TO: KAREN S. CONARD, CITY MANAGER

FROM: KELLI L. BARNABY, CITY CLERK

RE: ACTIONS TAKEN AT THE PORTSMOUTH CITY COUNCIL MEETING HELD IN THE

EILEEN DONDERO FOLEY COUNCIL CHAMBERS ON MONDAY, JUNE 23, 2025

PRESENT: MAYOR McEACHERN, ASSISTANT MAYOR KELLEY, COUNCILORS TABOR, COOK,

DENTON, BLALOCK, BAGLEY, MOREAU, AND LOMBARDI

1. **Voted** to close the Non-Public Session and seal the minutes.

- 2. <u>Public Art Review Committee (PARC) Recommendation for Location of Proposed Fairy House Sculpture from Friends of the South End (FOSE)</u> **Voted** to accept the Fairy House Sculpture from Friends of the South End (FOSE). Councilor Cook recused from voting on this matter.
- 3. <u>Portsmouth 8-year-old Colby Classic Baseball Champions</u> Mayor McEachern and the City Council recognized the Portsmouth Little League Colby Jr. Classic 8-year-olds for winning the Championship. He announced that the Colby Jr. Classic team will be playing against the Kittery team in the "Battle of the Bridges" on Tuesday, July 1st.
- 4. Portsmouth High School Girls Lacrosse Division I Back-to-Back State Champions Mayor McEachern and the City Council recognized the Girls Lacrosse for winning back-to-back Division I State Championship. He announced that Portsmouth finished the season with a record of 20-0 and now takes a 27-game winning streak into next year. Head Coach JoJo Curro thanked Mayor McEachern and the City Council for this recognition.
- 5. Portsmouth High School Boys Lacrosse Division II State Champions Mayor McEachern and City Council recognized the Boys Lacrosse team who won the NHIAA Division II state title for the second consecutive year. He announced that this is the team's fourth championship in the last five years. Coach Chad Vischer thanked Mayor McEachern and the City Council for this recognition.
- 6. Recognition and appreciation of Deputy City Manager Suzanne Woodland Mayor McEachern and the City Council recognized and thanked Deputy City Manager Woodland for all her outstanding work and guidance provided to the city as she transitions from her role as Deputy City Manager to Regulatory Counsel.

City Manager Conard said that Suzanne walked into the role of Deputy City Manager when it was needed in the organization. She stated that Suzanne will remain a valuable resource for the city and thanked her for identifying organizational changes in three departments here at City Hall.

Deputy City Manager Woodland said that she has served in this role with gratitude. She said that she is looking forward to resting and having fun for the month of July and returning in August as Regulatory Counsel.

- 7. **Voted** to suspend the rules and bring forward Item XV. C.1. Report Back from the Recreation Board on Renaming of Portsmouth Skatepark in honor of Chris Rice.
- 8. Report Back from the Recreation Board on Renaming of Portsmouth Skatepark in honor of Chris Rice Moved to request on behalf of the Recreation Board that the City Council rename the Portsmouth Skatepark the Chris Rice Skatepark.

Voted to suspend the rules to allow the public to speak in honor of Chris Rice.

Voted to amend the main motion to rename the Portsmouth Skatepark to the Chris Rice Skateboard Park.

Voted on a unanimous roll call 9-0, to pass the main motion as amended and rename the Portsmouth Skatepark the Chris Rice Skateboard Park.

- 9. <u>Public Comment Session</u> There were four speakers: Roy Helsel (City Taxes); Jim Lee (Budget); Jennifer Gray (Rezoning Change); and Petra Huda (So Many Topics, So Little Time).
- 10. <u>Continuation of Public Hearing Regarding FY26 Budget</u> Mayor McEachern reopened the Public Hearing regarding the FY26 Budget. There were nine speakers that spoke regarding the FY26 Budget. Mayor McEachern declared the Public Hearing closed.
- 11. Adoption of Budget Resolutions for Fiscal Year July 1, 2025 through June 30, 2026 (FY26)
 - Resolution No. 7-2025 Municipal Fees **Voted** on a unanimous roll call 9-0, to adopt Resolution #7-2025 Municipal Fees.
 - Resolution No. 8-2025 General Fund Expenditures Move to adopt Resolution #8-2025 General Fund Expenditures.

Voted to suspend the rules to bring forward Item XV. D.2. – D.4. – Proposed Amendments to the FY26 Budget regarding the Police Department, School Department and Fire Department budgets.

On a roll call vote 1-8, motion to amend the General Fund Expenditures to set the Police Department budget for Fiscal Year 2026 at the same funding level as Fiscal Year 2025 **failed** to pass. Councilor Bagley voted in favor. Assistant Mayor Kelley, Councilors Tabor, Cook, Denton, Blalock, Moreau, Lombardi, and Mayor McEachern voted opposed.

On a roll call vote 4-5, motion to amend the General Fund Expenditures to increase the School Department budget by \$153,000.00 above the City Manager's recommended amount <u>failed</u> to pass. Mayor McEachern, Councilors Tabor, Denton, and Bagley voted in favor. Councilors Cook, Blalock, Moreau, Lombardi, and Assistant Mayor Kelley voted opposed.

On a roll call vote 2-7, motion to increase the Fire Department budget by \$112,000.00 above the City Manager's recommended amount <u>failed</u> to pass. Councilors Denton and Bagley voted in favor. Assistant Mayor Kelley, Councilors Tabor, Cook, Blalock, Moreau, Lombardi, and Mayor McEachern voted opposed.

Voted on a 7-2 roll call, to adopt Resolution #8-2025 – General Fund Expenditures. Assistant Mayor Kelley, Councilors Tabor, Denton, Blalock, Moreau, Lombardi, and Mayor McEachern voted in favor. Councilors Cook and Bagley voted opposed.

Department	Appropriation
General Government	\$26,664,357
Police	\$14,910,638
Fire	\$12,868,512
School	\$65,915,610
Collective Bargaining Contingency	\$1,990,000
Transfer to Indoor Pool	\$200,000
Transfer to Prescott Park	\$271,370
Transfer to Community Campus	\$470,911
Non-Operating	\$26,603,542
Total	\$149,894,940

- Resolution No. 9-2025 Water Fund Expenditures **Voted** on a unanimous roll call 9-0, to adopt Resolution #9-2025 Water Fund Expenditures.
- Resolution No. 10-2025 Sewer Fund Expenditures **Voted** on a unanimous roll call 9-0, to adopt Resolution #10-2025 Sewer Fund Expenditures.
- Resolution No. 11-2025 Special Revenues, Debt Service Fund, Portsmouth Housing
 <u>Endowment Trust</u>, and Committed Fund Balances Voted on a unanimous roll call 9-0, to
 adopt Resolution #11-2025 Special Revenues, Debt Service Fund, Portsmouth Housing
 Endowment Trust, and Committed Fund Balances.
- Resolution No. 12-2025 Investment Policy Voted on a unanimous roll call 9-0, to adopt Resolution #12-2025 – Investment Policy.

- 12. <u>License for Coast Guard Vessel to Dock at Prescott Park</u> **Voted** that the City Manager be authorized to execute and accept a License in a form similar to the document in the City Council packet and waive the dock fees except for electricity cost for a Coast Guard vessel to berth at the Prescott Park Dock.
- 13. Parking Lot Usage/Maintenance Agreement with St. John's Masonic Association, Inc. **Voted** that the City Manager be authorized to negotiate and enter into a Parking Lot Usage/Maintenance Agreement with St. John's Masonic Association, Inc. in a form similar to the document in the City Council packet.
- 14. <u>Amendment 4 to City's Lease with the Players' Ring</u> **Voted** to negotiate and enter into Lease Amendment 4 with the Player's Ring in a form similar to the document in the City Council packet.
- 15. Consent Agenda Voted to adopt the Consent Agenda.
 - A. Request from Michelle Graham of Shadow and Beige, to install a Projecting Sign at 40 Market Street (Anticipated action move to approve the aforementioned Projecting Sign License as recommended by the Planning & Sustainability Director, and further, authorize the City Manager to execute the License Agreement for this request)

Planning Director's Stipulations:

- The license shall be approved by the Legal Department as to content and form:
- Any removal or relocation of projecting sign(s), for any reason, shall be done at no cost to the City; and
- Any disturbance of a sidewalk, street or other public infrastructure resulting from the installation, relocation or removal of the projecting sign(s), for any reason shall be restored at no cost to the City and shall be subject to review and acceptance by the Department of Public Works
- 16. E-mail Correspondence Voted to accept and place on file.
- 17. <u>Memorandum from School Superintendent McLaughlin regarding Budget Work Session Updates</u> **Voted** to accept and place of file.
- 18. <u>Letter from the Gray Family property owners of 126 Bridge Street regarding Zoning Change from CD5 to CD4, or CD4-L1 or CD4-W</u> **Voted** to refer the correspondence to the Planning Department.
- 19. <u>Letter from Kevin Wentworth on behalf of Portsmouth Serious Summer League, to allow the League's banners to be hung for the duration of their basketball season at South Playground **Voted** to refer to the City Manager with the Authority to Act.</u>

- 20. Request from Kerrin Parker for License to Install Drainage Pipe on City Property Adjacent to 86 Haven Road – Voted to refer to the Legal Department and Public Works Department for a report back.
- 21. <u>Letter from Shawn Menard, Seacoast Eat Local, requesting an amendment to current agreement to allow additional temporary signage promoting the Portsmouth Farmers' Market **Voted** to refer to the City Manager with Authority to Act.</u>
- 22. <u>Appointments to be Considered</u> The City Council considered the reappointments as listed below and will take action at the July 14, 2025, City Council meeting.
 - Reappointment of Larry Booz as an alternate to the Historic District Commission
 - Reappointment of Margot Doering to the Historic District Commission
 - Reappointment of Martin Ryan to the Historic District Commission
 - Reappointment of Reagan Ruedig to the Historic District Commission
 - Reappointment of Robin Pickering to the Portsmouth Housing Authority
- 23. <u>Appointments to be Voted</u> **Voted** to appoint Joy Curth as a regular member to the Historic District Commission until June 1, 2028, and appoint Susan Strauss as an alternate member to the Historic District Commission until June 1, 2027.
- 24. Report Back from Housing Committee regarding the City Council motion of April 7th, to wit: "A list of zoning barriers to remove/opportunities to create market conditions for more affordable housing both at market rate and permanently below market levels, including zoning changes that could yield the greatest results in creating more affordable housing in the shortest timeframe." Councilor Tabor provided a detailed report back on barriers to remove to create housing supply:
 - Make parking part of site review... eliminates getting parking variances from ZBA. The number one barrier we heard about is parking minimums.
 - Dimensional requirements.... Most of the lots in the city are non-conforming, meaning rebuilding requires variances. Better zoning that conformed to the actual sizes and frontages would allow more infill development. Master plan.
 - Map changes repeat the success of Gateway zoning which has taken a surplus of commercial and industrial land and opened it up for mixed use including housing. The committee identified fifteen parcels to rezone representing thirty-nine acres into housing.
 - The RKG study will review incentives vs. construction costs in various parts of the city to make it more profitable to include 10% affordable units. Public input would take place on possible zoning changes at the Economic Development Commission meeting on July 11th.
 - Use 1.60 the "Islington Street example." Older Victorians that once were single family homes now have 3-6 units. But this use is very limited geographically. It could be the easiest way to create more supply with existing older buildings.

• Wetlands relief.... One of the committee members was on the council when the wetland buffer was increased from 75 – 100 feet. He brought it up for consideration. Removing it could help. But the committee opted not to recommend that.

Councilor Tabor also reported that three developers were asked what barriers the city could remove, especially to build more middle-income housing:

- Parking relief by making parking part of site plan review.
- In the downtown, reduce the allowable size per unit down to six hundred square feet even as low as three hundred square feet. That will make the conversion of offices an economic opportunity. It would create housing that is intrinsically profitable without setting asides or subsidy.
- The creation of a third parking garage. 1% loan fund like the fund in Lebanon-Hanover...
 business and banks team up to create a pool of money to loan out at low interest for
 affordable housing projects. This has already created 250 units in the UV. Businesses get
 housing for their workers; banks get community reinvestment tax credits.
- All made the point that land in Portsmouth is precious and must be used wisely. "Height can
 be your friend," one said.... Not in the downtown, but in areas like Commerce Way or behind
 Water Country... there may be spots to go up 8-10 stories. Economics at this height, using
 steel construction and elevators, are very favorable to create units for middle income. That's
 currently not legal to do.
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 steel construction and elevators, are very favorable to create units for middle income. That's
 currently not legal to do.
- 25. <u>Update from ACC on the State of the Arts in the community</u> Councilor Cook provided an update from the Arts and Cultural Commission (ACC) on the State of the Arts 2025 Survey Snapshot. The snapshot summarizes findings from the State of the Arts survey, conducted by the ACC between June 9-15, 2025. Nineteen respondents, including six local artists, eight arts nonprofits, five cultural organizations and one other, shared insight regarding how state and federal budget cuts may impact their operations and the broader creative community.
 - 48% rely on public grants,
 - 74% say cuts would hinder their mission,
 - 68% expect a drop in other funding if grants are cut
 - Cannot cover rent or utilities 47%

- Program cuts 42%
- Lost partnerships 37%
- Burnout & unpaid hours 26%
- Lost venues 26%
- Staffing reductions 21%

To stay resilient, organizations Need:

53% Help finding new donors

42% City bridging grants

28% Free or affordable space

21% Emergency funds

11% Access to Low Interest Loans

- 26. <u>Proposed ACC Banner Program</u> **Voted** to request that the Legal Department, in conjunction with the Arts and Cultural Commission, draft an Arts and Cultural Banner Program Policy for the City of Portsmouth, to be reviewed by the City Council at its September 8th City Council meeting.
- 27. Parking & Traffic Safety Committee Action Sheet and Minutes of the June 5, 2025, meeting **Voted** to approve and accept the action sheet and minutes of the June 5, 2025, Parking & Traffic Safety Committee meeting.
- 28. <u>Acceptance of Donation of sixty-five at-home heart health screening kits from Service Federal Credit</u>

 <u>Union to the Portsmouth Police Department</u> **Voted** to approve and accept the donation to the Police Department as presented.
- 29. <u>Acceptance of the 2025 Spring Healthy Aging Strategic Grant Award to Recreation Department from the Foundation for Seacoast Health \$25,000.00</u> **Voted** to approve and accept the donation as presented.

30. City Manager's Informational Items

- Pease Development Authority Board Meeting Update City Manager Conard announced that
 the PDA acknowledged Paul Green for receiving accredited in Airport Executive Status. She
 reported that the Division of Ports and Harbors Capital Improvement Plan was adopted for the
 next 6 years. Also, that the airport has been a reduction in airport travel by Canadians and the
 Fish Pier Building is nearing completion. She also reported on the info graphic that is provided
 in the City Council packet which contains statistics on the PDA and its contribution to the local
 economy.
- Report Back on Financial Impact on 15-Minute Free Parking for Residents City Manager Conard that Public Works Director Rice will be reporting on this matter to advise the Council that it will cost approximately \$300,000.00 to provide free 15-minute parking everywhere for residents. Public Works Director Rice spoke regarding the city's parking principles and its goals. He reported that the average homeowner benefits \$500.00 off their tax bill based on the revenues from the parking program. He expressed concerns regarding unintended consequences with changing our pricing structure and program. He said that these changes may have long-term impacts which are not immediately seen.

Director Rice spoke regarding the inventory problem we currently have with parking. Mayor McEachern announced that a full presentation will take place at the public hearing on this matter at the July 14, 2025, City Council meeting. Councilor Cook requested Parking Director Fletcher to provide an estimate on how many residents are registering their vehicles and applying for the parking application to receive a reduction in local parking rates at the next City Council meeting. Assistant Mayor Kelley requested Parking Director Fletcher to provide an opinion at the next City Council meeting regarding a review on off-season potential discounts or adjustments that could drive business downtown during off-peak seasons.

- <u>Bicycle and Pedestrian Plan Update</u> City Manager Conard reported that the final draft of the plan is being provided this evening for the City Council review, and it will be coming back at the August 4th City Council meeting for acceptance.
- <u>Market Square Master Plan</u> City Manager Conard advised that the final draft of the plan is being provided this evening for the City Council review, and it will be coming back at the August 4th City Council meeting for acceptance.
- 31. **Voted** to suspend the rules to continue the meeting beyond 10:30 p.m.
- 32. At 10:40 p.m., voted to adjourn the meeting.

Respectfully submitted:

Kelli L. Barnaby, MMC/CNHMC City Clerk