

JOINT MEETING
PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE AND
COMMITTEE ON INFRASTRUCTURE

OCTOBER 19, 2021

A joint meeting of the Planning and Economic Development Committee and Committee on Infrastructure was held Tuesday, October 19, 2021, at 6:02 p.m. in the Auditorium and via Zoom which meeting link can be found on the agenda and on the city's website.

The roll call was taken with 5 members of the Planning and Economic Development Committee and Committee on Infrastructure present:

Alderman-at-Large David C. Tencza
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman Jan Schmidt
Alderman-at-Large Ben Clemons (arrived at 7:06 p.m.)
Alderman Ernest Jette

Members not in Attendance: Alderman Thomas Lopez
Alderman-at-Large Brandon Laws

Also in Attendance: Alderman Linda Harriott-Gathright
Alderman Patricia Klee
Alderman Richard A. Dowd
Sarah Marchant, Community Development Director
Matt Sullivan, Planning Manager
Tim Cummings, Economic Development Director
Jill Stansfield, Parking Manager

ROLL CALL

PUBLIC COMMENT

Chairman Tencza

There is no public here in the Auditorium with us.

Alderman O'Brien

If there's any member of the public would like to address the board. We have one hand up from Mr. Bob Keating.

Bob Keating

Thank you. My name is Bob Keating - 5 Coburn Woods. Thanks for the opportunity to speak and I appreciate this effort on inclusionary zoning. You could say another tool to help with the ongoing work about increasing affordable housing.

My comment is relatively brief. It's about that I'm concerned that the target at least in the report is that 80% of the AMI and I'm concerned that that's too high. I would like to see that, you know, in the range of 50 to 80. Maybe in a tiered approach of about 1/3, 1/3. I realize that may reduce somewhat the number of housings but it would also make housing available to many people who are struggling far more in the 50 to 80% AMI. So that's my like comment. I do appreciate the continuing work for from the Alderman and also for the Community Development.

I will very much miss the Director Sarah Marchant. I appreciate all the work that she has done up to the very last moment here. So that's my thoughts. I'd like to see the target lower than the proposed at 80% of AMI.

Chairman Tencza

Thank you very much, Mr. Keating for those comments.

Anyone else who would like to make public comment? Okay, seeing none. The next item on the agenda is the discussion on the inclusionary ordinance work session. I will recognize Director Marchant to the presentation.

DISCUSSION

- Inclusionary Ordinance Work Session

Sarah Marchant, Community Development Director

Thank you very much. I would like to turn it over to Kyle Talente with RKG Associates who helped the recently complete the inclusionary zoning feasibility analysis which was presented a couple of weeks ago to talk very specifically about the findings here. So I will turn it over to Kyle.

Kyle Talente, President of RKG Associates

Almost made the rookie mistake of not unmuting myself before talking. That was very, very close. Can you see my presentation in the room?

Sarah Marchant, Community Development Director

Yes.

Kyle Talente, President of RKG Associates

Excellent. Okay, great. So thank you all for having me to see me this evening. As Sarah mentioned, I'm Kyle Talente. I am the President of RKG Associates. We were hired by the city to help come up with a strategy around improving or rethinking the city's inclusionary zoning policy. So tonight's presentation is talking about what our recommended policy standards should be.

So what you're looking at right now is a graph that kind of breaks down in one simple, simple to me, one table of what our recommendations are. I'm going to be walking you through this this evening so you can understand all the different components of it and then as you have questions or concerns, please feel free to let me know and I'll be happy to talk them through with you.

So the first column - we're going to go column by column here looking at the units. You can see that we have different recommendations based on the size of the project. So the reasoning behind this is, is that when we did our analysis, it indicated that larger projects are able to absorb a larger amount or a different amount of deed restricted housing. And so based on our analysis, we selected projects of less than 10, projects between 10 and 49, projects between 50 and 99, and projects of 100 units or more as those thresholds. Those are purposeful around the other components of the recommendations that we made but once again because we saw that as the project got bigger, they were able to absorb a different amount of deed restricted housing. So these became the thresholds that we are recommending. You can go with fewer. You can go with more. Generally, we try to encourage our clients to stay away from going with too many categories because it just becomes much more challenging to understand and implement and it can become a disincentive towards development.

So the next column that we're going to talk is the location. You can see there's really three designations here. There's city wide and then there's for ownership. Then there's a city wide but it's caveated to mean the rest of the city except for downtown and then there's downtown for rental. The reasoning behind this is when we did the analysis and we looked at the ownership side because development costs and returns are somewhat similar throughout the city, we felt that there was no reason to try and differentiate between different areas of the city of what the inclusionary zoning policy should mandate. However within rental housing, what we learned is the cost of development, the cost of land, the cost of parking in particular created a differential between residential projects that are being looked at outside of the downtown district - and you can see over here a boundary of what we defined the downtown as being and other parts of the city. And so within the recommendations, we're saying for rental you should look at downtown as a separate set of requirements than the rest of the city. But for ownership, it should be citywide.

So the next column should inclusionary zoning be required? Well simply put is our recommendation is for projects of 10 or smaller units. No, it should not be required and the simple fact is, is requiring a deed restricted unit in those small projects is more financially challenging to those developers than it is to the larger projects. This is a very common tool used in many communities. It is understanding that if I'm building a three unit project and you say well now one of them has to be deed restricted, that has a much greater financial impact on me than if I'm building 100 unit project and I have to provide deed restriction. It's tougher and the big challenge is to defray the cost of land across the number of units. It becomes

much more challenging with the smaller number of units. And so that's the reason why we're saying for projects 10 or less, let's not require inclusionary zoning but for anything 10 or more we should.

So the next is well what percentage of those units should be deed restricted? You can see here that we have different ranges. I go back to the conversation that I started earlier, which is we recognize that projects that are larger are able to absorb more and so you can see percentages change as the project size goes up. There also is a differentiation particularly on the rental side where we believe that downtown percentages should be relatively lower than the percentages outside of downtown for those cost implications that I mentioned earlier. The other reason is, is that there's already a substantial amount of price appropriate housing in downtown and many of the fully deed restricted unit projects have been in that area. So one of the one of the goals we were trying to help the community solve for is fair representation of deed restricted housing throughout the city not concentrating in one particular area. And so for those reasons, you can see here we recommended for 10 to 49 units being 10% of the units be deed restricted, 50 to 99 be 15% of the units be deed restricted, and 100 plus be 20 and it's basically half of that for downtown rental projects.

Alderman Jette

Mr. Chairman, I hate to interrupt but maybe I'm the exception but when you talk about deed restricted, what restrictions are you talking about?

Kyle Talente, President of RKG Associates

It has to be priced to a certain income level. So I'll flip to the next slide. So deed restricted means it has to be priced at what we defined if you looked at our previous report, a percentage of area median income. So it targets a specific income level based on the size of the unit, based on the size of the household. That's what a deed restriction is. You're restricting who can occupy that unit based on their income. It's how you get to more housing for folks earning 80% of AMI, or 50% of AMI, or 100% of AMI, and so forth.

Alderman Jette

Okay and what is AMI?

Kyle Talente, President of RKG Associates

Area median income. I don't have those numbers I believe off the top of my head, but I believe at the end of the presentation we have some additional information. I can try and pull it back up to show you but it's a number designated by the US Housing and Urban Development or HUD by region. So there's one for the Nashua region that says based on incomes here, the median income – the 100% of median income for a one person household is this, for a two person household is that, and so forth, and so on. It's based on the incomes of everyone in that study area. Then HUD then defines access to certain federal housing programs based on those AMIs. For example, low income housing tax credits target 50% of AMI and 60% of AMI households. So they use those income thresholds to determine your ability to get access to funding. For us because that's the industry standard if you will, we use those thresholds also to try and understand affordability and communities based on those income bands. If you saw our initial report that we presented to the city a few months ago, and then the analysis that we just did for this for the financial instability study, that's the reason why we came in and a recommendation, as you see here have between 80 and 100%, depending upon the type of project.

Alderman Jette

Okay. I got the MI - median income. What's the A?

Unidentified Female Speaker

Area.

Alderman Jette

Okay, thank you.

Kyle Talente, President of RKG Associates

And that's for the Nashua area. So we're using income specific to your community.

Alderman Jette

Thank you.

Chairman Tencza

Mr. Talente would you mind if we asked you questions like that, as we're going through or would you rather wait till the end of your presentation?

Kyle Talente, President of RKG Associates

I'm happy to address questions as you have them so you don't forget them or they don't become less relevant to the conversation. So I'm happy to answer as you get them.

Chairman Tencza

So I'll ask him to the extent that you have this information. If you could fill in for us 100% of the AMI may be for Nashua and things like that. I know it's much more and Director Marchant is signaling that she may have this information so maybe she can give it to us after.

Sarah Marchant, Community Development Director

I think a family of four, the area median income I believe is about \$96,000. So that's a family of four. As it was explained, we can - there's a chart I can bring up and share with you and I can email it to everybody. It shows by per person what the area median income and the 100% of AMI is used for the ownership. For rental housing, it starts at a different level, right. So I can share both of those charts with you and I will make sure they both get emailed to you.

Chairman Tencza

Thank you. Thank you Mr. Talente.

Kyle Talente, President of RKG Associates

Not a problem. Sorry, I'm having a little bit of technical issue here. There we go, we're back. Anyway, so yes, I'm happy to share the information and for any questions you have.

So the next set of columns is what we're calling our "tiers". Mr. Keating mentioned earlier in his comment of saying, target 50 to 80 rather than 80, or 50 and 80, and that's called "tiering" when you go after multiple incomes in a single policy. So you can see here, we're saying while the base number is 80% of AMI which is what Mr. Keating was talking about a moment ago, he's saying I'd like to see it maybe some being 50 and some being 80. Our recommendation is 80% of AMI, except for an ownership for larger projects where you're asking for more than 10%. We're using a split threshold of 80% of AMI and then 100% of AMI. This is done to try and mitigate some of the financial impacts with ownership because the gap between those deed restricted units and market units is so much greater. When you ask for more units, you can create financial hardships for projects. The reason why that's not good is it could adversely impact the development activity in your community.

If you go too restrictive or too far down the road, then it makes it much more challenging to attract new investment. So for ownership because the gap between market rate and those deed restricted units is greater, we said well we want a minimum of 10% of the units at 80% of AMI but when you get into those larger projects, so the additional 5% should be at 100, or the additional 10% should be at 100 for those really large projects. And once again, the primary reason why we went to a split tiering for those ownership units is because for asking for more units, it does create a greater financial impact on those projects than it does for rental, which we are recommending it being straight at 80% of AMI. I see there's a question. So I'm going to pause.

Chairman Tencza

Nope, I don't believe there's any questions.

Kyle Talente, President of RKG Associates

Okay. Fair enough. So the next comment is what's called "Payment in Lieu for Partial Units". And so there's a couple things to define here. A Payment in Lieu means to make a payment to the city based on the value differential of that unit instead of having to build a unit, and then partial units, which is when you do a program like this, you're not always going to get whole numbers as the number of deed restricted units.

So I have a little bit of example here. So if we were doing a 75 unit project and it has a 50% inclusionary zoning requirement, that equals 11.25 units. Well you can't build a quarter of a unit. So then the question is what becomes of that quarter of a unit? Do you require them to build 12 units? Do you ignore the .25? In our experience what is the most equitable is to allow them to pay the value difference between a market a unit and the deed restriction target you're going for, for that partial of a unit. In our example here, you see that there's .25 units is a partial unit. If this was an ownership project when we did the math, the value differential between a market rate and a deed restrict unit is \$100,000, then they would have to pay that value differential or \$25,000, which is .25 of \$100,000.

So the reason for this is twofold. One - it makes the policy more equitable because you're not requiring them to add more units then is required as a whole number. But it allows you to provide to get your fair share of the inclusionary zoning policy to the city. Our recommendation is those payments in lieu for those partial units should go into your Housing Trust Fund and then that could be used as resources to do other affordable housing or inclusionary zoning related projects.

For example if you build up enough for resources, you'd say hey rather than you paying that \$25,000, we'll give you the \$75,000 out of the Housing Trust Fund and you build one more deed restricted unit so that you are not financially impacted by adding that additional unit. So that is what a Payment in Lieu is. It's basically saying rather than making you build this affordable unit, we're going to let you build a market rate unit but then you pay us the value difference between what that market rate unit is worth and what the deed restricted unit is worth. I will say this number, this \$100,000 and the one for rent that we're going to talk about just a moment are calculated off of the 80% of AMI threshold. The differential would be much higher if you targeted a lower income thresholds. So like if you went down to 50%, it would be a much higher number and it would be lower, obviously, if you then went to a higher income threshold.

I'll pause in case there's any questions about any of those terms before I move to the next point?

Chairman Tencza

Questions? All right seeing none.

Kyle Talente, President of RKG Associates

All right. So the next is well, what about allowing Payment in Lieu for whole units or all the units? So going back to my example where we had 11.25 units that were required under inclusionary zoning is do we allow them to just pay out of having to develop those units on site? Our recommendation to the city is for ownership units, no. The reason that is, is it will be much more difficult to get deed restricted units elsewhere and so we recommend that the city require any ownership developments to use their inclusionary units on site or having to build them in their project. Also the other thing is we're trying not to concentrate those deed restricted ownership units. So let's say everyone buys out of it and then you build one deed restricted neighborhood. That's what we're trying to avoid. We're trying to promote diversity in the community.

So the rental projects outside of downtown, we're saying it should be a special exception. The reason for the special exception is twofold. One, not all projects are the same. Sometimes there's something idiosyncratic that affects some projects differently than others. So there may be a true hardship for the developer that would make it more sense for the project to be allowed to pay the value difference rather than having to build the units on site.

The other is if the project is in such a poor location or it doesn't really provide a good location for folks who need a deed restricted unit, the city can opt to say look, we're not going to make you put those affordable units on site because it will be in a situation where it's detrimental to those households. Some examples of that are if it's away from major transportation networks, or if it's not near any medical services, or shopping conveniences. While you want to promote, you know, having a distortion of all incomes throughout the city, there's also the reality of you don't want to isolate somebody that

maybe can't afford to have a car or they need to be close to those services and being in a project that is so isolated could be challenging. So the special exception allows for the developer to come to the city and say, here's the reason why I shouldn't have to do it, and then the city can then make the ultimate decision on whether or not they are allowed to opt out. It's not left in the hands of developer, but it's left in the hands of the city to assess that on its merits.

For downtown projects, we are recommending that the city allow the Payment in Lieu as a buy rights so that the developers can opt out. They can either deliver the units on site or they can pay the value difference to the city for the Housing Trust Fund. It's for the reasons that we talked about earlier, which is that there already is a higher concentration of price diversity in downtown. So we're trying not to concentrate it. Now, I will say this is our recommendation for today. As things change, you can always go back and relook at this and change it from special exception to no, or special exception to yes, or yes to special exception but as it stands today, this is our recommendation for the city right now is for ownership housing, no opting out. They have to deliver the units on site. For rental developments outside of downtown, they should have to apply for it, and then have a compelling argument for it, or it should be something that the city wants, and for rental housing downtown, they should be allowed, at least in the immediate future, to be able to contribute to the Housing Trust Fund rather than putting those units on site.

So that leads us into the Payment in Lieu Value. I mentioned this a couple of times but I'll just reiterate. These values are calculated based off of the analysis that we did that we talked about the last time I was in front of the Aldermen. These numbers - \$100,000 for ownership and \$37,000 for rental is based on that 80% of AMI income target. Once again, if you say well we're going to go after 50% of AMI, it's a higher number. If we're going after 100% of AMI, it could be a lower number because the gap, if you will, or the difference in value between market rate and the deed restricted will change. We have all those numbers calculated and we'll provide them to the city so you can understand what those are. But for the sake of this conversation, these are the numbers that we calculated in this analysis. I will say that two years from now those numbers could change - the value difference between market rate and income controls could go up or go down. So our recommendation is while these are the numbers you adopt now, you should get into some habit of every year or every two years assessing what that value differential is and then adjusting the policy accordingly so that you're being fair. Right?

So the idea here and RKG always is a proponent of policies that will create what you're trying to achieve without major disruptions to the marketplace. So we want to make sure that the city is getting its fair share, but we're also doing it in fairness to the development community as well. As always, any payments around the inclusionary zoning policy should be put directly into the Housing Trust Fund to be used for other housing initiatives elsewhere.

Finally is what we call the "Bonus Density". This is how we allow or help the developers get to what I call the "revenue neutral state", which is what would be the return on a project if there wasn't an inclusionary zoning policy and then how can we help them get back to that return with the inclusionary zoning policy? The reason why that is important is opportunity cost. If you've ever taken a real estate class, you'll know that opportunity cost is what drives the go no go decision or whether or not a developer is going to make an investment in real estate. The developers that are building ownership and rental housing aren't just doing it in the City of Nashua. They have choices to go elsewhere in the region, elsewhere in New England, elsewhere in the United States, elsewhere in the world. So our goal through this policy has to ensure that we are trying to mitigate the impact to the development community by allowing them to hit the return expectations so that we continue to be competitive with our neighbors, with other communities in New England, and throughout the United States.

So basically the inclusionary zoning bonus density is a way for the city to get those deed restricted - those income controlled units but then also not have to outlay a substantial amount of money out of the city's coffers to do so. That's what bonus density basically does. It's a way to incentivize development without having a cash infusion into the project. So when we did the analysis, you can see over here in the box on the right, we were able to calculate what those ratios should be based on the type of project, whether it's ownership or rental, and the size of the project. And so for ownership projects between 10 and 49 units, it's a one for one ratio. Meaning for every one deed restricted unit they have to do, they should be allowed one additional market rate unit beyond what is allowed by right. For 50 and plus because we're asking for a greater percentage, it's two to one. So if they have to produce 20 units of deed restricted housing, then they get 40 units up to 40 units of additional market rate housing to help them accommodate that cost.

On the rental side, it really varies based on where the project is and a lot of that is based on the cost of parking to be honest with you, because parking downtown is much more expensive than parking outside of downtown. The ratios are one to one for projects outside of downtown that are rental and then two and a half to one for projects that are rental in downtown. And once again, it's to help mitigate what additional costs that are going to be borne by the project to try and frankly to park those projects. I'm sorry.

Tim Cummings, Economic Development Director

Kyle so I'm just gonna interject here. So I just want to make sure everyone understands. When Kyle says "parking", he's not talking about to pay for parking. He's talking about to construct the parking.

Kyle Talente, President of RKG Associates

Correct.

Tim Cummings, Economic Development Director

So a surface parking space on average is between 10 and 15,000 per space to construct. When you're doing a project in a downtown, such as Nashua, you typically want it if you're going to do it on site, you do it underneath the building typically referred to as "podium construction". Your costs go up and depending on the project, it can be, you know, anywhere from 25,000 to like 35,000 per space, which is significantly more than a surface parking space. Sorry, Kyle just wanted to interject there.

Kyle Talente, President of RKG Associates

No that's completely fine. I appreciate the clarification to make sure that everybody's on the same page.

So I have a little bit of an example here of a bonus density ratio of two to one. So it's a 50 unit by right project, the inclusionary zoning requirement is 15% or seven whole units, and so that means they're delivering 43 market rate units, and they're delivering seven deed restricted units. Well they would then get a 14 unit bonus of market rate units to help mitigate the cost of those seven deed restricted units. So the total project actually would be 64 units. So you can understand what that one to one, two to one, two and a half to one ratio means. It's about how many units are you allowed to do by right under the existing zoning policy? How many of those units are required to be deed restricted or affordable? How many do you get to help you mitigate the cost of providing those deed restricted units on the project?

And so Tim asked me if I would go over an example mostly for the exact reason why he just interrupted me to make sure that I am extremely clear in this. So the example is a multi-unit rental residential development outside of downtown with 60 units. So if you use our ratio of 15% for projects that are between 50 and 99 units, they would have to deliver nine units, which is 15% of the total, deed restricted for households earning at 80% of AMI. Because it's not in downtown, the ability to get a Payment in Lieu is through special exception. So if the developer applied for and was granted by the city the special exception, they would have to then pay \$333,000 into the Housing Trust Fund which is \$37,000 times those nine units which is the value difference between market rate and deed restricted. They would then, however, also be allowed to get those nine bonus market rate units because for rental outside of downtown, it's a one to one ratio. So the total project would be 69 units. So it would either be 69 units on site, 9 of them would be deed restricted, and no contribution to the Trust Fund, or it would be 69 units where they would all be market rate but then a contribution of \$333,000 would have to be made by the developer to the Housing Trust Fund. So that's just for discussion purposes so you can understand how this policy would act in the real world based on the recommendations that we've put forward.

That's clear as mud, I'm sure. So ultimately just two words in closing at least from our RKG's perspective to drive it all back to the draft policy matrix that we have here is our goal was or our intent was to meet the city's goal of creating housing price diversity throughout the city and doing it in a manner that addresses need, and does so, so that it creates a revenue neutral impact on your development community so it doesn't adversely affect development activity. If I were to sum up this table in a phrase, that's it - is trying to meet the affordable housing goals that have been put forward in our initial analysis and doing so in a manner that doesn't severely disrupt your market.

Chairman Tencza

Okay, well, thank you very much. I'm sure that if we have time, there are plenty of questions from the committee members.

Tim Cummings, Economic Development Director

Yeah, thank you. So the hope for tonight is to have a discussion because what we'd like to do is continue moving this process along and file legislation. If this is meeting your interests or if there's enough consensus to move this conversation topic along, so essentially this document that we presented would be crafted or molded into legislation that

we'd be looking to file in the next coming weeks. I believe we have another meeting on the 27th, where we would be actually presenting you with all the draft legislation in hand that is predicated off of the report and the work that we've been doing.

I'm looking to get some guidance this evening to see if we're going in the right direction and just big high level overview in terms of yes we like this, or we should tweak this here, or that type of input because that will help us move this conversation along. We've been hearing that affordable housing is a big priority. We understand that. To be able to have this done in a timely manner and the timelines that we have to deal with statutorily, we're going to need to file the legislation sooner rather than later to make sure we have it completed or at least give us a chance to have it completed prior to the session expiring at the end of December. With that being said Mr. Chair, happy to answer any questions that you may have or if the group would like, Kyle and I could do another example? If you wanted us to kind of do another example on the fly right now to help illustrate the point if anyone still needs some more clarification on it.

Alderman Harriott-Gathright

I would like it.

Tim Cummings, Economic Development Director

Yes. Oh and by the way, we also wanted to have this meeting up here this evening to make it a little bit more informal so we could, you know, try to facilitate this type of discussion and dialogue. This is going to be extremely helpful for Matt, Sarah, and I to be able to develop a piece of public policy that that folks like and hopefully will support.

Chairman Tencza

So if I could just say Director Cummings, if you'd like to give us another example. I'm sure it would be helpful but I would like to leave it open for questions too because I think that might help focus the areas of (inaudible). Alderman Jette if you could hold on one second. We'll just allow Director Cummings to give an example and then you'll be the first.

Tim Cummings, Economic Development Director

Alright. So I'll just do one more example. Kyle, you ready?

Kyle Talente, President of RKG Associates

I'm ready.

Tim Cummings, Economic Development Director

All right. So I'm going to be the developer and Kyle's going to be mad. So I want to do a multi-family development, residential – rental. I'm going to do it in the downtown. I'm thinking it's gonna be about 50 units and I know that I need to provide parking on site so I'm going to be doing podium construction. Otherwise, everything else is going to be typical or pretty standard. Kyle, what do you think I would need to provide for an inclusionary component to my project?

Kyle Talente, President of RKG Associates

Well - and by the way, my apologies to you Matt on this right up front. Well, it depends. If you're going to go with 50 or more, then the requirements are going to be seven and a half percent of the units of your project or about four of them, give or take, are going to have to be deed restricted to 80% of AMI. However in doing so, we're going to give you 10 bonus units, so let you go all the way up to 60. If you do it at 49 or less, the requirement is 5% of the unit. So you'll have to require a few less but obviously then the bonus number of units that we give you is also going to go down. So it really depends upon whether you hit that 50 unit threshold.

Tim Cummings, Economic Development Director

You know I think what I'd like to do is maybe a little less. So I'm going to do the 49 units but I really want to make sure all my units are market rate. I don't want to get into this whole affordable housing thing. Is there any way that I can work through those issues?

Kyle Talente, President of RKG Associates

Well sure since your development is downtown, the policy actually allows you to do a payment in lieu to the Housing Trust Fund. We set the fee for that at \$37,000 per unit. So if my math is correct, you are going to have to provide two deed restricted units. So you'd have to make a contribution about \$74,000 plus whatever the partial unit is, which I can't do that math in my head right now. I'm sure Matt can but Kyle can. If you make that financial contribution, you still get the two and a half bonus density units per one affordable, but then your entire project could be market rate.

Tim Cummings, Economic Development Director

Oh my god, Matt! You are killing me. I don't think I can afford a \$75,000 contribution to the city. Are you sure I can really do that?

Kyle Talente, President of RKG Associates

Well if the consultants that we hired are worth their weight in salt, so we actually did the math on that and it shows that our policy will have no adverse effects on your project based on if you just did the by right project as is

Tim Cummings, Economic Development Director

Oh, is that right? Okay. Well good. All right, I think I'm more interested now. Thank you.

And obviously, we're being a little extreme here but I just want you guys to have a good understanding as to the type of conversations we will be having as we try to roll out this this type of policy if that is the wish and the desire of this body. But what we know is affordable housing is a priority and is a concern. We hear it time and time again. What Kyle has helped us with is give us what is the best practice in terms of how communities across the country are providing affordable housing. So we didn't invent the wheel here. This wheel was invented a long time ago and what we're trying to do is just bring something that's more appropriate for Nashua to us.

Chairman Tencza

Thank you. Alderman Jette.

Alderman Jette

Thank you. So I need to feel a little more comfortable about the numbers you're tossing around here. When you're talking about allowing a developer to instead of providing the affordable unit with the unit at 80% of AMI, you know, without knowing anything about this I'm a little skeptical. So I need you to reassure me that that what we're doing is fair and to the city. You know right in my mind the first thought I have is you want to a unit at less than market rate, you know, is something that's going to be benefiting the city and people who can't afford full rates forever or at least 20, 30, 40, 50 years. Whereas just paying 74,000 or 100,000, it's a one-time thing by the developer and that money disappears pretty quickly.

Tim Cummings, Economic Development Director

I completely agree. I would say our preference would be is to see those units get built. In fact, we'd want the units. So that is our preference. The only place that I think we are having any type of discussion about whether it should be or not is really in the downtown and that's because we recognize it's a different market than the rest of Nashua. Yeah to your point, we want the affordable housing units.

Alderman Jette

Okay so how did we come up with these numbers? If we want the unit, it seems like we wouldn't either make the payment in lieu of a higher number or not allow it at all.

Tim Cummings, Economic Development Director

Okay so I think what you're asking is how do we achieve getting the units at 80% AMI, because right now they don't have to be provided at 80% AMI. They're at just market rate. So we want to put a policy in place that says if you're doing a

project of X amount, then a certain percentage will need to be at 80% AMI or at an affordable rate not “market rate” because we need to provide housing to many people here in Nashua that otherwise can't afford.

Kyle Talente, President of RKG Associates

And if I may add on to that to answer the question about where did the \$100,000 and the \$37,000 come from? That is the analysis where we say, well, what is the value of a market rate unit based on how much it costs to build, how much it costs to acquire land, how much does it cost to operate, and then what can we charge for rent on the rental side and what can we charge for it to someone buying it just from a market perspective. Then we looked at those same units as if they had those income controls on them to 80% of AMI. That \$100,000 and \$37,000 are the value difference between what the market rate unit is worth to the owner of that unit without having an income control, and what its worth to the owner of that unit at the 80% of AMI threshold. So the idea we want the units make the number higher, that's challenging because that also impacts the partial units where we're trying to be fair to the developer saying well if you have to do 11.5, we're going to let you give us the .5 in cash and we're only going to charge you what that would have cost you if you had to deliver that .5 of the unit. So it's not punitive, which is what many communities do.

In terms of well we'd just rather the units, that's the reason why we have made it not even an option on the ownership side and it's something that you have to come and apply to the city through special exception for rental outside of the downtown. The city has the ultimate decision on whether or not to approve it. If you rather the units on site, either the developer doesn't apply at all or you deny the application. We have some language in there about what specifically would trigger that but at the end of the day, it's the determination of the city whether or not they want to take the Payment in Lieu. In some instances, there may be another affordable housing project that is short on cash to be able to make it work, and maybe it's a senior affordable project, or maybe it's trying to target 50 or 40% of AMI through a low income housing tax rate project and they have a gap. So then the decision is well, we'll let this project buy out of their affordability at 80 and then we could turn around and use that money to help defray the costs of a project that is either targeting a different population, it's in a different area of the city, it's going after a different income threshold, and it gives you options. So all I have to say is this is the reason why we set up the recommendations the way we did is to either in the ownership side you can't buy out of it, if you will, and then on the rental side except for downtown that's the determination of the city not of the developer.

Tim Cummings, Economic Development Director

And a lot of market research was done. So these numbers weren't just pulled out a book or just you know, industry standards. Kyle and his team spoke to a lot of different stakeholders here in Nashua as they built out their financial feasibility.

Alderman Jette

Okay, thank you.

Kristy Besada

Are questions permitted from the general public at this time? I'd like to clarify something.

Chairman Tencza

Ma'am, we'll allow you a brief comment or a question but generally we're gonna keep it to the Aldermen at this point.

Kristy Besada

That's fine. I really appreciate it and I want to thank Kyle for an extremely clear report that was extremely helpful and informative. My name is Kristy Besada. I live in Ward 9 – 12 Nutmeg Drive. I'm just curious about the rental controls on these units if we're basing it on 80% AMI. Is that clear then the rent and utilities would be calculated at 30% of income - is that what we're looking at? So if we were using challenging numbers at 80% AMI of \$78,400, that would be looking at a monthly rent of almost \$2,000 with utilities and at 100% AMI, we'd be looking at a rent, if you're looking at 100% of AMI would be about \$98,000, so it would be slightly more than that. Is that the rental amounts we're looking at and calling affordable at this point is in the vicinity of \$2,000 to \$2,200 a month with utilities?

Kyle Talente, President of RKG Associates

Well those numbers you're quoting are for a family of four.

Kristy Besada

Yes, correct.

Kyle Talente, President of RKG Associates

That would have to be a three bedroom unit. So for a three bedroom unit in Nashua right now new construction, yes that would be affordable compared to what it would be market rate. Obviously, three person households and two person households that would be renting two bedrooms and one person household yada, yada, yada, those numbers goes down and as a result, the amount of rent and utilities you're allowed to charge goes down too.

Kristy Besada

Correct.

Kyle Talente, President of RKG Associates

What we learned is the market is well above that - is above the 80% of AMI threshold. So if you allow market only, then folks at 80% of AMI aren't served at least in new construction. So that's the reason so yes. As surprising as it may be to some people, yes, unfortunately, those rents become affordable to people at that income threshold which is unobtainable in new construction based on current market dynamics. Everything that we learned in our study, not just mine but the one that my company did prior to this is rents are escalating faster than incomes. That market rate rent right now that may be 100, or 105, or 110%, of AMI could go up to 120% of AMI would not be out of the realm of reason over the next two to three years. So you're continuing to create the gap between those 80% of AMI households and be able to get access to new construction housing. When we did our analysis, we saw the need and we saw where some need is already being provided for through those 100% deed restricted projects that are already being built in the city. This is one area that the market is just not going to touch and HUD doesn't provide money for. There is federal programs at 60% of AMI, 50% of AMI, and 30% of AMI. There's no HUD rental programs and 80% of AMI. This was trying to address a market need that the market wasn't going to touch and HUD couldn't help with or doesn't help. I shouldn't say couldn't - they currently don't help. Let me put let me not put words in their mouth.

Kristy Besada

No, thank you very much. I wanted to clarify that those were in fact the numbers we were looking at because I think that those of us who are familiar with housing calculations would understand that's what we're talking about. But I'm not sure that the folks on the Board of Aldermen are really clear on what those numbers mean to average citizens. So I appreciate the clarification and again, thank you for a beautiful report.

Chairman Tencza

Any other questions from members of the Board? Alderman Jette.

Alderman Jette

So the fact that these numbers are constantly changing, how does that work into this? I mean will we be revisiting this every year, or every two years, or?

Tim Cummings, Economic Development Director

I would recommend that as a best practice. Without question, you should be looking at - I think Kyle in his presentation said every two years we should be looking at it. I think that's definitely something that we would need to constantly make sure we're staying on top of.

Sarah Marchant, Community Development Director

And I would say the model that we worked with RKG to build is very easy to modify. So what we would do is do another survey of with our developers in this area across all the projects and we can plug those into the model, and it very easily updates, and it will give us instead of the 37 and 100 that is here, the numbers that we need. So we did very clearly invest in a model that was easy to update. It's not like we have to rewrite the whole thing every time

Tim Cummings, Economic Development Director

Because we do want it to stay relevant in time.

Alderman Jette

So could I continue, please? So with ownership once somebody buys it, they own it. They're out of the mix, so to speak. But with the rental units, would they get adjusted every couple of years?

Sarah Marchant, Community Development Director

I think you're talking about their incomes now? Is that what you're asking - like the value that they'd be rented at or to who? Two different things.

Tim Cummings, Economic Development Director

So let me just take a step back. So ownership - very clear - would be a deed restriction on the property. It would be basically when property transfers, it would have to transfer to someone that met the income level that was described.

Similar type thing would happen on the rental except for what it would be is the property manager would have to be making sure that X amount of units that are set aside as affordable, those individuals in those units as they turn over still need to meet the income eligibility requirements.

Sarah Marchant, Community Development Director

Which is what we do with the...

Alderman Jette

As incomes change?

Sarah Marchant, Community Development Director

Exactly because the beauty of it is is that the HUD standards for area median income are updated every year automatically. Those standards would be updated every year and just like we do with the home units now or units that we put the Federal Home Funds into for the 30%, 40%, 50%, 60% of AMI, they have to report to us every year that the tenants in those units meet those income thresholds and as they change from year after year, as they turn over, it's whatever the HUD unit standard - whatever the standard is is automatically updated.

Alderman Jette

Okay. So with the ownership - the unit that's purchased by somebody who meets the criteria if they want to sell that unit, they're restricted as to who they can sell it to and for how much they can sell it?

Tim Cummings, Economic Development Director

Essentially, yes.

Alderman Jette

Yes?

Tim Cummings, Economic Development Director

Essential, correct. There are some surrounding communities that have done ownership model in this region and have done that successfully for quite a while now and it is - they've tried other methods but that that is the one that we see with the most success. We have seen other communities try to limit square footage, which I think has not been successful in trying to hold prices down and instead it's really the deed restriction and it's the income levels, which would be appropriate at whatever date they sell.

Alderman Jette

Okay, thank you.

Alderman Klee

Thank you. I just have a quick question about rentals. So if there is a unit that right now with a two bedroom rental and it falls within this criteria and there happen to be two vacancies - one is a two bedroom and one is a one bedroom. It doesn't have to be the same unit every single time or does it?

Sarah Marchant, Community Development Director

No it doesn't.

Alderman Klee

As long as they meet the criteria of Z number of units being used underneath this program?

Tim Cummings, Economic Development Director

That's typically how it's (inaudible)

Sarah Marchant, Community Development Director

Generally you don't want it to be assign. It could be any unit in the building and part of the beauty of this is every unit is built to the exact same quality.

Alderman Klee

Okay.

Sarah Marchant, Community Development Director

The same with the ownership. This is all the same quality everywhere. You shouldn't be able to tell one unit from another and that's how you do this fairly and equitably is the quality of the units is exactly the same across the board.

Alderman Klee

Thank you.

Chairman Tencza

So I have several questions, if you don't mind. First, we talked about the application process. Would that be through the Planning Board or is that through the Planning Department?

Unidentified Female Speaker

Oh, I'm sorry. What application you're talking about for rentals?

Chairman Tencza

For the special exceptions?

Unidentified Female Speaker

Oh, special exceptions would be Zoning Board.

Unidentified Male Speaker

It would be the Zoning Board. The application process discussed at least in this analysis would be a process of the Zoning Board using the existing special exemption criteria, but perhaps with some modifications and special conditions related to this ordinance.

Chairman Tencza

Okay. So that would be the group who will decide whether they're going to grant the special exceptions, whether they're gonna I guess want the payment in lieu of value, or require them to deliver on the units.

Unidentified Male Speaker

Correct.

Chairman Tencza

Okay. Are there other cities in New Hampshire that have this type of inclusionary zoning policies in place?

Unidentified Male Speaker

So there are other communities in the State of New Hampshire that do have inclusionary zoning policies. What's more rare is the type of inclusionary zoning that we're looking at here and that is a policy that is mandatory for certain size projects. That's the uniqueness of the ordinance that we've drafted here recognizing obviously, that in what we've drafted, unit counts lower than 10 are not included as mandatory.

Chairman Tencza

Okay. So those other policies in other New Hampshire communities so how are they enforced if they're not mandatory?

Unidentified Male Speaker

They're opt in and the carrot, if you will, within those ordinances is a density bonus that we've discussed as part of this analysis but we've seen, I think, really across the State and that is that those policies are often ignored by developers. The development community does not find them attractive and therefore, we're trying to craft a policy that provides that necessary incentive while also protecting the affordability as well. But quite frankly, they are underused I would say on a statewide level.

Chairman Tencza

Sure. So after four years, your presentation tonight I finally understand density bonuses. The way that it was explained tonight is – and that's after being on the Planning Board for four years I can say so I appreciate that presentation.

Do you know is there an average of per unit let's say in a rental or actually not on a rental but on a sale? What is a developer - what's the return on investment? How much are they seeking to make under their business model? I think that's the part that's not explained, you know, because we were talking about \$100,000 potentially payment in lieu or something close to that for units and partial units. It's certainly on even at \$37,000. You know sitting on the Planning Board developers come before all the time and they give us a hard time about sidewalks in the payments they have to make for sidewalks. What's the profitability of developing here in Nashua?

Tim Cummings, Economic Development Director

So I think Kyle can probably speak to the details of this better than any of us could. I think you nailed it on the head and I just wanted you to know that this is probably where Kyle and I and Sarah and I - we spent a lot of time on that. Because what is reasonable return? That is a very hard thing to kind of quantify but it is very much to the point that you're making now because we don't want to be a disincentive to the marketplace. Kyle do you want to talk about the IRR and your return analyses that you did?

Kyle Talente, President of RKG Associates

Sure. So for ownership standard, internal rate of returns are usually or IRR usually in the 25 to 30% range. What we did was we calculated saying okay what if this was a buy right project, they didn't have to provide any inclusionary zoning, and they hit that threshold? What would the policy need to require in terms of affordability and then provide in terms of relief to get back to that level? That's where we get to these - not only the percentage of AMI and the percentage of units, but also the bonus density numbers. And so our math shows that now, you know, on a typical project, right, but on a typical project, what we have provided in that matrix should allow a developer to get a return that is consistent with the return they would get without the inclusionary zoning policy under that buy right scenario. So that's what we were trying to solve for. In Nashua, returns are generally much higher than you see in most other marketplaces and if you remember my presentation last time, that's due in part to the fact that city gives away bonus density and they provide cash for market rate projects. So as a result, you know, returns are much higher or at least have been reported to be much higher than they are in pretty much almost everywhere else than we've ever worked. So the issue I don't believe is the inclusionary zoning policy because I think we solved the value differential with the math. The issue is going to be the buy right development and then going that route. This policy in its own right is what RKG defines as revenue neutral, which means by having to provide the affordable units but then also getting the bonus density. We have made the requirement harmless from a return perspective.

Tim Cummings, Economic Development Director

Does that help?

Chairman Tencza

It does. I think with any of these percentages are great but, you know, the figures and you say 25 to 30% because that up their total project so if it's a \$10 million project, they're seeking to make \$2.5 million to \$3 million in which case, you know, \$37,000 or fraction thereof does not seem like it's unreasonable.

Tim Cummings, Economic Development Director

I just want to clarify that that would be on \$100,000 but yes, absolutely correct because that's an ownership model.

Chairman Tencza

Okay. So my other question is that this is, obviously and I think you've said a couple of times, we're focusing on new development here. Director Marchant I think you can remind us in the next five years, 10 years, how many new developments we're hoping to bring online.

Sarah Marchant, Community Development Director

We need 5,000 housing units by 2030 to stop the absurdly rising line of rent increases and cost increases. That's to meet basic supply. I will say that over 60% of those units are going to be for one and two person households. So I think that this is really important looking at the rental and ownership and that these aren't maybe what we've built for the last 20 years or certainly, you know, it's not what we've been building on average in that the model needs change in this support status well. So certainly housing for those smaller sized households is a priority for the city and this will still allow that to be built with providing some affordability for that.

Tim Cummings, Economic Development Director

And then what I'll just chime in and say is what this also does is gives us a tool and a resource available to us to help with our naturally existing affordable housing stock that's already built. So we have a lot of tired housing stock that we need to

help and we're very limited in our resources and this is a great place that we can turn to to help, you know, with whatever it may be for capital investments that will improve the housing stock in certain neighborhoods that the attention. So it doesn't necessarily need to be focused just on new construction. What this is, is a byproduct to help us with existing housing stock once we get up and running.

Chairman Tencza

And I appreciate that last time because I think that was my final point that I wanted to make is that this may be a tool but it's clearly it doesn't need to be part of a larger policy on affordable housing moving forward. It's going to be a tool if the Board decides that it's something that it wants to do moving forward. So it'd be nice once this is settled for the next Board to start a conversation about working on what that policy looks like and I think the Master Plan has already kind of been started a little bit but clearly a lot more work that needs to go into it.

Any other questions by members of the Board? All right.

Tim Cummings, Economic Development Director

So I have one. Are there any major fatal flaws that you're seeing in our logic? Because what we're going to do this evening is after tonight is we're going to get back together and we're going to start putting pen to paper to take exactly what you're seeing and being presented and put it into draft legislation that when it will appear before you again, we will actually be working to start to really nail down the details and ultimately try to get something filed for probably the first meeting in November. So I just want to make sure we're on the right trajectory here and we're not making any mistakes.

Alderman Jette

I'm not sure this answers your question but at the risk of alienating a lot of people and maybe all of you, the thought does occur to me that when we talk about affordable housing or the lack of affordable housing, you know, helped me understand - I think about what makes housing not affordable? It's because I assume part of it is because the rent or the prices are higher than people can afford to pay and why can't they afford to pay that? I mean I understand there are people who for whatever reason can't work or can only work in a limited basis. I think reference was made to there are programs to help those people and this 80% target is for people who are able to work on working and they're just not making enough money. Why are they not making enough money? Is it because their employers are not paying them enough?

Tim Cummings, Economic Development Director

Those are bigger macroeconomic questions that me and Alan Greenspan have been trying to solve for a long time now. But yes, you make a really good point. There's a lot of wage stagnation in this country and we see it here. We absolutely recognize it and that wage stagnation that occurs, the byproduct is this housing problem that we have because costs continue to rise and that's absolutely true.

Alderman Jette

And the other question I have is are we subsidizing employers need employees and one of the reasons they say they have trouble getting employees is that their employees can afford to find places to live here. So we are, you know, manufacturing less than market rate housing so their employees can have a place to live so they don't have to pay.

Tim Cummings, Economic Development Director

It's not lost on me. Again, you're absolutely right. Businesses can make decisions to locate in a lot of different places. So we're not being competitive with just our marketplace. I say this all the time - our competition now is Austin, is San Jose, is Raleigh, Durham. Like we need to start thinking in those terms because that is where businesses are making strategic decisions as to where they're going to invest.

Kyle Talente, President of RKG Associates

I'm not Alan Greenspan but I did stay at a Holiday Inn Express last night. I will say, let's not forget the fact that the supply and demand factor is Nashua is a place that lots of people want to live and lots of people that have high paying, good paying, two income households. The reason why you have an inclusionary zoning policy is because the market is going to

react to those who have the greatest ability to pay because that's where you're going to generate the greatest amount of profit. So that's what an inclusionary zoning policy does is it ensures that the market doesn't ignore those that aren't protected or don't have other means through things like HUD, HOME funds, and stuff like that. It's not just that your local employers may not be paying enough, it's that the folks who want to move your community have lots of resources. They might not necessarily even work in your community but they want to live in Nashua and I can completely understand why. I agree with you, there is definitely a component that is are we paying people enough to be able to live in the communities that they work but it's also those folks that they're trying to hire aren't just competing with other people in the community, they're competing with people who are coming from the outside that have a substantial amount of resources that they just can't outbid if you will. To tell a manufacturer you have to pay a line worker the same as a doctor from Boston, I am not sure that's a great economic development strategy, at least it's not been in our experience.

Sarah Marchant, Community Development Director

I just want to say that, you know, the focus of this, this is up to 80% of AMI and we're talking about our teachers, and our firefighters, and City Hall workers, and police. We're also talking about housing for those who work and live in this community already. So that is somebody who isn't necessarily moving or we're not competing - well we are to some extent from everywhere so we're trying to provide housing for those that wouldn't qualify for any of the HUD programs that currently there is no safety net and there's nothing to require that. I think the other piece - some of these payment in lieu of funds could absolutely go to housing, affordable housing preservation that it's maybe naturally affordable housing right now. Like say for example that we do through the Owner Housing Rehab Program and providing with those funds a long term deed restriction. So as we're thinking about this, there are other tools in the toolbox too, but that's why we're focusing here at this amount.

Chairman Tencza

So I'll note for the record that Alderman Clemons has joined us online. Alderman Harriott-Gathright has joined us here in the auditorium along with Alderman Klee and Alderman Dowd. Alderman Clemons you have your hand up, would you like to ask a question?

Alderman Clemons

Yes I would. Thank you, Mr. Chairman. Just for the record, I am participating via Zoom. There's no one in the room with me and the reason is due to work commitment. I'm glad I could be here and sorry for the lateness.

My question comes around the back end of this. What I mean by that is Nashua has a number of housing that I would imagine falls into this category right now. But if the goal was to add, you know, 5,000 units and half of them are gonna fall into what might be considered affordable housing, my question is related to do we have the staff? Do we have the manpower to make sure that the red tape that I imagined comes along with all that is going to be handled in a fashion that isn't going to prevent a developer from throwing their hands up and moving to some other city where it's easier?

Sarah Marchant, Community Development Director

That is a great question. I think there's two sides to that. So the first side is the through the Planning Board process side and the getting the approvals of the new development, we do have the bandwidth to process most of this at this time. Through our amazing Planning staff, we can handle the new development applications and through that process.

In the long run, the management of the compliance with these different rental incomes is something that we do not have the staff to do. We do have the expertise in house. Urban Programs does this all day long but they do this completely funded by federal dollars. So we can't kind of double dip into their programs. What we would be talking about is using a piece of the Affordable Housing Trust Funds to help pay for subbing this work out. There's many nonprofits that we could outsource to help manage this to keep it efficient for a relatively reasonable cost that could be managed by expertise in Urban Programs that is already in house instead of building a whole other staff of internal people to do that. That's what many communities who do manage these do, they bring on somebody else to actually manage the day to day of the income and compliance side? So that's what we would be looking forward to in the future.

Alderman Clemons

Okay, thank you. Yeah, that was my chief concern with this because with any plan, you know, from my perspective you can have a great idea but if you can't execute it, then it isn't worth the paper it's written on. So I think that my question was

answered so I will yield the floor to someone else. Thank you.

Alderman Dowd

It's a two-page thing having been involved in supply chain management for 40 - 50 years. As far as the cost of housing, it's a supply and demand issue. If all of a sudden we build 10 buildings with 500 apartments and you couldn't fill them, the prices go down. Supply and demand. Right now everything is so high because there is no supply and there is demand. So the prices keep going up.

As far as affordability, that's a different story. You could be making the same amount of money and if the housing market went down, you could afford someplace. Making the same amount of money and there's a shortage of housing and then prices get driven up, now it's unaffordable. So they're two distinct items. They work together but they are two distinct items that have to be solved independently because they're not closely tied together as far as what people earn from their jobs other than the fact that, you know, if they have a hard time finding a place to live, they sort of demand more money and will go somewhere else if they have to get it. But Nashua does not have a lot of developable land. I worked with a lot of developers and they would love to build affordable housing, but it's got to be cost effective. They don't do this for nothing. They usually say the thing that's bogging them down is red tape, zoning laws, this, that, and the other thing. I know that people to my right here have been doing a lot to try and fix that and help them make it easier.

Part of what we have to look at is if we want people to build a certain type of housing, affordable housing, low income housing, we've got to make it affordable for the people that are going to build otherwise they won't build. Why are they building \$400,000 condominiums, because those will sell in a heartbeat and they make money. It's just that simple.

Alderman Klee

Thank you, Mr. Chairman. I think both Chairman Tencza and Alderman Dowd kind of touched on something that I'm curious about. One of the things that we talked about that we don't have a whole lot of land space to build new but if they were to take current construction and redevelop it - for instance, take a large home, redevelop into multiunit, or take a factory and develop it as they did (inaudible) and so on. Would this be considered new construction?

Sarah Marchant, Community Development Director

And so would work in that manner. Working on that type of thing, we also have a lot of older homes where, as you pointed, I think you refer to them as tired properties and so on. I know this is just one tool and I know from being on Human Affairs Committee we talked about the rental and owner kind of assistance and so on but will there be a component that will help with the people redoing their properties? Like there's something on Salvail where they have multiple units there. If they decided they wanted to redo this and work with this right now, I think they're all low income but if they decided they wanted to do some market (inaudible) and so on, would they be able to do that?

Sarah Marchant, Community Development Director

So I think in talking about the Affordable Housing Trust Fund dollars and hopefully maybe more dollars going to that fund, that's exactly what that Fund is designed to do. What it would do is preserve existing affordable housing while bringing up the quality, right? A couple of people have thrown around the idea of gentrification and are wanting to not participate necessarily in gentrification but providing longer term deed restrictions in exchange, the 80% of AMI, 60% of AMI in exchange for the funds to help bring up the quality of the unit. So those are things we could do through the Affordable Housing Trust Fund absolutely.

Tim Cummings, Economic Development Director

So if I may, what we're talking about here is what you'd like to happen. We're talking about giving you the fuel to the engine to allow us to be able to do exactly what you're talking about.

Alderman Klee

Perfect. Thank you

Chairman Tencza

Anything else from members of the Committee? All right, seeing none. Thank you very much.

We will move on to the next item on the agenda - downtown parking study. Yes so for that for the downtown parking study, I will turn it over to Director Cummings.

•Downtown Parking Study

Tim Cummings, Economic Development Director

Yes, thank you, Mr. Chair. Tim Cummings, Director of Economic Development. I appreciate everyone making the time this evening. So what we have this evening is, again, a working session. We want to have an informal type of environment. One of the reasons why I requested the meeting up here so we could really kind of have a dialogue and a conversation about parking. As you may recall, I told everyone that we were going to start the parking study this fall and so we have engaged Desman and Andy Hill is with us this evening. He is our parking consultant to have a conversation about general public parking in the City of Nashua and particularly in the downtown in terms of how we manage it. This is a listening session where we really want to hear your thoughts, your feedback, what your interests are so we can make some reports back to you in the coming weeks as we get more data and analysis done. We've just started the process and we are doing a parking forum tomorrow night that I want to remind everyone about where we've invited the general public to come attend and to again provide their input to Andy and folks about their thoughts on parking and their sentiments. So I would encourage you to attend tomorrow night and also encourage your constituents to attend. It may be a little redundant as to tonight but in our scope of work with Desman, we specifically sketched out some stakeholder engagements with stakeholders that have a real strong interest in parking. I know the Board of Aldermen does and specifically this joint body with Infrastructure and Planning and Economic Development. It seemed only natural to have the conversation here with you.

So I wanted to kind of just set the table a little bit this evening as to why we are here. I'm going to stop my comments and turn it over to Andy, who's really going to lead the conversation this evening.

Chairman Tencza

If I may, Mr. Chairman, if in your comments, Mr. Hill if you could just focus us because there are several parking issues going on right now and if we were here just the Infrastructure Committee, I'm sure we'd all have exactly know what's going on but this is PEDC. When you talk about downtown parking if you could just kind of focus us in so we can have a...

Andy Hill, Director of Consulting Services for Desman Design Management

Absolutely. Happy to.

Tim Cummings, Economic Development Director

So we're not going to be talking about barriers this evening. We're not going to be talking about. We're going to talk the whole evening about overnight parking. I just and in all honesty, I'm sure some of these issues will come up along the way in the conversation. We want to hear those comments. We want to hear your thoughts but really it's more about how we manage our parking, what your opinion is, and what you'd like to see as we as we continue to study the matter.

Andy Hill, Senior Associate of Desman

So for the record, my name is Andy Hill. I am the Director Consulting Services for Desman Design Management. We are a parking, transportation, and mobility consulting firm. I see a lot of familiar faces around the room here. A lot of you folks I worked with and spoke with extensively on the residential parking study here. This is a larger scope of work that we've entered into where we're looking holistically at parking supply and demand, future development in need, parking policy, parking operations and management, as well as their integrations with economic development and mobility and sustainability here.

We have a six month program of study here. We are about a quarter of the way in. We started in early September. We have just completed our first round of field work, which involved going out over 108 block area. You can see the scope and span of the study area in some of the handouts that have been circulated here. So we went out and we did inventory

across that entire area. It's a fairly extensive undertaking that involves literally counting every parking space. As you're going up and down streets, measuring the width of the street, measuring distance along the curb, and then doing a set of calculations based on recorded setback from intersections, curb cuts, alleyways, etc. for a (inaudible) destination on street capacity here. In addition over the same area, we perform a set of occupancy counts this past Friday and Saturday. At mid-day (inaudible) baseline understanding. We are not even close to being done with that piece of work yet but this has established a baseline that we can start looking forward on. We will be going back out to do supplemental counts for a number of different reasons. In the French Hill area here, it's our understanding that BAE which is a major demand generator and occupies a very large private parcel in that area is actually on an (inaudible) schedule. Every other Friday (inaudible) observations in that area. We're going to need to go back out into that area and do observations when BAE actually has a full complement of employees on site.

We know that the barriers are coming down on the 15th of November and so the plan is to go out right around the end of November early December here when dining out and shopping are expected to be at a fairly intense pace up and down Main Street and perform some supplemental cognizant observations up and down Main Street and then the side streets as well to give an understanding for what that would look like when there are not barriers up. When we are out Saturday afternoon, the Rotary Duck Derby was occurring which was great. It gave us an opportunity to understand the impact associated with special event but by the same token, we're going to need to do some stabilize baseline counts off of end as well to understand what that differential is and what that impact might be.

And then we're also going to be putting together a program of study to take a look at length of stay and turnover in select facilities. This can answer a lot of different questions. How are we doing on enforcement? What's the actual typical length of stay versus what the posted limit might be or in some cases where there's no limit at all? What's the typical length of stay? How often the spaces are turning over? It'll give you some insight to that which will help us look at existing policy and also be able to evaluate that and make recommendations based on any changes that need to occur on that end. So that's where we're at right now. It's kind of an interesting intersection.

Because I was listening to the presentation before, there were a couple of key takeaways that I sort of picked up in the conversation. One of which was the statement from Alderman Dowd that Nashua doesn't have a lot of developable land anymore. You're absolutely right and what land you do have probably has asphalt spaces on it right now. So it's very timely as we're talking about this. It's very timely as we're talking about 5,000 residential units coming in to Nashua by 2030 that are going to be occupied primarily by one or two person households. Based on national statistics, those one or two person households are going to be bringing between 1 and 1.5 cars with them. So thinking in terms of that impact as well.

Talked about the idea of converting a factory or home into residential. That also is a significant impact on parking. It's a much more intensive use across the same sort of floorplate as far as that goes. And then on top of everything else, I know that there was recently a adopted a plan to do a realignment on Main Street, which is going to take some on street parking out of the mix in order to create supplemental areas for higher better use and do some traffic calming as well. So there's a lot of crossover and intersection between what you're dealing with right now and then what we're studying and working on as we go forward.

I've been doing this for about 20 years. On my best days, I do feel like I might be an expert on parking, transportation, and mobility. I am in no way shape or form an expert on Nashua. As I am learning very rapidly here, I love to participate in the field work because it opens your eyes to so many things by actually being able to go out there walk the streets, talk to people, see the traffic movements, get an understand what the behaviors are. But one of the things that we're really trying to do from the stakeholder meetings, one of the things we're hoping to walk away from with tomorrow's forum is a very clear idea of what the primary concerns, considerations, objectives, challenges, wishes, and desires that the people of Nashua have because it doesn't do me any good to come up with a program that's steeped in what's considered industry best practice if it's not going to work here in Nashua. At that point, all I've done is produce a very large paperweight for you to prop the door open with and I don't think any of us are interested in that.

So certainly I want to get some of that feedback from you this evening. We're looking forward to getting that feedback tomorrow night. That is actually tomorrow night is certainly not an end all be all. It's more of a kickoff. We have a fairly extensive online surveying program that we put together as well. There's actually a traditional survey that folks can participate in that will be available online and we'll be announcing the launching of that tomorrow night. There will also be much like you had with a Riverwalk Project, an option where folks can literally go and put pins in an electronic map and make comments - hey, make sure you look at this, or this is an area of concern, or make sure that you focus on this particular aspect of the downtown. That will really help us sharpen the focus as we move forward into the heavier analytics piece that's going to be coming as we close out this initial phase of work here through November into December.

Our objective is to go back to the public in early January after we've heard everything that folks have had to say and had some chance to think about that, analyze it, and develop a whole laundry list of different solutions and initiatives for folks to consider. We'll come back and we'll present that to some of the stakeholder groups, present that in a public forum, and again hold a fairly extensive surveying period afterwards in order to get feedback. What did folks like? What didn't they like? What do they kind of like? What would like to see these alterations to it? That will ultimately inform the draft deliverable that we will put together and vet out with a Steering Committee that we've assembled with the city, get their feedback, sharpen that particular document, and that will become the draft document that we will eventually bring forward to the Board of Aldermen for consideration.

Our objective is that this is hopefully going to provide you with a 10 year roadmap on where to take parking going forward in order to support things like the new art center, the realignment of Main Street, this initiative to bring in all of the residential that's coming into the downtown area. So in a nutshell, that's the modest course that we set for ourselves. Like I said, what I'm here tonight is to really hear from you folks. You are representatives of each one of your individual Wards. You are the representatives of the constituencies. Certainly you have the pulse and you have my ear. In addition, if there are things that we need to go over tonight, I will do my best to provide the answers that I can. If I can't get you answers tonight, then we will work through Tim's office and Board of Aldermen to get a working group together to dig into those things as we move forward. So this is me.

Chairman Tencza

Questions or comments by members of the Board?

Alderman Schmidt

I represent Ward 1 and we don't really have any parking problems. I believe we had a conversation with you and I think two people showed up and one said temporary parking would be nice. Another said, don't do anything. Just leave us alone. They did have a question - the parade is on the 11th. Will the barriers be done by then?

Tim Cummings, Economic Development Director

Yes. We are working towards having them done by the 11th.

Alderman Schmidt

Thank you. That's it.

Alderman Dowd

Yes I look at this map and I had someone in the family years ago write a story about the time my grandparents were living in Nashua. The majority of the city as it existed back then is in this area you have highlighted. It was primarily people had horses, buggies, and wagons. There were no big vehicles and I mean that's the history of Nashua. As the city grew, you know, streets were paved and now you brought in cars, but there was no real change in the infrastructure to handle the different types of growth that happened from a technology standpoint. So it's very difficult to try to force regulations on parking and things in these areas that weren't built to handle the infrastructure that we're talking about. So it's a challenge and this is the area that you probably need to focus on because this is the one that needs to look at - Ward 1, Ward 2 – not so much Ward 3, Ward 5, 8, 9. Those have all been developed downstream, bigger properties, bigger driveways, you know, garages, and all that and were more inclusive of the new technologies. So I think as we look at the city, we have to keep that in mind and look at the development time of each of these areas so that we can focus on solutions for that particular area and not try to force feed a solution that will work downtown on the outline that won't work. So there's not a universal solution that will handle the entire city. It has to be segregated.

Alderman Klee

Thank you. Ward 3 is included in this. This whole area is over by Fletcher, Beard, Beacon. That area there is included in where we have very dense housing, no parking, and so on. So they did the on street parking.

Just to clarify, I have a couple of questions. One is – and I apologize. I'm probably not talking into the mic. One of the questions that I have is relative to handicapped parking. We have some residential handicap parking throughout that area. We have throughout the city, but throughout that area I do know and I actually have a request that will probably be

coming in for like a very dense street like Granite Street. Okay. One of the issues that I'd be interested in knowing is where the handicap parking is within those areas of residential handicap area because one of the things I think that we lose sight of when we do create residential handicap areas is are they still needed. You talked about you'll be doing your counts and then looking at length of stay, and so on if we could get some kind of feedback on that handicap area, I think that's really important. Since I've been an Alderman, I have requested, I think, one or two handicap and then requested one be removed and I'm about to request another one not to be removed but to gain. It's in a in a dense area like Granite Street and that's specifically where it is to designate one as handicap means that someone's not going to be happy because they're going to lose a parking space that they're going to be parking in all the time. So I want to ensure that any of the handicap spots that we have that aren't being used, there may be one over on Auburn Street I'm not sure but that they are in fact being used. I mean, I don't mind going knocking on every door asking people if they're being used but I only know when someone says there's a spot here and no one ever parks there. I think that's important to free up parking. There's more residential handicap spots than we even realize. One that I had removed was on Mount Pleasant Street is one of them.

The other question that I have is when you're looking at some of the areas like for instance, Fletcher Street - and I know I've mentioned this to you before has these very bizarre two hour, one hour parking. Will that be also part of your report as to - and I think I've spoken to you Ms. Stansfield about this - what was the justification of why they were needed? Are they still needed? Because those are very important too. I have a lot of residents on Fletcher Street, for instance, one in particular that had illegal parking that the landlord had told actually was charging their residents to live and it was illegal parking. These people now suddenly are gonna have to go park on the street if we don't stop giving tickets and so on, but there's a lot of one hour and two hour parking just between I think it's on Fletcher and Green Street have the one hour and two hour parking spots. So would that also be part of the report? I'm sorry to talk so long.

Andy Hill, Director of Consulting Services for Desman Design Management

Yeah. The answer to the last question we'll work last and work backwards. Yes that is something that we're looking at and thinking about here. It's actually something that it occurred to me when I was doing out the inventory. You can almost see a pattern in some places where one could make reasonable assumptions that the 15 minutes space that suddenly existent in the middle of a block that has no other regulation opposite a store - alright, well, I can see how that came to be.

Some of these zones that were put in place you can look at and understand that they were put in place in part because the next street over is metered. You didn't want everybody migrating when that street got metered over to the adjacent street and parking there all day. So there was some sort of timeline that was put in place. Other ones, absolutely. It's a bit of a head scratcher and that's one of the things that we're looking at - is this still an appropriate regulation as far as it goes?

I'm glad you brought up the question of on street ADA. It's one of the most complicated issues that I deal with on a regular basis. First thing that you should know, and it's not necessarily common knowledge, the current ADA Standards that are in place and recommended standards in place are completely new on the question of on street handicapped parking. If you are building an off-street facility, they're very clear as to how many spaces you need to provide where those need to be provided, what the path of travel from those to a public thruway is supposed to be. No, no recommendations for on-street whatsoever. So most communities have to figure this out as they go along. A lot of communities end up doing what you've done here today, which is they put together a process where folks can formally lobby for designation as far as that goes.

The communities that have been very effective with managing that usually do annual audits. It's one of these - I ended up calling a former associate who's a lawyer and asking them this question because we're very curious about it. Why wouldn't you go out and just pull the person in front of the house? Well, you wouldn't go out and pull a person in front of that house because the inference is that you've now deeded public property to private exclusive use. So you wouldn't necessarily go and pull them but you can go out annually at different times and do occupancy surveys and establish a set of clearly state publicly accessible rules that say as long as we see these levels of utilization within this framework of observations, we can determine that this is still a viable and needed asset. When we stopped seeing that level of utilization, that usually triggers a process to go back and evaluate it. Is it still required? Is this still needed? Do we take this off the street as far as it goes?

I know you didn't bring it up but one of the things I'm going to have to take a look at which is even a thorny issue is, is there any way that you could formalize the petition process so that it is an automatic rather than a constituent driven process so that as you look at certain densities, you can just automatically say moving forward for this number of people

per capita based on age demographics, or other demographics, you know, you should be thinking about putting one space every block face once you reach this trigger threshold. We're digging into that question as well.

Alderman Klee

The constituents that have requested - and I know Ms. Stansfield has been very, very clear when they contacted her is that this is not needed and if another handicapped car is there, we just have to deal with it. The two recently that I – one I'm hoping to request and one that I've requested - one dealt with a handicapped child that they needed to carry into the home. I made it very clear, it was still not overnight parking. The car had to be moved. Now the second one, I have a bit of a conundrum because they need a handicap parking because they do have a severely handicapped issue. However, they don't have a driveway. So if we grant them the handicapped spot or put in a handicap spot, not granting it to them, but putting in a handicap spot to make it for them and they can't overnight park, what do they do with their car, and so on. So this is going to be something we're going to have to work out. I had spoken to Alderman O'Brien about when we do put this request in that we put a sunset of in a year the person has to show need, or someone else has to come forward, or it will be and basically almost put on it, this expires whatever type of thing. I know that would cost the city money to have to keep doing up a new sign but somehow to let the public know that this is going to go away. I think that's important because what happens is when we try to do the right thing of not putting in a handicap spot which isn't required every so many blocks because then that takes away valuable parking if it's not needed. If it is needed, then that's wonderful. I would really push for it but if it's not needed, that's a spot that someone could do and I can tell you in the French Hill in this area, Fletcher Street and any of those areas, they need every parking space they can get. I don't consider handicap a wasted space, especially if someone's using it. It's very important but if it's not being used. So we need to come up with a plan whether it's annual or whatever, some kind of process of being able to do this without breaking the no deeding of property and that's really something. So that's why I really like to get a handle, at least French Hill probably obviously the whole area where the handicapped spots are and then what their occupancy level is and some type of idea as to how to go forward. I see it as a critical need but I also see it as that it can become a burden if we have spots that aren't being used. I'll get off my soapbox.

Andy Hill, Director of Consulting Services for Desman Design Management

Quick question as long as we're still on the subject here. Once you deed those spaces, does anybody come in and do an actual accessibility assessment to understand the travel path once they leave the vehicle to get into the domicile?

Alderman Klee

The handicap spot, at least like for the one on Norton Street, literally was put in front of that person's home. We did put that spot directly in front of that property, which she did know that if someone else with a handicap plate parked there, there wouldn't be anything that she could do. She had a driveway but in order to get her child who was like 12 years old into - she had to literally walk out the driveway, come around, and go up a set of steps versus being able to park there. So in some essence in a roundabout way, we kind of did need it. We knew that this was open parking. I didn't say this was for X number Norton Street. It was just a handicap spot that we did place in front of their home.

Granite Street - we would probably do something very similar. I've driven down Granite Street. This particular property does not have a driveway, which gave me real concern that they would want to park there. They would want to park there overnight and I have to look, I don't believe Granite Street has overnight parking do they? Oh they do have it, so they could request a permit but now we'd have to look at how many permits already exists. Are we taking away a spot? So this becomes quite a complicated situation. You sent her my way so you know who we're speaking about. This is a very, very complicated situation in that particular one.

Andy Hill, Director of Consulting Services for Desman Design Management

Well I ask the question because it actually is even more complicated than whether or not to deed that particular space. The whole idea behind the ADA Law was to improve accessibility, and specifically to improve accessibility for individuals often with ambulatory challenges. So designating the space in front of their house is half the way there, but the other half of the way there is actually having to spend the time to look at the path of travel once they exit the vehicle to make sure that that meets with all the ADA requirements as well if there exists an ambulatory challenge.

Alderman Klee

That I couldn't tell. In the case on Granite Street, they would be parking across the street from their home because there

wouldn't be parking in front of their home. So they would have to walk the width of to be able to get in knowing the street was directly in front of their home on the side that their home was on and so on. Obviously, that made it much more accessible. She still had to walk up a curb. She still had to go up steps and so on. So we improved the distance, not necessarily the terrain.

The other one, we would be improving the distance because most of the time she has to park quite a ways in order to be able to get to her home. So those are very specific, but I think they're probably more common type of situations.

Alderman O'Brien

Thank you, Mr. Chairman. I thank Alderman Klee. Thank you for bringing it up because in my particular mind, ADA rules is law and we got to look at that. In your examples, you brought up specifics. Well, we could do something – and it's not that I'm not against taking care of a particular constituent - we should really digest that, but however, it's the next person if that person is out that comes in with a wheelchair on a narrow street. They cleared when they open up the door to go get the wheelchair and come in. When does we held harmless or are we not hold harmless with it? There's plenty of lawyers no disrespect but the ADA Laws are codify. There in the books. So putting out handicap, you know, I never thought of this either until really talking to Mr. Hill and everything. We really gotta take a look at it.

Now I have here is the second part. This is all the handicap spots that are listed in the City of Nashua. There's an intermingling of municipal and private type of lots on this. I think we have to meet as a municipality full all - I'm not worried about ours. I'm worried about the ones that are like hit to the streets. Because of that is, like I say, we're talking about curb cutting. We're talking about is the grade correct? There's a host of things and like I say besides the street width. So it's gonna take a lot to taking a look at. Then it comes down to the bottom line. Ms. Stansfield how many 1,000s of people do you have working for you? A lot of people coming up and, you know, the Aldermen on my Committee are quite in the Infrastructure Committee. I mean they are getting bombarded by their constituents that want this. Now I don't want to mention we're not yet into overnight parking, but I understand some of the things that they bring up. The City of Nashua has never had it before but was so ill prepared. I mean as I dive into this, this is the deep end. You know what I mean. We're not even there. I think a lot of my Aldermen kind of think – and if you can answer this if you want - we're ready to go. I don't think we are. I don't think we have some of the laws looking at the ADA things and other type of requirements.

Then it comes down to if we need to, and I think we do right now, increase your Division just for the work that you guys are doing currently. If we get into any other type of parking, that means the good people of my Ward 9, Ward 1, other Wards – Ward 5 maybe, that may not be affected by this parking are going to have to within the tax dollars, are going to have to chip in for some other things. So we would need to really look at how to pay for this in general of the program as we get into this and try to come up with maybe what is it? I think Mr. Hill you brought it up before of what zoning is as far as you know, paying and I remember that from past meetings. We're really going to have to digest this and that ain't happening by January. I don't think it's gonna happen by January. I'd be surprised if it happens maybe by June. I don't know. I'm hoping but I really don't know. I don't know. I got to form it in some form of question or act in. Basically looking at the handicap and everything else between the two of you, which is are we really ready to go with any type of implementation on these type of programs – handicap, and parking, and everything else. We still got a lot of study and to do.

Andy Hill, Director of Consulting Services for Desman Design Management

You do. You do. I mean we do our best to provide a framework for our clients to start working through. Like I said, we'll bring to the table best practices. But as Alderman Dowd put it so succinctly here, there's a wide variation in street architecture, and in housing density, Ward the Ward neighborhood, and in the neighborhood. Reflecting back to the last deliverable that I put in front of the Board of Aldermen here, you have the foundation to start working through that determining do you accept this in total? Do you accept this as piecemeal? Do you need to make modifications on this? All of that needs to be worked through before you're really ready to execute if you're going to try and put legislation in place that's going to be effective. As I said when I presented that document some months ago here, I stand available to the Board of Aldermen to sit down and start working through the practicalities of beating this concept in this initiative into actual legislation that can be implemented effectively and move forward.

In the same way, we're going to be bringing forth a set of clear recommendations in February. Some of them are going to be very popular and heartily embraced. Some of them are going to be somewhat unpopular and opposed. Everybody likes the shiny, happy, you know, I get something stuff. Nobody likes the idea that you've got to pay it. Those are both going to be part of the program as far as that goes. We can talk about the idea of instituting legislation that will require annual audits, but you hit the nail on the head. Somebody's got to be able to have the time and energy to go out and perform those annual audits in order for them to be effective. Otherwise, we've introduced a lot of carrots and no sticks.

Like it or not, the sticks have to be part of that solution. So what we deliver is usually a starting point for most communities. It gives them a very good compass to move forward and we're happy to walk with them down that trail. But ultimately, we consultants can point you the direction to fix and give you some tools. We can't actually come in and make the fix. If we could, we be far more expensive than we are.

Tim Cummings, Economic Development Director

But if I could, Mr. Chair. We do you want to remind folks that there's an Infrastructure Committee meeting I believe on October 27th. I plan to be at that meeting and I am available to start the conversation about overnight parking specifically to see if I can help. I think I used a term earlier when speaking to Alderman Jette, ideally, to craft like a term sheet or something where we might have a consensus document that then I can bring back to Andy and his team for us to continue the conversation. It's very similar to what we're doing with the inclusionary zoning with Kyle and his team at RKG. So I know the overnight parking is a very special and specific subset problem or issue that we have within the whole general study of parking itself. I just want folks to know, we're not ignoring it. We are very much well aware of it.

Alderman O'Brien

Mr. Chairman, if I may. As Chairman of the Infrastructure, I welcome you to come on the 27th because as you know, I do have a lot of members of my committee that are - I'm not going to say they're fielding a lot of questions from their constituents. They don't understand, you know, to them, it's a need and want type of issue but they don't understand the complexities and the long term. That there is so many cars registered in the city than we have parking spaces.

Andy Hill, Director of Consulting Services for Desman Design Management

It's a fair point.

Alderman O'Brien

They don't understand that. I am concerned about the Aldermen in my Committee, and all Aldermen, I'm unfairly getting beaten up trying to tackle this problem. So I say let's get started and dive into the deep end.

Andy Hill, Director of Consulting Services for Desman Design Management

Understood. Thank you.

Alderman Harriott-Gathright

Yes. My question definitely was about the overnight parking. So is that what you're going to cover tomorrow with different boards?

Tim Cummings, Economic Development Director

Well, it is going to come up and we can't control it not coming up and we welcome the input and feedback. But if you're talking about a substantive conversation with a back and forth and dialogue, I would say let's do that at the 27th at the Infrastructure Committee.

Alderman Harriott-Gathright

Okay. I remember that you did have a meeting, I think, with our Ward 9...

Tim Cummings, Economic Development Director

We did.

Alderman Harriott-Gathright

I think there were just maybe three people showed up to that meeting.

Tim Cummings, Economic Development Director

You were one of them.

Alderman Harriott-Gathright

And I was one of them, exactly, and that's still a concern. I say that because at some point a lot of the side streets, even though the homes are fairly big, the driveways are small. My complaints were different people are getting tickets, you know, for leaving their car in the street overnight. They had no other choice, but they could leave it on the street. I remember years ago when my house was full and we had the same problem. What we were told is pulling the car up on the grass. So that's what we did back then. I'm just saying that I know that that is an issue in Ward 9 and particularly side streets. I believe since then, I want to say I was told that they have parking passes now in Ward 9

Tim Cummings, Economic Development Director

For overnight?

Alderman Harriott-Gathright

Yeah.

Unidentified Male Speaker

I don't believe so.

Tim Cummings, Economic Development Director

Temporarily you can call in.

Alderman Harriott-Gathright

Temporarily you can call and ask like for one night or something like that? Okay. But are you paying for it?

Tim Cummings, Economic Development Director

Temporarily? No.

Alderman Harriott-Gathright

Yeah, just asking.

Unidentified Male Speaker

No.

Alderman Harriott-Gathright

You can just call in and say I have company. They're going to be out there overnight.

Unidentified Male Speaker

Correct.

Alderman Harriott-Gathright

Thank you.

Alderman O'Brien

Mr. Chairman, if I may. I hate to do this to you but this might be the perfect opportunity as a public service announcement for Ms. Stansfield. I'll put you on the hotspot. Can you explain that how a citizen can contact the city if they had such a guest type of parking not into a permanent type of situation and that way they can afford a ticket for parking overnight? Could you tell people how to do that?

Jill Stansfield, Parking Manager

Sure. Happy to. So for folks that are having driveway repairs, overnight guests, they can call into our office. They would leave a voicemail. The telephone numbers 603-589-3077. They can also go on to the website, which is www.nashuanh.gov/parking then click on the "overnight parking" icon and they can fill out a quick form as well with their vehicle information, their address. And request up to three nights at a time to park in the street for those types of situations and there's no cost in doing that.

Alderman O'Brien

Thank you, Ms. Stansfield. Thank you, Mr. Chairman.

Alderman Clemons

Thank you, Mr. Chairman. So I have just a couple of requests, I guess. I know I've stated this before, but I guess my two requests are I'd like to make sure that we're looking at parking. I don't know if we're looking at parking rates in this study. Is that happening?

Andy Hill, Director of Consulting Services for Desman Design Management

Yes, Sir.

Alderman Clemons

And then the other thing is to make sure that we're looking at what a Main Street with and without barriers looks like in regards to revenue with those rates?

Tim Cummings, Economic Development Director

Yes. If I may. Alderman Clemons and I have had lengthy conversations on this. It's a complicated conversation. But yes, it is part of the scope of work that Desman will undertake to do an analysis and basically model so we can, you know, understand what that revenue projection would be based on some predicated assumptions.

Alderman Clemons

Thank you. I also am wondering if and maybe you don't know yet because you have to still do the study, but I'm wondering if one of the - well, two things. First I guess is my first question is are we going to answer the age old question of how do we increase use of the parking garages? Because if you can get that one, then that's the million dollar question.

And then the other one is are those garages considering the future growth of the city? Are those garages enough? And if not, are you going to suggest or would you suggest putting another garage in and are you going to suggest to us a location based on what you found in your study? So I guess, maybe some of those are a little ahead of what you might know but if you could offer thoughts on those.

Andy Hill, Director of Consulting Services for Desman Design Management

So to the first question, are there ways to get better utilization and more utility out of the garages? The answer is yes there are. I am not going to delve into specifics at this point but I will...

Tim Cummings, Economic Development Director

Sure Andy, tell them that we should charge \$10 an hour for on street Main Street parking.

Andy Hill, Director of Consulting Services for Desman Design Management

Thanks, Tim.

Tim Cummings, Economic Development Director

People will suddenly find the garages at that point.

Andy Hill, Director of Consulting Services for Desman Design Management

Yes.

Alderman Jette

What are we paying the consultant for?

Andy Hill, Director of Consulting Services for Desman Design Management

To Mr. Clemons, yes part of the evaluation is going to be certainly looking at rates but not necessarily looking at rates relative to where do we stand at other communities but how are we using these rates to motivate behavior? And that really gets back to the question of why we're going out and doing baseline observations? Because what we want to understand is, is the curbside parking oversubscribed or overused? I will tell you on the basis of the limit observations that I've seen, there are certainly areas around Main Street and side streets where there is a tremendous amount of high utilization of on-street parking for long and extended periods based on casual observation. A rate change at those spaces could incentivize folks to look at the garages as a viable alternative. Programs that you could put into place to target particular groups - residents, employees, to incentivize them by offering them a break could also help to drive utilization in those assets as far as that goes.

In terms of will we be advising you on whether you need one? Absolutely. The fourth task in our engagement is all about looking at future demand modeling that out, understanding its impact on a block by block basis, and then being able to isolate where we believe shortfalls are going to be coming, and quantifying those shortfalls and on that basis then taking a look at what is available within reasonable distance, say two blocks of those areas where the shortfalls exist to potentially mitigate those by developing new parking. Some of that may very well be a structure. We are just starting to delve into this question right now. So I'm talking a little bit off the cuff but certainly looking at the Main Street plan that's been approved. You're going to be losing capacity there.

When we talk about parking lots as Mr. Dowd referenced here, those are great development pads and as I look at the surface lots that the city has right now, certainly the Pearson lot, while it's a wonderful location for a parking lot would also be a wonderful location for higher better use. If that were to go out, the Riverwalk is coming in and taking a certain amount of capacity off the ground. Just being aware of that, those two impacts right there that would suggest that that area may have an acute need in the near future. If we were able to identify a good site at that location strategically, that would do a beautiful job of bracketing that end of north Main Street and that's something that we'll be delving into and preparing fairly detailed recommendations with regards to that, which would include recommendations on what that might cost and how you might offset that cost moving forward.

Alderman Clemons

That's wonderful. You answered my last question. So I just want to thank you for coming tonight. Mr. Chairman I apologize but I do have to leave the meeting. But again, I want to thank everybody at least for me in having this meeting and thank you Director Cummings for everything that you do as well.

Chairman Tencza

Thank you, Alderman Clemens.

Alderman Dowd

Yeah two points. One if you want to improve the use of the parking garages, you've got to make them cleaner, brighter, well lit, and have security. Different ways to tackle the security from having somebody there monitoring monitors with cameras or having somebody central that handles all the garages but we'll get into that.

The other thing is I'm not part of this Committee, but I am a focused type person. I want to ask Director Cummings is this meeting the expectations of what you're trying to accomplish by having this meeting?

Tim Cummings, Economic Development Director

It is very much so yes, thank you.

Alderman Klee

Thank you. I want to kind of go back a little bit to the residential handicap parking. Just a quick question. Something that Alderman O'Brien kind of touched on and that was the ADA requirement of that parking when he talked about that. You had kind of said that there was no ADA requirement for parking, meaning that we don't have to have handicap parking in residential area. But if we do put it in, do you know are there specific requirements that we have to have? In other words, just exactly what Alderman O'Brien was bringing out? Do we need to have enough space for wheelchair accessibility? Do you have to have a tip down type of area so that if they did have a wheelchair that they would have to have access? So for instance, again, going back to Granite Street, I don't believe she has a wheelchair but if we did put a handicapped parking space there because when deeding it to that one particular person, would we have to meet all those other requirements? I think that's a really important thing when we're putting in this to know this.

Andy Hill, Director of Consulting Services for Desman Design Management

And the answer is yes. That's the interesting thing about the ADA Law. In some areas, it's very vague and other areas it's quite specific. Like I said, it's mute on the question of whether you need to include X number of spaces for every 20 curbside spaces that you provide on street. But once you execute that designation as far as that goes, that triggers a whole series of requirements thereafter would say if you're going to put this in, there needs to be adequate space for transition in and out of the vehicle. It's got to be protected space. You need to think about the path of travel once you're out of the vehicle to get up onto the sidewalk. Are there ramps? Are they reasonably close to accommodate that transition? Are they properly graded as far as that goes? It's funny. It snowballs into all of these other things once you make that decision to make that designation that you need to think about. One of the things that I want to do as I'm looking at your policies is to make sure that those checkboxes are there to protect you. Because interestingly, other than the Statutes that States and municipalities pass as far as fines for parking without a placard in a handicapped parking space, the ADA Law right now doesn't include that type of penalty structure. It's a civil law and it's meant to be litigated in civil court as far as that goes. So very often these things get settled by an initial lawsuit, which I'm sure the Chairman can speak to here. Once that lawsuit is decided, it becomes then the precedent that a lot of folks start bringing their own legislation on board in order to protect against that potential risk in their community going forward in the future.

Alderman Klee

Well, I really appreciated that the fact that Alderman O'Brien did bring that fact up because, in truth, I think my request for the Granite Street would not meet any ADA requirements. It's a sloped street. I don't believe that there would be a curb cut for them to be able to and I think we would have to take more than one parking space in order to fulfill that requirement. So it's a good point so when I'm talking to the constituent, I need to bring all those key elements up. So I really do appreciate that.

Somebody mentioned about the pull on the grass. It won't be part of your study but I do have areas within my Ward such as Cortland Street or where they call it "the wedge area" where people are parking on the grass because to avoid getting the overnight parking. Much of the area that you'll be looking at within my Ward, there ain't no grass for them to park. I mean they're very close to that.

Andy Hill, Director of Consulting Services for Desman Design Management

Having traversed your Ward multiple times, people are very creative when it comes to finding accommodation here. I really need to give them all due credit.

Alderman Klee

The neighbors aren't really thrilled when the home next to them has three or four cars. One that may or may not be registered, which is legal within our system but because of this lack of parking, and this would be on your scope because of the ability that we've given to multiunit zoning within a building, we have too many cars for that.

Andy Hill, Director of Consulting Services for Desman Design Management

Actually that is within my scope. What of the things we are looking at is the parking requirements as they're included the zoning right now.

Alderman Klee

And one of the other things that I'd like to comment on when we were talking about valuable parking that's hidden within the - and you brought up Pearson. That's right in behind the library where we have designated library only parking, I think it's for the staff, from X time to X time like 7 to 7 or something like that. I would be very curious to find out how many places we have like that, because that is a number of spaces that could be used in the evenings, on a Saturday night, versus them parking in that area that people are getting towed. I call it the stalking area - where you have a tow truck that's watching to pull people out of that private because they don't understand it. So I really would be very curious to find out how many of these hidden gems that we have throughout the city, especially like in that Pearson one that have parking designated for a particular time. Maybe it's because they're all rented out or in this particular case, its library staff. I think that goes into like 7pm Monday through Friday but it would be available all weekend or it would be available. I think that's something really important as part of us knowing when they'd be available

Andy Hill, Director of Consulting Services for Desman Design Management

Communities do a beautiful job - and this is certainly not specific or limited to Nashua by any means because I've seen it all over the country - communities do a great job of designating or posting signage which indicates when you can't park there or when somebody else has exclusive use there. The signage which says, hey these people have the space from here to here but after that, it's available for public use. The second half of that sign almost never gets put out as far as that goes. One of the things that very effective municipalities do when it comes to getting the use out of every space is to put together whether its signage programs, online resources, educational programs, what have you. Sometimes you can just do some great things with painting and striping that eventually folks start to realize signifies, you know, certain rules. But making it very clear to these folks what the rules are and when the spaces are available. Some communities do this better than others. No community does it perfectly and it's always something that every municipality is working on.

Alderman Klee

May I just add one comment? A perfect example of that exactly what you just said in behind where the performing arts center are these I call them the corrals. Little parking corrals and there's a number of parking spaces there that say, like Alec Shoe Store from this time to this time. So if that had still been in place, people just see Alec Shoe Store. They don't realize that it said maybe 9 to 5. I think that so when you drive by, you'll see a lot of I know even myself way before I was an Alderman, I would see these and say okay can I park here after five? Can I park here? And I think we need to do a better job at letting people know, hey yeah, now you can park here. It's not being leased. It's not being and so on. So I think that is - and I'm glad that that'll be part of the report because I think it's a key issue.

People say all the time, there's no parking. Today, I don't get a lot of downtown time during the daytime. Today, I was here at 11 o'clock and at three o'clock - and on High Street, those couple of parking spaces there were empty. Both times and I hear people constantly parking. I've been parking in behind where the taxi place is. I think people thought that that wasn't a parking lot. But it's metered parking back there. So I've been parking back there when I have to go to the dentist or right on Main Street. I think we really need to kind of like get signage and I think your report will help us find our little tiny gems. I've been driving around trying to find them myself. Thank you.

Andy Hill, Director of Consulting Services for Desman Design Management

There's a town in Texas that does a beautiful job of this. If you've ever seen the signs that are folded with a hinge in the middle that open up. This actually has multiple section here and a certain time of day it folds up and it indicates that this particular lot is reserved exclusively for this use and then at 5 o'clock somebody can come along and fold the sign down and it reads public welcome from these hours to these hours. So to somebody who's not familiar with the area, that sign

very clearly states the rules as they're approaching, allows them to make a decision, and it's certainly low tech but it's reasonably effective at least within that community.

Alderman Klee

Thank you.

Alderman Dowd

The other thing that we found out is we're doing the new middle school building project because there are a lot of laws and I am not sure whether it's State, federal, or it's certainly not local. Like you cannot park within 10 feet of a crosswalk. It says those have to be hashed off and we've had to do that say on Cleveland Street as an example. There are other markings near fire hydrants that you're supposed to hash off the area in front of a fire hydrant with no parking, which we don't do. We also have local zoning laws that say okay if you've got a school, you should have X number of parking spaces. Well I think that goes back to when we had horses because, you know, we met all of the parking requirements that we could without exception at Pennichuck and right now before we even enlarge the school, they're all full. We've been able to add five by administrative directive but, you know, that's a pee in the lake not gonna help. So is there's a lot of things that should be looked at when we're talking about because if you incorporate some of these things, you're gonna lose parking spaces.

The other thing is that the schools, the parking spaces are much smaller than downtown and then they're so close together, it's a problem getting in and out which drives me crazy. But there are things like that, that if we're going to be changing parking, those things have to be taken into account because you're gonna lose some parking spaces.

Alderman Jette

I hate to confess my ignorance or maybe it's just my memory, but you mentioned you made reference to a Main Street plan that's been approved which will reduce capacity. What Main Street plan are you talking about?

Tim Cummings, Economic Development Director

I'll speak to that. I think Mr. Hill might have been speaking a little out of turn in the sense that he's just referencing what we're doing right now, which is set to expire on November 15. What we do know is that there's legislation going to be coming in before you in relatively short order looking to continue that conversation again in the following years and that's predicated off all the conversations we had this summer at the Infrastructure Committee meeting where we said that there was still an appetite to actually continue with the barriers on Main Street or at least give that direction to Desman Consulting and Andy Hill. So he had some sort of direction at least to start with. But I think to your point, nothing officially has been done yet.

Andy Hill, Director of Consulting Services for Desman Design Management

With all due respect Director Cummings, what I was referring to was the Master Plan for Main Street, which you had made me aware of.

Tim Cummings, Economic Development Director

That is a master plan to guide. That actually isn't a restriping of Main Street. I can talk to you offline about that. That's just a guiding document for future growth. Nothing has been opposed to that, but we can talk about that.

Alderman Jette

Thank you.

Chairman Tencza

Any other questions or comments?

So just briefly, you know, I want to give the unpopular opinion that I think parking downtown is adequate. It's fine. I don't have any issues with it. I think, again, that may be because I've spent a little bit more time downtown and know where to

go a when I when I'm looking for a parking spot and at the same time, don't have a problem parking in the garages. So I think a lot of the comments that people have made tonight make a lot of sense.

Can I ask will you look at there are some spots that people use routinely which are private parking lots which the owner does not enforce, especially on nights and weekends when the businesses aren't open. They probably provide 100 parking spots, you know, just north of City Hall between the bank parking lot. Is that something that you'll look into because, you know, those parking spots I guess are only good as the owners feel like they want to allow people to park there.

Andy Hill, Director of Consulting Services for Desman Design Management

Absolutely. As a matter of fact, it's something that we will advocate to codify as far as that goes. Shared use agreements are very effective as far as getting the most out of the parking that's there - both public and private. Shared use is happening all over your downtown right now perhaps with or without the consent of the primary owner. What these agreements do is they actually establish a legal framework, which creates a structure to allow this without impinging on anybody's rights and covering everybody's exposure to risk and liability as far as that goes. It can be very effective. In round figures, and again we're still compiling the data, but you have roughly 10,000 parking spaces within that 108 block area that we're looking at right now. About 65% of those are privately held at this point in time and at any given time, utilization can get as low as 30% of that capacity. It can get as high as 67% as an aggregate. Now that being said, some facilities are full all the time. Other facilities run almost empty most of the time but it's a resource that's underutilized right now. So if we can find mechanisms to allow people to participate in these collaborative agreements, we can get the most out of those assets before we start talking about building expensive structured parking in the downtown with the idea that when you do commit to doing that, hopefully you found a great strategic centralized location to get the most out of it here. But you're not building willy nilly and then taking up space that could be used for higher and better uses.

Chairman Tencza

So if I could just mentioned one other area too that I've always thought is a good kind of area of opportunity is the courthouse down on Spring Street. I think for some kind of platform parking. I think that they during the day probably have a need for more parking and that, you know, we have a need for nights and weekend parking and if there's a way to work with the State to split costs, it may be a good project in order to help both levels of government out.

Andy Hill, Director of Consulting Services for Desman Design Management

Yeah I mean dimensionally yeah you're right. It's a beautiful spot as far as that goes. So all we need to do now is figure out the logistics and whether it's appropriate to do there.

Alderman Klee

Thank you, Mr. Chairman and I'm glad you brought up the comment about the shared use agreements. One of the items that I noticed, and I am assuming this is going to be in your report, so for instance, again, back to Pearson where the old Telegraph building was, there's a parking lot there that is utilized during the day - Monday through Friday and sometimes on weekends. But a shared agreement might not necessarily have to be between the city and them, but perhaps businesses. So for instance, maybe a place like Peddlers Daughter would do a shared agreement with them to utilize that parking space which is something that I was trying to advocate for. I know that a lot of people on a Friday, Saturday night will be parking in the Shawmut parking lot there because it's right there on Main Street and it's easier for them to find. I've never seen anybody get ticketed, but I know myself I've gone in there and there's not a spot to be had on a Friday night. Yet the parking garage is empty or behind SURF or something that you can find parking.

Again, I do like this collaborative agreement but not always with the city. It might be nice for, as I said, in that particular parking lot maybe the Peddlers Daughter to kind of come to an agreement so that their people are guaranteed, you know, 15, 20 parking space because there's quite a few parking spaces there in that particular area. I know the one beside it is a private parking space. At night, they're not there oftentimes too. Thank you. I'm sorry, that will be part of your report - the private parking spaces too and their utilization or?

Andy Hill, Director of Consulting Services for Desman Design Management

Yes. That is part of the data that we've collected.

Alderman Klee

So that we as a city could try to work with them or get different businesses to work with each other. So that would just be one more burden on Tim and Jill and the rest of their staff.

Tim Cummings, Economic Development Director

Another log on the fire.

Alderman Klee

Thank you.

Alderman O'Brien

Thank you. I really, too, support the collaborative type of marking but past issues on the Committee of Infrastructure. We have in the past have had businesses step forward and offer their lots for parking. But unfortunately, we have citizens who go into that particular lot, decided to change the oil without a pan underneath it, you know, or abandoning a vehicle. So as we step into collaborative, I want to keep the conversation open that we as a city will accept some of the responsibility going forward. You change the oil and you make a mess, you're held liable. That's the only way I think we can fairly ask the partnership between these particular businesses and us as the city benefiting the community. It has to be an equal Steven. So just keep that in mind and go in with your eyes wide open because people will do it and it has been done. So therefore to be a good neighbor, we're all going to have to behave appropriately so thank you.

Chairman Tencza

Any other questions or comments?

Could I ask one more thing - one more thought that I had as far as the on street parking for Main Street we're talking about encouraging people to move to the garage. Have you ever seen or are there places where it's encouraged to allow all the people to access the on street parking which is a little bit closer to the businesses rather than, you know, having them parking garages and walk that way?

Andy Hill, Director of Consulting Services for Desman Design Management

Other than the designation of ADA spaces which are accessible by placards. No I've never seen the age restrictive or age designated parking curbside.

Chairman Tencza

I mean talk about, you know, not being able to enforce something. I don't know how you'd ever enforce that. It probably would be more of a recommendation then, you know, as a trying to be a more welcoming community I guess. It would be interesting something, you know, even for certain blocks to see how that goes.

So, alright, well, thank you very much. Thank you for being here tonight. Director Cummings thank you for being part of both presentations. For folks who want to access the meeting tomorrow is there a physical location or is it all online?

Unidentified Female Speaker

It's here in the auditorium at seven and it's also will be a Zoom link as well.

Chairman Tencza

Okay, great and they can find that on the city. All right thank you very much.

All right we'll move on then on the agenda.

COMMUNICATIONS - None

UNFINISHED BUSINESS – None

NEW BUSINESS – RESOLUTIONS - None

NEW BUSINESS – ORDINANCES – None

TABLED IN COMMITTEE - None

GENERAL DISCUSSION - None

PUBLIC COMMENT - None

REMARKS BY THE ALDERMEN - None

POSSIBLE NON-PUBLIC SESSION - None

ADJOURNMENT

**MOTION BY ALDERMAN O'BRIEN TO ADJOURN
MOTION CARRIED**

The meeting was declared closed at 8:34 p.m.

Alderman-at-Large Michael B. O'Brien, Sr.
Committee Clerk