

CITY COUNCIL MEETING

MUNICIPAL COMPLEX, EILEEN DONDERO FOLEY COUNCIL CHAMBERS, PORTSMOUTH, NH
DATE: MONDAY, MARCH 17, 2014 TIME: 7:00 PM

AGENDA

- 5:45PM – ANTICIPATED “NON-MEETING” WITH COUNSEL REGARDING LITIGATION – RSA 91-A:2 I (c)

- I. CALL TO ORDER [7:00PM or thereafter]
- II. ROLL CALL
- III. INVOCATION
- IV. PLEDGE OF ALLEGIANCE

PRESENTATION

1. Proposed Interim Space for Senior Programming – Recreation Director Rus Wilson and Senior Services Coordinator Brinn Chute (***Sample motion – move that The Subcommittee request the City Manager be authorized to enter into negotiations with Mark Wentworth Home and/or the Foundation for Seacoast Health for an interim senior programming space at the Community Campus location***)

- V. ACCEPTANCE OF MINUTES – JANUARY 6, 2014

- VI. PUBLIC COMMENT SESSION

- VII. PUBLIC HEARINGS

- A. ORDINANCE AMENDING CHAPTER 10 – ZONING ORDINANCE, SECTION 10.535 – EXCEPTIONS TO DIMENSIONAL STANDARDS IN THE CENTRAL BUSINESS DISTRICT, WHICH WOULD ELIMINATE A CONDITIONAL USE PERMIT UNDER SECTION 10.535.13
- B. ORDINANCE AMENDING CHAPTER 10 – ZONING ORDINANCE, INSERTING A NEW ARTICLE 5A – CHARACTER DISTRICTS (AKA FORM-BASED ZONING) AND FURTHER TO ADOPT THE ZONING MAP FOR THE CHARACTER DISTRICTS FOR THE MAPS REFERENCE IN SECTION 10.5A14.10 OF ARTICLE 5A
- C. ORDINANCE AMENDING CHAPTER 10 – ZONING ORDINANCE, MISCELLANEOUS CONFORMING AMENDMENTS TO IMPLEMENT CHARACTER-BASED ZONING

- VIII. CONSIDERATION OF RESOLUTIONS AND ORDINANCES

- A. Second Reading of Proposed Ordinance amending Chapter 10 – Zoning Ordinance, Section 10.535 – Exceptions to Dimensional Standards in the Central Business District, which would eliminate a Conditional Use Permit under Section 10.535.13

- B. Second Reading of Proposed Amendments to Chapter 10 – Zoning Ordinance, Inserting a New Article 5A – Character Districts (aka Form-Based Zoning) and further to Adopt the Zoning Map for the Character Districts for the Maps reference in Section 10.5A14.10 of Article 5A
- C. Second Reading of Proposed Amendments to Chapter 10 – Zoning Ordinance, Miscellaneous Conforming Amendments to Implement Character-Based Zoning

IX. CONSENT AGENDA

A MOTION WOULD BE IN ORDER TO ADOPT THE CONSENT AGENDA

- A. Request for Approval of Pole License to install 1 pole and 40' of underground conduit on Livermore Street for an electrical service to 32 Livermore Street ***(Anticipated action – move to approve the aforementioned Pole License Agreement as recommended by the Public Works Department with the approval conditioned upon amendment of the license to allow for the collection of any lawfully assessed real estate taxes)***
- B. Letter from Robert L. Sutherland, Jr., St. John’s Lodge requesting permission to hold the 5k “Out of Hibernation” Road Race on Saturday, April 12, 2014 at 8:00 a.m. ***(Anticipated action – move to refer to the City Manager with power)***
- C. Letter from Robert L. Sutherland, Jr., St. John’s Lodge requesting permission to hold a march for the observance of St. John’s Sunday, June 22, 2014 at 9:00 a.m. ***(Anticipated action – move to refer to the City Manager with power)***
- D. 2014 Omnibus Sidewalk Obstruction Renewals – See Attached Listings ***(Anticipated action – move to refer to the City Manager with power)***
- E. Letter from Matthew Raffio, Arthritis Foundation requesting permission to hold the Annual Jingle Bell Run on Saturday, December 13, 2014 at 10:00 a.m. ***(Anticipated action – move to refer to the City Manager with power)***

X. PRESENTATION & CONSIDERATION OF WRITTEN COMMUNICATIONS & PETITIONS

- A. Letter from Chris Thompson, HarborCorp, LLC regarding Second Reading of Ordinance to Eliminate Conditional Use Permit

XI. REPORTS AND COMMUNICATIONS FROM CITY OFFICIALS

A. CITY MANAGER

Items Which Require Action Under Other Sections of the Agenda:

- 1. Public Hearing/Second Reading of Proposed Resolution and Ordinances:

- 1.1. Public Hearing/Second Reading of Proposed Ordinance amending Chapter 10 – Zoning Ordinance, Section 10.535 – Exceptions to Dimensional Standards in the Central Business District, which would eliminate a Conditional Use Permit under Section 10.535.13 (**Action on this item should take place under Section VIII of the agenda**)
- 1.2. Public Hearing/Second Reading of Proposed Amendments to Chapter 10 – Zoning Ordinance, Inserting a New Article 5A – Character Districts (aka Form-Based Zoning) and further to Adopt the Zoning Map for the Character Districts for the Maps reference in Section 10.5A14.10 of Article 5A (**Action on this item should take place under Section VIII of the agenda**)
- 1.3. Public Hearing/Second Reading of Proposed Amendments to Chapter 10 – Zoning Ordinance, Miscellaneous Conforming Amendments to Implement Character Based Zoning (**Action on this item should take place under Section VIII of the agenda**)

City Manager's Items Which Require Action:

1. Proposed Release of Funds for African Burying Ground
2. Proposed Borrowing Re: New Franklin School Energy Project
3. Establish a Date and Time for Pan Am Railways to make a Presentation to the City Council
4. Request for Approval on Teacher's/Administrator's Retirement Incentive
5. Proposed Easement Re: Hill Street
6. Request for Encumbrance License Re: 10 State Street

Informational Items

1. Events Listing
2. Public Input Session Re: Water/Sewer Rate Study
3. Information Memorandum from City Attorney Robert Sullivan Re: Portwalk

B. MAYOR LISTER

1. Appointments to be Considered:
 - Judith Bunnell appointed to the Citizens Advisory Committee
 - Steve Miller reappointment to the Conservation Commission
 - Elissa Hill Stone reappointment to the Conservation Commission
 - Allison Tanner reappointment to the Conservation Commission
 - Amy Schwartz reappointment to the Portsmouth Housing Authority
 - Stephen Philp reappointment to the Peirce Island Committee
 - John Simon reappointment to the Peirce Island Committee

- Jackie Cali-Pitts reappointment to the Recreation Board
 - Jason Boucher appointment to the Recreation Board
 - Kathryn Lynch appointment to the Recreation Board
2. Appointments to be Voted:
- R. Bruce Boley appointment to the Library Board of Trustees (*considered at February 18, 2014 Council meeting*)
 - Jack Jamison appointment to the Library Board of Trustees (*considered at February 18, 2014 Council meeting*)

C. ASSISTANT MAYOR SPLAINE

1. *Sea-3 Propane Proposal Update
2. Creating A Fee Penalty Guideline for Violations of Land Use Board Approvals
3. Status of Abandoned or Derelict Buildings

D. COUNCILOR MORGAN

1. *Master Plan – Update of our Master Plan’s Implementation Plan section, in anticipation of the 2015 Master Plan Review (***Sample motion – move to request the City Manager to coordinate with staff the update of the Implementation Plan in our current Master Plan, to be made available to the public and City Council by end of May 2014***)
2. *Portwalk – Request for Work Session to review:
 - a) enforcement
 - b) penalties
 - c) process and path forward: how we got here and what is the plan/process to prevent this from happening again
3. *Civility by City Officials

E. COUNCILOR THORSEN

1. Legal Analysis regarding Financial Disclosures received from NHMA and suggested amendment language to Administrative Code

XII. MISCELLANEOUS/UNFINISHED BUSINESS

XIII. ADJOURNMENT [AT 10:00PM OR EARLIER]

**KELLI L. BARNABY, CMC/CNHMC
CITY CLERK**

**Indicates Verbal Report*


INFORMATIONAL ITEMS

1. Notification that the Board of Adjustment Minutes of the November 20, 2012, February 19, 2013 and March 26, 2013 meetings are available on the City's website for your review
2. Notification that the Historic District Commission Minutes of the July 10, 2013, July 17, 2013 and August 14, 2013 meeting are available on the City's website for your review

NOTICE TO THE PUBLIC WHO ARE HEARING IMPAIRED: Please contact Dianna Fogarty at 603-610-7270 one-week prior to the meeting for assistance.

**CITY OF PORTSMOUTH
PORTSMOUTH, NH 03801**

Office of the City Manager

Date: March 13, 2014
To: Honorable Mayor Robert J. Lister and City Council Members
From: John P. Bohenko, City Manager 
Re: City Manager's Comments on March 17, 2014 City Council Agenda

5:45 p.m. – Non-meeting with counsel.

For details on this matter, please refer to the confidential envelope inserted in the inside pocket of your binder.

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Presentation:

1. **Proposed Interim Space for Senior Programming.** In January, the Mark Wentworth Home notified the City and their clients of their decision to close the Adult Day Program at the Community Campus located at 100 Campus Drive. The Mark Wentworth Home has offered the City use of their 2,400 square foot adult day program space for use as an interim senior programming space for the remainder of their lease with the Foundation for Seacoast Health. This lease is in effect through October 19, 2015 and the Mark Wentworth Home has offered to continue paying the lease until that date.

The Senior Subcommittee of the Recreation Board has submitted a proposal recommending that the City accept Mark Wentworth Home's offer and proceed with establishing an interim senior programming space at the Community Campus. Senior Subcommittee members include: Carl Diemer, Chair; Judith Bunnell, Nancy Novelline Clayburgh, Todd Henley, Maureen O'Leary, Cindi Shanley, Diane Share, and Kory Sirmaian.

This proposal is consistent with the recommendation put forth in the December 16, 2013 Blue Ribbon Senior Committee report to the City Council, which recommended that the Senior Subcommittee consider locations for a gathering space for drop-in activities in the immediate short-term. The Senior Subcommittee is excited about the prospect of being able to immediately serve the needs of seniors in the Portsmouth area by providing an interim

gathering place, activities and resources in one centralized location while still working towards a permanent senior center solution.

For your review, I have attached the proposal from the Senior Subcommittee outlining a proposed timeline and suggested programming. Additionally, I have asked Rus Wilson, Recreation Director, and Brinn Chute, Senior Services Coordinator, to make a presentation regarding this proposal.

If this moves forward, we would anticipate a May 6th opening and the cost could be absorbed in the current fiscal year.

Move that the Senior Subcommittee requests that the City Manager be authorized to enter into negotiations with Mark Wentworth Home and/or the Foundation for Seacoast Health for an interim senior programming space at the Community Campus location.

Items Which Require Action Under Other Sections of the Agenda:

1. Public Hearing/Second Reading of Proposed Resolution and Ordinances.

- 1.1 **Public Hearing and Second Reading of an Ordinance Amending Chapter 10 – Zoning Ordinance, Section 10.535 – Exceptions to Dimensional Standards in the Central Business District, which would eliminate a Conditional Use Permit under Section 10.535.13.** At its meeting on January 21, 2014, the City Council voted to pass first reading on a proposed amendment to the Zoning Ordinance to delete Section 10.535.13 – “Increased Building Height by Conditional Use Permit (Central Business A and B Districts).” The effect of this proposed amendment would be to reduce the allowable building height in the entire Central Business District to the lesser of 45 feet or 3½ stories. Any increase in building height above this level would require a variance from the Zoning Board of Adjustment.

On September 16, 2013, the Council amended the Ordinance by establishing the lower of 45 feet or 3½ stories as the maximum height allowable as of right, and by inserting a new Section 10.535.13 that allows buildings to reach the previously permitted heights of 60’ in CBB and 50’ in CBA by obtaining a Conditional Use Permit from the Historic District Commission. This is the provision that is now being proposed for elimination.

To date, there has been one application for a Conditional Use Permit under the provision adopted in September. This was for the proposed project at 173-175 Market Street, which had been under review by the Historic District Commission for many months.

The Planning Board held a public hearing on the proposed Zoning Ordinance amendment on February 20, 2014. As a result of that hearing, the Planning Board

voted 7-2 to recommend that the criteria for a Conditional Use Permit be retained but that the criteria for approval be modified to require that a proposed development address a total of four elements, two relating to building design and two relating to site planning. The wording recommended by the Planning Board is as follows (new text is indicated by underlining):

10.535.13 Increased Building Height by Conditional Use Permit

Within the CBA and CBB districts, the Historic District Commission may grant a conditional use permit to allow an increase in building height above the maximum structure height specified in Section 10.531, up to a maximum of 50 feet in the CBA district or 60 feet in the CBB district, only if both the following conditions are met for the building and site design:

(a) The proposed building design positively contributes to the surrounding context and the overall historic character of the district and includes at least 2 of the following elements:

- The use of high-quality building materials in the building design including, but not limited to: slate or copper roofing; copper gutters and downspouts; restoration brick; granite sills, lintels, foundations, stoops and steps; and wood storefront windows along the façade elevation;*
- Significant scaling elements in the building design such as increased setbacks, stepbacks, reduced footprint(s) and building volume(s), varied building heights, pitched roof forms, projections, banding, and other massing techniques;*
- A significant restoration or reconstruction of a “focal” or “contributing” building; or*
- Underground or structured parking (except within 24 feet of a public street on the street-level floor) in lieu of surface parking.*

(b) The proposed site plan includes at least 2 of the following elements:

- New publicly accessible open space area such as a greenway, pedestrian alleys, plazas, pocket parks, playgrounds or other significant public open space areas;*
- A significant contribution to the redesign or improvement of an existing public open space located on a surrounding property;*
- Permanent protection of a significant view corridor to a historic building or riverfront area; or*
- A significant contribution to the restoration of an existing public historic resource located on a surrounding property.*

The Planning Board's recommendation represents a significant change from the ordinance that has been advertised for the public hearing, and the Legal Department has determined that a new notice and hearing would be required if the City Council wishes to consider this recommendation. To address this situation, the Legal Department recommends that the City Council proceed as follows:

- 1) Open its scheduled public hearing on the ordinance at the City Council meeting of March 17, 2014 and hear any public comment which might be received at that time.
- 2) Subsequent to the receipt of public comment, consider any further amendments to the proposed ordinance, including the changes recommended by the Planning Board.
- 3) If no amendments are accepted, vote on whether to pass second reading on the proposed ordinance, with any minor amendments.
- 4) If the Council votes to accept the Planning Board's recommended action (or any other proposed amendment to Section 10.535.13), move to schedule a new public hearing and second reading of the proposed amended Ordinance on April 7, 2014.

It is important to note that the City's Council's action on the establishment of Character-Based Zoning in the downtown, as proposed in the next two items on the agenda, could significantly diminish the effect of both the proposed deletion of Section 10.535.13 and the amendment of that section proposed by the Planning Board. If the Council adopts Character-Based Zoning, the majority of the downtown area will no longer be zoned CBA or CBB, and therefore will not be subject to the Conditional Use Permit process or affected by its elimination. As stated by the Planning Director at the March 3rd City Council meeting, the deletion of Section 10.535.13 would then only affect three relatively small areas around the perimeter of the downtown area:

- 1) The area of the Northern Tier zoned CBA between the railroad tracks and North Mill Pond, consisting of about 15 acres and 15 existing parcels. The maximum allowed building height in this district is currently 50 feet, with only 40 feet allowed within 10 feet of a street. Therefore, the reduction to 45 feet would have a marginal impact on development potential.
- 2) Two parcels on Deer Street and Bridge Street (Gary's Beverages/Wells Fargo, and Redlon & Johnson), currently zoned CBB (maximum allowed height of 60 feet); and
- 3) The parcels on Islington Street between Bridge Street and Rockingham Street, zoned CBB, consisting of about 9 acres and 27 parcels. All but 5 or 6 of these parcels are subject to special dimensional standards including reduced building height (40 feet) due to their proximity to residential zoning districts.

The aforementioned areas are among those proposed as additional areas within which to implement Character-Based Zoning. If the Council votes to implement Character-

Based Zoning in these areas, the only remaining Central Business zoned parcels will be at Noble's Island.

Prior to the public hearing, Rick Taintor, Planning Director, will be making a presentation regarding this proposed Ordinance and amendments.

The City Council may take the following actions:

- 1) *Move to approve the Zoning Ordinance as proposed, by deleting Section 10.535.13, and schedule third and final reading for April 7, 2014; or*
- 2) *Move to amend Section 10.535.13 of the Zoning Ordinance as recommended by the Planning Board, and schedule a new public hearing on the amendment for April 7, 2014.*

Action on this item should take place under Section VIII of the Agenda.

- 1.2 **Public Hearing and Second Reading of Proposed Amendments to Chapter 10 – Zoning Ordinance, Inserting a New Article 5A – Character Districts (aka Form-Based Zoning) and further to Adopt the Zoning Map for the Character Districts for the Maps Referenced in Section 10:5A14.10 of Article 5A.** At its meeting on March 3, 2014, the City Council passed first reading on a proposed amendment to the Zoning Ordinance to implement Character-Based Zoning (aka Form-Based Zoning) in the downtown area. As you know, the Planning Department and the City's consultants, Town Planning and Urban Design Collaborative (TPUDC), worked throughout 2013 to develop new "form-based" zoning standards for the historic core of the downtown. This approach was taken in order to address a recognition that the scale and style of new developments as permitted under current zoning is not always consistent with the downtown's historic character.

The proposed ordinance will add a new Article 5A – Character Districts to the Zoning Ordinance. The development standards in Article 5A are based on the historic design character of downtown Portsmouth and seek to encourage new buildings and developments that fit in well with the surrounding context. The goal of this effort is to create zoning regulations that promote development that not only respects the historic character, but actually strengthens and enhances that character by filling in holes in the urban fabric with high-quality buildings.

The Planning Board originally considered these proposed amendments in a public hearing on October 24, 2013, and a special meeting on October 31, 2013, and voted unanimously to recommend that the City Council adopt the new Article 5A, along with several amendments to other sections of the Ordinance. On October 21, 2013, the City Council scheduled first reading on the proposed zoning amendments for November 18, 2013. However, at the November 18th meeting, the Council voted to postpone the ordinance until January 2014, in order to provide for additional review

and input. At its meeting on January 13, 2014, the City Council voted to schedule the proposed Character-Based Zoning for first reading on March 3, 2014, with a public hearing and second reading at the March 17, 2014 City Council meeting.

To provide residents with an opportunity to ask questions about the proposed Character-Based Zoning and to make suggestions for changes, the Planning Department held a public informational drop-in session and forum on January 29, 2014. Both the afternoon drop-in session and the evening forum were well attended and generated much discussion and input.

Based on comments from residents and further internal review, the Planning Department prepared a revised draft of the proposed Character-Based Zoning ordinance. This draft was posted on the Planning Department's website (<http://planportsmouth.com/formbasedzoning.html>) and reviewed in a public hearing at the Planning Board's February 20th meeting. As a result of the public hearing, the Planning Board voted to make several additional revisions to the proposed ordinance, and voted unanimously to recommend that the City Council enact the proposed ordinance as amended.

The revised proposed ordinance incorporating the changes recommended by the Planning Board is attached (dated March 3, 2014). Also attached is a memorandum from the Planning Director summarizing the substantive changes from the previous version.

I would recommend the City Council move to pass second reading and schedule a third and final reading of the proposed Ordinance, as presented, at the April 7, 2014 City Council meeting. Action on this item should take place under Section VIII of the Agenda.

- 1.3 **Public Hearing and Second Reading of Proposed Amendments to Chapter 10 – Zoning Ordinance, Miscellaneous Conforming Amendments.** At its meeting on March 3, 2014, the City Council passed first reading on the attached ordinance which includes a set of proposed amendments to the Zoning Ordinance that will be required if the Council votes to adopt the proposed Article 5A – Character Districts. These “conforming amendments” to other sections of the Zoning Ordinance would make the following changes:

- Add references to the new Character Districts in the listing of Zoning Districts (Sec. 10.410), the description of the Downtown Overlay District (Sec. 10.641.10) and the listing of Sign Districts (Sec. 10.1230);
- Incorporate into the Zoning Map, by reference, the Regulating Plan maps, along with two other maps that describe areas subject to special zoning regulations;
- Add a cross-reference in Article 15 to definitions in the new Article 5A.

The proposed “conforming amendments” also include several substantive changes to the off-street parking provisions of the Downtown Overlay District: parking setbacks from certain streets are reduced from 30 feet to 24 feet, the list of such streets is expanded, and the setback requirement is changed to apply only to above-ground parking areas (i.e., off-street parking in basement levels would not have to be set back from the street).

The Planning Board originally considered these proposed amendments in a public hearing on October 24, 2013, and a special meeting on October 31, 2013, and voted unanimously to recommend that these amendments be enacted. Following the public informational forum on January 29, 2014, the Planning Department drafted several additional amendments, and the Planning Board held another public hearing on the amended proposed ordinance on February 20, 2014. After closing the public hearing, the Planning Board voted unanimously to recommend that the revised amendments be enacted.

I would recommend the City Council move to pass second reading and schedule a third and final reading of the proposed Ordinance, as presented, at the April 7, 2014 City Council meeting. Action on this item should take place under Section VIII of the Agenda.

City Manager’s Items Which Require Action:

1. **Proposed Release of Funds for African Burying Ground.** As you will recall, in late February, the City released a Request for Qualifications for Construction Services for the African Burying Ground Memorial Park, *We Stand in Honor of Those Forgotten*. In the coming weeks, this process will move forward and additional construction related activities will be planned for, including archaeological monitoring and construction oversight for examples. As of this date, no timeline for onsite construction activities has been determined; meanwhile, City staff and the design team are continuing work with members of the African Burying Ground Committee, fundraising volunteers as well as project abutters to keep the project moving forward. As you will recall, per the terms of the African Burying Ground Trust, the City Manager must be authorized by the City Council to request expenditures from the Trust. In the coming weeks and months, funding from the Trust will be required in order to facilitate project construction. As a result, I recommend the City Council move to authorize the City Manager to request funds from the African Burying Ground Trust of up to \$1,200,000 million for the purposes of constructing the African Burying Ground Memorial Park. I will continue to update the City Council at each stage of the project and continue to coordinate closely with the African Burying Ground Committee.

In accordance with the terms of the African Burying Ground Trust, I would recommend that the City Council move to authorize the City Manager to expend funds from the Trust up to \$1,200,000 for the construction of the African Burying Ground Memorial Park.

2. **Proposed Borrowing Re: New Franklin School Energy Project.** Attached is a letter from Superintendent of Schools Edward McDonough requesting approval for the borrowing of up to \$400,000 for the New Franklin School Energy Project. Also attached is a proposed Resolution that would allow for this borrowing. As you are aware, borrowing Resolutions require a first reading and public hearing and adoption. I would recommend that the City Council bring back for first reading the attached borrowing Resolution in an amount not to exceed \$400,000 for the New Franklin School Energy Project as presented in the correspondence from Edward McDonough, Superintendent of Schools dated February 26, 2014. Please note that this project has been approved by the School Board.

Business Administrator Stephen Bartlett will be in attendance on Monday evening to answer any questions you might have regarding this matter.

I would recommend that the City Council bring back for first reading the attached borrowing Resolution in an amount not to exceed \$400,000 for the New Franklin School Energy Project, as presented in the correspondence from Edward McDonough, Superintendent of Schools, dated March 5, 2014, at the April 7, 2014 City Council meeting.

3. **Establish a Date and Time for Pan Am Railways to make a Presentation to the City Council.** At the meeting with Pan Am Railways on Wednesday, March 5th, I made a request to have Pan Am Railways be available to make a presentation to the City Council to answer any questions you might have regarding the proposed increase of rail traffic if the Sea-3 project is approved. Cynthia Scarano, Executive Vice President of Pan Am Railways indicated that they would make themselves available to the City Council.

I would recommend the City Council move to authorize the City Manager to schedule a date for this presentation.

4. **Request for Approval on Teacher's/Administrator's Retirement Incentive.** In an attempt to achieve savings without compromising education, the School Board approved a retirement incentive package, subject to the approval of the City Council. The purpose of this program was to provide an incentive to long-term employees who are eligible to retire. The savings would be achieved by replacing employees at the top of the pay scale with new employees who would be paid at a lower rate.

On Monday evening, I am requesting that the City Council approve the request from the Portsmouth School Board to offer a retirement incentive to teachers/administrators. The details are outlined below:

Option # 1:

Eligible members who have ten (10) years or more service in the district by the end of the 2013-14 school year, and who filed an irrevocable commitment to retire from the district on

or before January 23, 2014 and who actually retire under the NHRS at the end of the 2013-14 school year can receive

a one-time payment of \$12,000.

Any eligible members who have less than ten (10) years or more service in the district by the end of the 2013-14 school year, and who filed an irrevocable commitment to retire from the district on or before January 23, 2014 and who actually retire under the NHRS at the end of the 2013-14 school year can receive

a one-time payment of \$10,000.

Option # 2: Medical Subsidy

Eligible members who have ten (10) years or more service in the district by the end of the 2013-14 school year, and who filed an irrevocable commitment to retire from the district on or before January 23, 2014 and who actually retire under the NHRS at the end of the 2013-14 school year can receive a medical subsidy for the next two years (2014-15, 2015-16) in an amount equal to 100% of a single and no more than 50% of a two person plan.

Any eligible members who have less than ten (10) years or more service in the district by the end of the 2013-14 school year, and who filed an irrevocable commitment to retire from the district on or before January 23, 2014 and who actually retire under the NHRS at the end of the 2013-14 school year can receive a medical subsidy for two years (2014-15, 2015-16) in an amount equal to no less than 80% of a single and no more than 40% of a two person plan.

One teacher and one administrator have accepted to take advantage of this package subject to City Council approval. Both employees have opted for Option #1 and if approved will receive the one-time payment of \$12,000. The anticipated savings to the school district is \$39,309 in FY'15.

Assistant Superintendent Steve Zadavec will be in attendance on Monday evening to answer any questions you might have regarding this matter.

The School Board is recommending that the City Council move to approve the request to offer a retirement incentive to teachers/administrators, as presented.

5. **Proposed Easement Re: Hill Street.** On January 16, 2014, Hill-Hanover Group LLC obtained subdivision approval from the Planning Board to relocate a lot line between two parcels at 159-181 Hill Street and 317-339 Hanover Street. The new lot line bisects an existing common right-of-way that was formerly a public street, being the extension of Hill Street. The subdivision was approved by the Planning Board subject to certain stipulations, including the grant of a utility easement to the City to maintain existing public utilities. Attached are a plan and an aerial photograph showing the proposed easement area.

I would recommend the City Council move to authorize the City Manager to accept a utility easement from Hill-Hanover Group LLC.

6. **Request for Encumbrance License Re: 10 State Street.** Ten State Street, LLC requests a license to encumber the sidewalk immediately fronting its property located at 10 State Street (Tax Map 105, Lot 4) ("Property") and City land abutting the Property to both the North and South to facilitate construction of a three story building with associated site improvements. See attached letter from the Owner's contractor, DeNiro Construction, and Site Encumbrance Plan and attached photo. The Site Encumbrance Plan depicts three encumbrance areas; Encumbrance Area 1 is City land South of the Property, Encumbrance Area 2 is City land North of the Property and Encumbrance Area 3 is the sidewalk immediately fronting the Property.

The Owner seeks to use Encumbrance Area 1 for staging and it will be inaccessible to pedestrians and vehicles for 16 months until completion of the project. As consideration for use of City land, the Owner has agreed to improve the City sidewalk located between the extension of State Street and the fence along the North Parking Lot immediately outside Encumbrance Area 1. See attached picture of the area. The improvements would be performed to City specifications by the Owner.

Ten State Street LLC seeks to use Encumbrance Area 2 for staging during construction and the area will be inaccessible to pedestrians for 16 months until the completion of the project. The Owner has entered into a separate Letter of Agreement whereby it has agreed to repair and improve Encumbrance Area 2 by installing a brick walkway and decorative fence at the headwall consistent with specifications approved by the City.

The Owner seeks to encumber the City sidewalk located in Encumbrance Area 3 for five months, after which the license for this area will terminate and pedestrians will regain access to the area.

I would recommend the City Council move to authorize the City Manager to enter into a license with Ten State Street, LLC to facilitate construction activities at 10 State Street, which will include improvements to City land by Owner after completion of the project.

Informational Items:

1. **Events Listing.** For your information, attached is a copy of the Events Listing updated after the last City Council meeting on March 3, 2014. In addition, this can be found on the City's website.
2. **Public Input Session Re: Water/Sewer Rate Study.** Just a reminder that the Public Input Session regarding the Water/Sewer Rate Study is on Wednesday, March 19, 2014 at 6:30 p.m., in the Eileen Dondero Foley Council Chambers. Attached is an agenda.
3. **Information Memorandum from Robert Sullivan, City Attorney Re: Portwalk.** Attached for your information is a memorandum from Robert Sullivan, City Attorney, giving a brief explanation of the current land use regulatory issues at the Portwalk development site.