

MINUTES

**WORK SESSION
PLANNING BOARD
PORTSMOUTH, NEW HAMPSHIRE**

**CONFERENCE ROOM "B"
CITY HALL, MUNICIPAL COMPLEX, 1 JUNKINS AVENUE**

7:00 P.M.

MAY 12, 2011

MEMBERS PRESENT: John Ricci, Chairman; Paige Roberts, Vice Chairman; Eric Spear, City Council Representative; Donald Coker; John Rice; Anthony Blenkinsop; MaryLiz Geffert; Richard Hopley, Building Inspector; and Norman Patenaude, Alternate; and William Gladhill, Alternate

MEMBERS EXCUSED: John Rice; Cindy Hayden, Deputy City Manager

ALSO PRESENT: Rick Taintor, Planning Director

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Chairman Ricci called the work session to order and advised the public that they would not be taking any public comment. A public hearing will be scheduled in the future.

I. ZONING ORDINANCE & ZONING MAP AMENDMENTS

A. Proposed amendments to the Zoning Ordinance and Zoning Map, as set forth in the Downtown Parking Omnibus dated March 18, 2011:

1. Section 10.1115 – Off-Street Parking Provisions in the Downtown Overlay District, sections 10.1115.21 and 10.1115.23 [Downtown Parking Omnibus, item 1].
2. Section 10.1115.30 – Optional Payment in Lieu of Providing Required Off-Street Parking Spaces, and Section 10.1115.40 – Amount of Payment in Lieu [Downtown Parking Omnibus, item 2].
3. Section 10.440 – Table of Uses – Residential, Mixed Residential, Business and Industrial Districts, and Section 10.813 – Multifamily Dwellings in the Business (B) District [Downtown Parking Omnibus, item 3].
4. Section 10.521 – Table of Dimensional Standards – Residential and Mixed Residential Districts [Downtown Parking Omnibus, item 4].
5. Rezoning of six parcels on Islington Street from General Residence C (GRC) to Mixed Residential Business (MRB) [Downtown Parking Omnibus, item 5].

Rick Taintor gave a powerpoint presentation explaining what they had done up to this point regarding the in-lieu parking payment, studying the downtown parking issues and the creation of the Downtown Parking Omnibus. (See attached outline)

Mr. Blenkinsop asked about the status of the Worth Lot. Mr. Taintor stated it was moving forward but slower than expected. Councilor Spear indicated there were quite a few speakers at the City Council meeting who spoke to the bond issue and they all spoke against the garage. The Council had questions about revenue projections for the garage and the design of the garage. They will come back in July for a work session, after the budget is done, to review the garage again.

Mr. Taintor added that the bond authorization vote was the go ahead vote but they would not issue the bond until sometime in early 2012.

Councilor Spear felt there were a lot of issues and he had some questions. He asked about trying to balance between retail, residential and office space and the fear that they are moving too much into the area of residential. He shares Mr. Taintor's conclusion that it's hard to demand a percentage on any given lot to be a particular use so he suggested not having any parking requirement for any non-residential use. That would still provide an incentive for non-residential uses. He felt that office space tenants would want parking spaces so they would solve their own parking problem to make the space marketable. He also pointed out that currently the City gets most of their money to pay for parking from users, the taxpayers don't contribute anything, developers only pay for their private parking yet they have still been able to provide a good amount of parking. Therefore, he felt what would work best is a model to encourage office development, have users pay for the parking and employees would use the garage.

For the record, Mr. Coker wanted to announce to the Planning Board that some members of the now disbanded Downtown Parking Focus Group (DPFG) had an informal meeting to discuss some of the Omnibus Report issues and someone complained to the City that they thought that was an impermissible meeting. He discussed this with the City Attorney who advised him that it did not create a conflict of interest.

Mr. Coker liked Councilor Spear's idea. Part of the DPFG report was the concept that the City provides parking and it will pay for itself. He felt the City should provide the infrastructure and charge for it. This is a balancing act between residential and commercial. He is concerned about a stifling in-lieu payment of \$10,000 for developers. He also felt public hearings will be vital on this matter, to hear from the people who will be impacted. He felt the downtown residents are the unsung heroes of how the community has evolved and what keeps the downtown vital.

Mr. Gladhill asked if the residents in Mr. Coker's area have trouble finding parking. Mr. Coker responded that he is always able to find a spot in the Parrott Avenue lot although with the new 45 school spots and the Music Hall it is getting more difficult. There are some things that you just live with when you live downtown. However, if he was paying \$800,000 for a condo he certainly would expect to have a private parking space.

Ms. Geffert agreed wholeheartedly with Councilor Spear. She applauds the concept of incentives over punishment. If she saw a direct corollary between an in-lieu payment and a parking spot she would be

more supportive of that. She felt that residential users need at least a parking space to make a purchase worthwhile and they are seeing that more in the residential that is going in downtown. She has noticed that downtown businesses tend to buy parking spaces for their employees which creates an income stream and the payment correlates to a spot.

Mr. Coker stated that a developer may build condos and an idea would be to have the developer enter into an agreement with the City for a 10 year lease on a spot in the garage, similar to deeded parking. Ms. Geffert felt they have to be careful as they might be converting a capital to an operating cost. But, the spots that are being built by the City are going to sell. Jon Frederick has indicated that they do not like setting aside spots in the Hanover Garage. You can buy a space but you can't have the same space every day. However, she is not advocating for that. She likes the idea of the elimination of a non-residential parking requirement and a non-residential payment in lieu, with the idea that if you incent commercial development, both office and retail, they create a more vital downtown that will fill up the parking spaces and increase parking revenues.

Mr. Coker asked for clarification of recommendation #1 in the Omnibus Report on page 2, for a parcel of 20,000 s.f. or larger and involving 40,000 s.f. or more of gross floor area. Any lot or building greater than 20,000 s.f. is a debatable point but he felt it was interesting that on page 3, the requirements for residential requires 2 spaces.

Mr. Taintor responded that there were a number of things which he changed in his recommendations from what the DPFPG said. The DPFPG said no parking requirement at all except for lots greater than 20,000 s.f. or buildings greater than 40,000 s.f. He found that difficult to implement so he dropped the lot size and changed it to buildings greater than 20,000 s.f. because there was a lot of discussion about that. He felt building size would be easier to work with than lot size. He also wanted to get away from having any threshold to be under and the EDC did not want to use the parking requirements to provide a big incentive to go residential rather than non-residential. Mr. Taintor's thought was to continue a residential requirement and have that separate from the non-residential. However, in the Omnibus he has gone back to the 2.2 spaces per 1,000 s.f. regardless of use

Mr. Coker asked if someone could he seek relief from the BOA for a variance if providing the required spaces is not feasible. Mr. Taintor indicated that would have nothing to do with both residential and non-residential because the same question applies to both. If there is something about a parcel that makes it uneconomical to do what the zoning says then they could seek relief. However, he felt that before they relied on variances, they need to make sure the regulation is appropriate. He would like to see them look at the range of 2.1 or 2.2 spaces per 1,000 s.f. regardless of use, have some smaller uses be exempt altogether, or a different number with approximately the same requirement. The question is whether there is a different requirement between residential or non-residential, big or small, and are there some uses or sizes that don't have to provide any parking.

Mr. Coker felt that leads to his basic request that developers need to be involved with this. The Northern Tier will be developed in the future. Mr. Taintor believed it was the intent of the DPFPG to provide the input from the developers. Mr. Coker thought the DPFPG got good input from the developers but they were all from downtown. He felt their recommendations have been added onto ideas which are opposed to some of their views. They believed the City should get into the parking business and build garages and collect money from it. The input from developers was that it would

cost them between \$4 - \$7 per square foot for the cost of a building as opposed to Pease where parking is free. In hindsight, he does not believe they got enough information. Mr. Taintor was not sure the public hearings make sense until they have something for the public to react to.

Ms. Roberts felt that just because there have been changes she did not believe that meant they were not getting enough feedback from a particular group of people. She would like to get some thoughts on paper and then have the public hearing. She felt the elimination of the requirement for parking is radical. They should look at what that would allow them from a sustainability standpoint. She also wonders if unintended consequences might be problematic.

Mr. Taintor said that the idea of the City providing all of the parking does make sense in terms of cash flow, but the difficulty is the timing issue. The Worth Lot has been discussed since the 1990's. They are not able to move quickly as a City to create parking spaces in line with increasing floor area downtown. Looking at the former Parade Mall parcel, because it was developed under the former zoning, they are 100's of spaces short for the parking that lot demands. Therefore, it is not true that development will build the parking that it needs. The Worth Lot garage is not going to make up for all of the parking demand that will come out of the Parade Mall lot and the City will never make up that demand as it would need another parking garage somewhere else to meet that demand. If the DPF is correct that the City needs a 2.1 or 2.2 parking ratio, then they have fallen way short of that with the mixed use development at the Parade Mall. It's a great development but it is not going to provide the parking that it demands because of how the zoning used to work.

Mr. Coker pointed out that the Hilton hotel was built with 127 rooms but only required 27 spaces due to the old zoning requirements. And Mr. Taintor pointed out that if they take out the downtown parking requirements then it wouldn't have required any spaces. Mr. Coker felt that the marketplace will demand that the developers provide parking. Mr. Taintor disagreed.

Councilor Spear had a concern with larger lots providing their own parking as they will provide surface parking lots which are hideous. Therefore, there are benefits to the public providing garages as they avoid the surface parking lots and the public would get more use out of a shared, public garage.

Ms. Geffert thought that the hotels should have some sort of parking requirement but she questioned the formulaic approach for residential. She thought they should put back on the table the number of spaces per unit rather than square foot. She also wanted to encourage live-work space and wondered if they would need something special for that.

Chairman Ricci indicated that he has been on the wrong side of the in-lieu payment. He believes Councilor Spear is correct and they need to promote non-residential in the downtown. He believes any commercial/restaurant should be exempt but a hotel would have a some sort of requirement. Residential should have to provide parking. He felt they should have a tiered parking approach. He felt that \$2.00 an hour for parking at the High Hanover garage is pocket change to spend the day in Portsmouth. He would like to see downtown workers park for 25 cents or 50 cents per hour for up to 10 hours. He believes the parking issue is the first time on this Board that he has heard all sort of different views. The unintended consequences to him is that if they institute 2.2 spaces per 1,000 s.f. over 40,000, or whatever it may be, developers will go away and by the time they wake up and realize that they don't have any development it will be too late. He felt this should be municipally driven and

that parking is self sustaining. A lot of businesses in town never paid a dime for parking, but they are a tax base that doesn't tax the school system. He believes they should promote non-residential, get rid of the parking fee, have a tiered parking approach and move forward. They should keep parking all in one spot and get rid of the individual parking space sprawl.

Mr. Coker mentioned that Burlington, VT has blocked off the street downtown. Doug Bates of the COC, said they should block off the downtown and build the parking garages around the periphery and they will pay for themselves.

Ms. Geffert felt if you don't have a viable downtown you can't turn it into a pedestrian mall and you can't pay for your parking. Therefore, the primary motivation has to be what Chairman Ricci and Councilor Spear have said, draw the vibrant, non-residential business sector back into the downtown. She felt the multiple 1,000 s.f. space is pretty much the northern tier and that is where they want to see the elimination of surface lots and the creation of more vibrant business and office development. She would recommend in CBB and CBR eliminate parking requirements for non-residential except for hotels and impose 1.5 space per unit of residential requirement and a special exception for true live-work.

Chairman Ricci indicated that live-work don't commute so it could be a lower requirement.

Mr. Blenkinsop thought they might want an in-lieu payment for residential. A lot of buildings are multi-use and there is no place to provide parking spaces on the lots. He agrees with promoting and protecting commercial and development downtown but it is because of the mix that Portsmouth is so vibrant.

Mr. Taintor thought it makes sense to get rid of the non-residential fee and keep a high \$10,000 per space for residential as it would get folded right into the mortgage. If they kept a requirement for residential and not for non-residential and they didn't have payment in lieu, they would have the problem where a non-residential turns into a residential space after the building has been designed as office space with no parking.

Ms. Roberts explained that the reason she brought up the unintended consequences is because the mixed nature of downtown is a key to its success and she doesn't want to go too far in the other direction. It is not really clear how much of a problem the imbalance of residential vs. commercial really is. They have to be careful how they do it.

Mr. Coker stated that Steve Alie did an informal study a number of years ago on tax revenue downtown vs. the expense. It showed that downtown development is a money maker for the city yet a single family residence is a net loser. He also felt they have to be careful about financing for the developers as it will be important to provide a worthwhile risk for the bank to finance a project. He felt the powerpoint presentation spells everything out and they could have a work session just on that information.

Chairman Ricci thought it made sense to get a distilled version of the powerpoint and have a Work Session next week before the regular meeting. Mr. Taintor confirmed he could have the powerpoint information in their packet with is going out tomorrow for next week's meeting.

Chairman Ricci believed it costs about \$7,000 per student in Portsmouth. But if you go downtown, the businesses do not cost the City anything and the downtown residents probably don't have any kids.

Mr. Gladhill likes the idea of getting information on the downtown mix of residential vs. non residential. He asked if they could get a number of how many residents live downtown. Mr. Taintor indicated the census data is just coming out so they don't have that information. They wanted to do that for the DPFG but it's hard to do and weren't able to pin it down.

Councilor Spear asked Mr. Taintor if he could take the ideas that they talked about tonight and include them in a handout. Also, he asked for a first draft of what the hotel requirement might be. Another issue that will be sensitive when it goes to the City Council will be the 20,000 s.f. issue so they should refine their arguments.

Mr. Taintor thought they might be saying that they don't want any requirements at all so the 20,000 s.f. may be irrelevant. But they will see where they go with that.

Mr. Coker didn't see this group making a recommendation to the City Council next week. They will refine their arguments and then hold a public hearing. Chairman Ricci agreed that it will still take several months.

Mr. Taintor asked that they continue to move with the idea that these are going hand in hand with the parking supply and the Worth Lot garage as the Worth Lot is the one thing that everything hinges on. Chairman Ricci agreed that they need a commitment to provide more parking.

Mr. Patenaude asked if their recommendation includes an enterprise fund. Mr. Taintor indicated that was not a planning function and would come from the City Manager's Office. Councilor Spear stated that it is on the City Council agenda to address the enterprise fund this fall.

The next Work Session will be scheduled next Thursday, May 19th at 6:00 pm.

II. ADJOURNMENT

A motion to adjourn at 8:30 pm was made and seconded and passed unanimously.

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Respectfully submitted,

Jane M. Shouse
Acting Secretary for the Planning Board

These minutes were approved by the Planning Board on July 21, 2011.