

569
570 Respectfully submitted by,
571 Krishni Pahl, Minute Taker

572
573 Reviewed and edited by,
574 Mari Brunner, Senior Planner