

AGENDA

City of Portsmouth Housing Blue Ribbon Committee Site Visits to Preble Way and 25 Granite Street*

August 8th 2024 5:30 p.m.

- I. Roll Call (5 minutes)
- II. Site Walk: 134 Preble Way (15 minutes) 5;30p.m. to 5;45p.m.
- III. Public Comment (15 minutes) 5;45p.m. to 6;00p.m.
- IV. Site Walk: 25 Granite Street (15 minutes) 6;15p.m. to 6;30p.m.
- V. Public Comment (15 minutes) 6;30p.m. to 6;45p.m.
- VI. Council Request for Input on Sherburne School Property.

Attachments

- a. Information on 134 Preble Way.
- b. Information on 25 Granite Street.
- c. Saint Anselm College Center for Ethics in Society : Survey of Voter Attitudes on Affordable Housing Link: <u>Annual Statewide Survey on Affordable Housing</u>.
- d. City Manager's Comments to the City Council regarding RFQ #52-24 Municipal Property at 35 Sherburne Road.

Those members of the public unable to attend the site walk but are interested in submitting written comments should do so via email. Comments received at planning@cityofportsmouth.com by close of business the day before the meeting will be incorporated into the record of the meeting. Any Comments received after this deadline must be submitted in person at the meeting.



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City of Portsmouth Housing Blue Ribbon Committee

Thursday, August 8th 2024

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ABUTTER NOTICE HOUSING BLUE RIBBON COMMITTEE PORTSMOUTH, NEW HAMPSHIRE

Abutter: Housing Blue Ribbon Committee Meeting on August 8, 2024

«Owner_Name»

«Owner Name 2»

«Owner_Address»

«City», «State» «Zip»

NOTICE IS HEREBY GIVEN that the Housing Blue Ribbon Committee (HBRC) will hold a site walk on a city owned property on **Thursday, August 8, 2024.** Starting at **6:15 p.m.,** the HBRC will walk the parcel of land known as 25 Granite Street for the purpose of viewing and evaluating the potential in a portion of the property to be for residential use.

Abutters, members of the neighborhood, and the community-at-large are welcome to be part of the walk and discussions. There is no development being considered, a land use application submitted, or any proposal made that would alter the current use of the parcel. This is part of an on-going effort by the HBRC to visit and investigate city owned parcels of land.

The HBRC will assemble in the parking area behind the concessions building and begin their walk at 6:15 p.m., and is scheduled to be completed by 7:00 p.m..

Those members of the public unable to attend the site walk but are interested in submitting written comments should do so via email. Comments received at planning@cityofportsmouth.com by close of business the day before the meeting will be incorporated into the record of the meeting. Any Comments received after this deadline must be submitted in person at the meeting.





25 Granite Street



ABUTTER NOTICE HOUSING BLUE RIBBON COMMITTEE PORTSMOUTH, NEW HAMPSHIRE

Abutter: Housing Blue Ribbon Committee Meeting on August 8, 2024

«Owner_Name»

«Owner Name 2»

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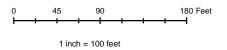
NOTICE IS HEREBY GIVEN that the Housing Blue Ribbon Committee (HBRC) will hold a site walk on a city owned property on **Thursday, August 8, 2024.** Starting at **5:30 p.m.,** the HBRC will walk the parcel of land having an address of 134 Preble Way for the purpose of viewing and evaluating the potential in a portion of the property to be for residential use.

Abutters, members of the neighborhood, and the community-at-large are welcome to be part of the walk and discussions. There is no development being considered, a land use application submitted, or any proposal made that would alter the current use of the parcel. This is part of an on-going effort by the HBRC to visit and investigate city owned parcels of land.

The HBRC will assemble near the Atlantic Height Pumping Station and begin their walk at 5:30 p.m., and is scheduled to be completed by 6:00 p.m..

Those members of the public unable to attend the site walk but are interested in submitting written comments should do so via email. Comments received at planning@cityofportsmouth.com by close of business the day before the meeting will be incorporated into the record of the meeting. Any Comments received after this deadline must be submitted in person at the meeting.





134 Preble Way



New Housing Polling

Nick Taylor, Workforce Housing Coalition of the Greater Seacoast < director@seacoastwhc.org > Wed 7/31/2024 1:40 PM

To:Howard A. Snyder <hasnyder@cityofportsmouth.com>



July 2024 Newsletter

howard,

The Saint Anselm College Center for Ethics in Society released their annual voter attitudes on housing survey earlier this month. The 2024 poll showed continued strong support for more affordable housing options and strong support for changing regulations to make it happen.

Here are a few of the topline results:

- 75% of New Hampshire voters think that their community needs more affordable housing to be built
- 59% of New Hampshire voters want more affordable homes in their own neighborhood
- 61% of New Hampshire voters think that our towns and cities should change land use regulation to allow more housing to be built
- 63% of New Hampshire voters think that the *state* should do more to encourage municipalities to remove barriers to housing development
- 64% of New Hampshire voters think lawmakers should include public investments to build more affordable housing in the next state budget

In addition to the topline results, there was key support from demographics that are often thought to be opposed to more housing options: homeowners and older Granite Staters. 86% of Granite Staters 65+ agreed with the statement that their community needs more affordable housing and 57% of homeowners supported more affordable housing in their neighborhood.

You can read more about the survey and compare to previous data here.

Best, Nick

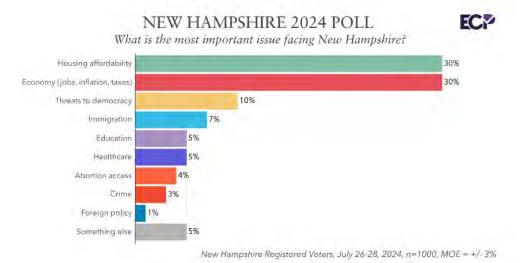
Nick Taylor

State Legislative Updates



Earlier this month, Housing Action NH released their 2024 Legislative Roundup. Check it out here for all you need to know about the 2024 session!

Housing The Most Important Issue...Again



Over the last year, the University of New Hampshire Granite State poll has consistently shown that housing is viewed by voters as the top issue facing New Hampshire. Now a new <u>Emerson College poll</u> has found the same thing with housing affordability and the overall economy at the top of voters' minds as we head into an election season.

Regional Housing Coalitions in Manchester



On July 19th, the Workforce Housing Coalition of the Greater Seacoast team joined regional coalitions from the Upper Valley, Mount Washington Valley, and Manchester for a tour of several new developments in Manchester. It's always great to share ideas and learn from partners around the state!

In The News

NH Business Review: Another month, another record increase in state's median home price: "Again, for the fourth straight month, the median price of a single-family home in New Hampshire reached new heights in June. This time to \$538,000.

It's been a successive historic climb since March, when it reached \$495,950. Then it went to \$515,000 in April, then \$525,000 in May, then \$538,000 in June, according to the most recent data from the New Hampshire Association of Realtors.

For the combined first six months of 2024, the median price of a single-family is \$505,000. For the first six months of 2023, the median was \$460,000, almost a 10% difference."

<u>Portsmouth Herald: Major developments in Exeter: Here's the latest on Ioka, Gateway and other projects:</u> "The Gateway to Exeter, which will bring 224 housing units to Epping Road, is set to break ground this summer, while a project to transform the old Ioka theater into a mixed-use building with condos is nearing completion.

Darren Winham, Exeter's economic development director, recently gave the town's Select Board an update on ongoing and future development projects in town."

<u>New Hampshire Public Radio: Pushback on adopting new building energy codes in NH highlights climate, affordability tensions: "Many of New Hampshire's multi-family affordable affordable in the control of the control </u>

housing buildings are already built to higher energy efficiency standards than the 2021 codes, said Rob Dapice, the head of New Hampshire Housing.

Most of these properties already exceed code requirements. Most of them are built to Energy Star standards. And the owners and contractors, I think, see the value long-term for affordable housing and keeping their operating costs as low as possible," he said."

Support Our Work



Workforce Housing Coalition of the Greater Seacoast
57 Main St
Raymond, NH 03077
United States
unsubscribe

recommend that the City Council move to adopt the proposed Local Emergency Operations
Plan as presented.

3. Request to Appoint a Motor Vehicle Agent:

A Municipal Registration Agent is an appointed Municipal Official who serves as an agent of the State of New Hampshire authorized to process registration and title transactions on behalf of the NH Division of Motor Vehicles (DMV).

Since the departure of former Tax Collector Nancy Bates from the City, Deputy Tax Collector Ed Gioioso has served as the de facto Agent. The DMV has requested that Portsmouth formalize our appointment of this Agent. This is an important step in ensuring our continued service to residents with motor vehicle registrations and title transactions.

We have compiled the required documentation to support the Municipal Registration Agent Application. The final element is for the City Council to approve the appointment of our applicant. Proof of such will complete the requirements of the DMV.

I recommend that the City Council move to approve the appointment of Deputy Tax Collector Edward Gioioso as the Municipal Registration Agent for Motor Vehicles in the City of Portsmouth,

4. RFO #52-24 Municipal Property at 35 Sherburne Road Status Update - Recommendations for Next Steps and Policy Decision Guidance Sought:

In May 2024, the City issued a Request for Letters of Interest and Statements of Qualifications from real estate developers and other entities regarding their capacity to design and construct permanent, below-market rate housing on municipally owned property at 35 Sherburne Road. An internal selection committee was created to support the review and evaluation process consisting of the following staff: Joe Almeida, Peter Britz, Sean Clancy, Jillian Harris, Peter Rice, Howard Snyder, Peter Stith and Shanti Wolph, with legal assistance from Jennifer Smith and Trevor McCourt.

Eight development firms responded to this Request. The submittals were scored using the criteria established in the RFQ which included, among other criteria, experience with below market rate housing and professional qualifications. The four highest scoring firms listed below were invited to participate in interviews held during the second week of July:

- Avesta Housing
- Pennrose
- Portsmouth Housing Authority
- Preservation of Affordable Housing

The purpose of the interviews was to both better understand the capabilities of the four development entities and inform a potential Request for Proposal which would provide greater conceptual consideration for this unique site. The four teams were given questions in advance for consideration and inclusion in their presentation which included:

- Would it be more advantageous for the City to sell the site with housing covenants rather than convey the necessary rights through a long-term lease?
- Would the opportunities for housing at this site be improved if the City allowed the
 existing building to be demolished or is there a reasonable reuse potential for the
 existing building?
- What is the optimal range, mix and/or type of below-market housing to best build community, create financial stability and ensure a long-term successful project?
- If the existing ballfield is impacted, what are other opportunities at this site for recreation and community space?
- Are there any site/utility/transportation or other challenges you identify as important to explore or address early in the process?
- What special considerations in site design and construction do you anticipate due to the proximity to the highway?
- What are potential funding opportunities for projects of this type?

Provided below is housing data from New Hampshire Housing for your consideration as you consider the recommendations which follow and to provide staff with input and guidance moving forward. This data outlines household incomes, income limits and rent limits for housing programs based upon US Department of Housing and Urban Development (HUD) guidelines, all of which are used as guidelines for any federal tax subsidy housing program.

HUD considers the City of Portsmouth in the Portsmouth-Rochester, NH statistical area, and has determined the area median family income (AMI) to be \$131,200. It is noted that the median family income in New Hampshire is \$119,900, with the national AMI at \$97,800. The first table outlines HUD'S income limits by household size based upon the \$131,200 AMI.

Portsmouth-Rochester, NH				
2024 AREA PROGRAM INCOM	E LIMITS			
INCOME LIMIT	1 PERSON	2 PERSON	3 PERSON	4 PERSON
80% of AMI (LOW INCOME)	\$68,500	\$78,250	\$88,050	\$97,800
60% of AMI	\$55,140	\$63,000	\$70,860	\$78,720
50% of AMI (VERY LOW INCOME)	\$45,950	\$52,500	\$59,050	\$65,600
30% of AMI	\$27,550	\$31,500	\$35,450	\$39,350

The second table outlines HUD's fair market and rental program limits by household size based upon the same \$131,200 AMI:

Portsmouth	-Rochester, NH				
2024 ARE	A PROGRAM RENT LIM	IITS		+ T C T T	
RENT	EFFICIENCY/STUDIO	1	2	3	4
LIMIT		BEDROOM	BEDROOMS	BEDROOMS	BEDROOMS
FAIR MARKET	\$1,481	\$1,582	\$2,003	\$2,557	\$2,999
80%	\$1,712	\$1,834	\$2,201	\$2,543	\$2,836
60%	\$1,378	\$1,476	\$1,771	\$2,046	\$2,283
50%	\$1,148	\$1,230	\$1,476	\$1,705	\$1,902

The interviews yielded purposeful content and dialogue lnsights gained by the selection committee are provided below as recommendations to, with input and guidance requested from, the City Council at this juncture in the process:

- A Request for Proposals (RFP) is issued to the four interviewed entities.
- The RFP would include a specific request for two conceptual redevelopment options –
 one showing adaptive reuse of the existing building and another showing the
 redevelopment of the entire site without the existing building. Both options must show
 potential opportunities which are sensitive to the context of the site and the
 neighborhood.
- A public outreach and engagement program with area residents will be a critical component of any redevelopment effort for the site. A clearly articulated community engagement plan shall be a required element in submittals.
- Green building/passive house design shall be a desired element in the evaluation of submittals.
- The proposal should clearly describe the mix of housing types to be included (for sale, rental (including mix of bedrooms), mixed income, etc.).
- The City will contract with a third-party consultant with specialized professional services pertaining to the analysis of subsidized housing development proformas.

In preparation of an RFP, and based upon feedback received from the four interviewed teams, we need input and guidance from the City Council on the following:

Disposition of the existing building: Better overall master planning of all components of a new neighborhood could be achieved if the existing building is removed. It would be valuable to review proposals that include removal. Alternatively, there may be grants, tax credit programs, and other funding mechanisms available that could support adaptive reuse of the existing building if it were redeveloped into housing. However, it is not clear if the former school qualifies for these programs. If the building were to remain, how should it be repurposed: for additional housing units, or for neighborhood and community-based uses accessible to the general public?

Mix and Type of Housing: Submittals should include a recommendation regarding the mix and type of housing to meet the community's need for below market housing. Staff recommends that the focus be on rental units only with a mix of income levels with a mix of 1,2 and 3 bedrooms. It would be helpful for proposers to know if there is acceptance for fair market rate housing in the mix that might be required to support/offset housing units at or below 60% AMI.

Additional Municipal Support: Submittals should identify if their proposal is dependent upon financial support from the City.

Ground Lease or Other Ownership Model: Based on the interviews, staff recommends that submittals be limited to proposals which envision a long-term ground lease (a lease over 70 years and typically as long as 99 years is considered as fee simple by financing entities).

Impact on the Softball Field and alternative open or recreational space: Are there any criteria or programming needs for open space that should be suggested or required as part of this redevelopment project? Of note: the second athletic field currently in design with construction set for spring of 2025 will include a softball field.

Staff is prepared to issue an RFP in August should this be the desired path forward.

I recommend that the City Council move to authorize the City Manager to prepare and issue a Request for Proposals to the four entities interviewed which encompasses the feedback received this evening.

5 South Meeting House Next Steps:

The City received a single proposal in response to RFP 58-24 - South Meeting House Reuse. That proposal is from the Schleyer Foundation (Foundation) and includes Chinburg Builders, ARCove Architects, and the Portsmouth Music and Arts Center (PMAC). Place see the attached proposal. The City did not receive a proposal from the VFW. Instead, they provided a letter indicating their decision not to propose on the project.

City staff views the Schleyer Foundation proposal as responsive and strong. The Foundation proposes a significant investment in the historic structure along with an ongoing maintenance program. The proposed re-use supports the City Council's ongoing support of the arts community and includes a well-established patner in PMAC. The proposal team has a history of success, the most recent example of which is the Carey Cottage restoration. City staff conducted an initial interview with the Foundation and team on July 30, 2024 as part of the City's initial due diligence. At this juncture, City staff is looking for confirmation that the City Council will support this proposal in concept.

If the City Council views this proposal favorably, staff will work with the Foundation to develop the legal documents necessary to bring this reuse forward for further consideration by the City Council. Staff further recommends scheduling a public meeting for the Foundation to present its proposal to the community and to gather public input.