

CITY COUNCIL MEETING

MUNICIPAL COMPLEX, EILEEN DONDERO FOLEY COUNCIL CHAMBERS, PORTSMOUTH, NH
DATE: MONDAY, DECEMBER 19, 2016 TIME: 6:00PM

AGENDA

- 5:30PM – NON-MEETING RE: STRATEGY OR NEGOTIATIONS WITH RESPECT TO COLLECTIVE BARGAINING - RSA 91-A:2,I (a) – PORTSMOUTH POLICE CIVILIAN EMPLOYEES ASSOCIATION TENTATIVE AGREEMENT
- 6:00PM – PRESCOTT PARK MASTER PLAN

- I. CALL TO ORDER
- II. ROLL CALL
- III. INVOCATION
- IV. PLEDGE OF ALLEGIANCE

PROCLAMATION

1. Master Sergeant Darrin Sargent Formal Retirement from the NH Air National Guard

PRESENTATION

1. Portsmouth High School Madrigal Singers
2. New Hampshire Municipal Association
3. Update Re: Click N' Fix

V. ACCEPTANCE OF MINUTES – DECEMBER 5, 2016

VI. PUBLIC COMMENT SESSION

VII. PUBLIC HEARINGS

- A. ORDINANCE AMENDING CHAPTER 7, ARTICLE II – TAXIS, SECTION 7.201 – 7.217
- B. ORDINANCE AMENDING CHAPTER 10 – ZONING ORDINANCE, ARTICLES 2, 3, 11 AND 15, TO IMPLEMENT HOUSEKEEPING CHANGES RELATIVE TO CONFORMANCE WITH STATE LAW, NONCONFORMING BUILDINGS AND STRUCTURES, SETBACK REQUIREMENTS FOR PARKING AREAS, AND THE DEFINITION OF “STRUCTURE”
- C. ORDINANCE AMENDING CHAPTER 10 – ZONING ORDINANCE, ARTICLES 5 AND 15, TO REVISE AND CLARIFY PROVISIONS RELATED TO YARDS (I.E., SETBACKS) EXCEPTIONS TO YARD REQUIREMENTS, AND PROJECTIONS INTO REQUIRED YARDS; AND TO CLARIFY THE DEFINITION OF “BUILDING COVERAGE”
- D. ORDINANCE AMENDING CHAPTER 10 – ZONING ORDINANCE, ARTICLE 5, SECTION 10.521, TO REDUCE THE MAXIMUM BUILDING HEIGHT FROM 35 FEET TO 30 FEET IN RESIDENTIAL DISTRICTS, AND FROM 40 FEET TO 35 FEET IN THE MIXED RESIDENTIAL DISTRICTS

- E. ORDINANCE AMENDING CHAPTER 10 – ZONING ORDINANCE, ARTICLES 4, 8 AND 15, TO ALLOW ACCESSORY DWELLING UNITS AND GARDEN COTTAGES BY CONDITIONAL USE PERMIT FROM THE PLANNING BOARD, AND TO ESTABLISH STANDARDS AND PROCEDURE FOR SUCH USES, IN ORDER TO COMPLY WITH A NEW STATE LAW
- F. ORDINANCE AMENDING CHAPTER 10 – ZONING ORDINANCE, ARTICLES 5A AND 6, REGARDING THE HISTORIC DISTRICT, TO REFERENCE DESIGN GUIDELINES ADOPTED BY THE HISTORIC DISTRICT COMMISSION, TO REVISE AND EXPAND THE LIST OF ACTIVITIES THAT ARE EXEMPTED FROM HDC REVIEW AND APPROVAL, AND TO CLARIFY THAT EXEMPTED USES ARE SUBJECT TO ADMINISTRATIVE REVIEW AND APPROVAL
- G. ORDINANCE AMENDING CHAPTER 10 – ZONING ORDINANCE, ARTICLE 10, SECTION 10.1010 – WETLANDS PROTECTION, TO EXPAND THE JURISDICTIONAL WETLANDS TO INCLUDE A PORTION OF THE PISCATAQUA RIVER SHOREFRONT NORTH OF THE I-95 BRIDGE, TO CLARIFY THE EXISTING ALLOWANCE FOR EXPANSION OF A SINGLE OR TWO-FAMILY DWELLING, AND TO REQUIRE RESTORATION OF A VEGETATED BUFFER STRIP TO THE EXTENT FEASIBLE
- H. ORDINANCE AMENDING CHAPTER 10 – ZONING ORDINANCE, ARTICLE 12 – SIGNS, TO LIMIT THE TYPE AND MANNER OF ILLUMINATION OF SIGNS USING “DIRECT ILLUMINATION,” SUCH AS LED OR PLASMA SIGNS

VIII. APPROVAL OF GRANTS/DONATIONS

- A. Acceptance of Donation for the 400th Anniversary Trust from Harold Whitehouse - \$300.00 (***Sample motion – move to accept the \$300.00 Donation for the 400th Anniversary Trust***)

IX. CONSIDERATION OF RESOLUTIONS AND ORDINANCES

- A. Second reading of proposed Ordinance amending Chapter 7, Article II – Taxis, Section 7.201 – 7.217
- B. Second reading of proposed Ordinance amending Chapter 10 – Zoning Ordinance, Articles 2, 3, 11 and 15, to implement housekeeping changes relative to conformance with state law, nonconforming buildings and structures, setback requirements for parking areas, and the definition of “structure”
- C. Second reading of proposed Ordinance amending Chapter 10 – Zoning Ordinance, Articles 5 and 15, to revise and clarify provisions related to yards (i.e., setbacks), exceptions to yard requirements, and projections into required yards; and to clarify the definition of “building coverage”
- D. Second reading of proposed Ordinance amending Chapter 10 – Zoning Ordinance, Article 5, Section 10.521, to reduce the maximum building height from 35 feet to 30 feet in the Residential districts, and from 40 feet to 35 feet in the Mixed Residential districts

- E. Second reading of proposed Ordinance amending Chapter 10 – Zoning Ordinance, Articles 4, 8 and 15, to allow accessory dwelling units and garden cottages by conditional use permit from the Planning Board, and to establish standards and procedures for such uses, in order to comply with a new state law
- F. Second reading of proposed Ordinance amending Chapter 10 – Zoning Ordinance, Articles 5A and 6, regarding the Historic District, to reference Design Guidelines adopted by the Historic District Commission, to revise and expand the list of activities that are exempted from HDC review and approval, and to clarify that exempted uses are subject to administrative review and approval
- G. Second reading of proposed Ordinance amending Chapter 10 – Zoning Ordinance, Article 10, Section 10.1010 – Wetlands Protection, to expand the jurisdictional wetlands to include a portion of the Piscataqua River shorefront north of the I-95 bridge, to clarify the existing allowance for expansion of a single or two-family dwelling, and to require restoration of a vegetated buffer strip to the extent feasible
- H. Second reading of proposed Ordinance amending Chapter 10 – Zoning Ordinance, Article 12 – Signs, to limit the type and manner of illumination of signs using “direct illumination,” such as LED or plasma signs

X. CONSENT AGENDA

A MOTION WOULD BE IN ORDER TO ADOPT THE CONSENT AGENDA

- A. Request for License to Install Projecting Sign:

Chloe Kelley owner of Serendipity for property located at 41 Pleasant Street
(Anticipated action – move to approve the aforementioned Projecting Sign License as recommended by the Planning Director, and further, authorize the City Manager to execute the License Agreement for this request)

Planning Director’s Stipulations:

- ***The license shall be approved by the Legal Department as to content and form;***
- ***Any removal or relocation of the projecting sign, for any reason, shall be done at no cost to the City; and***
- ***Any disturbance of a sidewalk, street or other public infrastructure resulting from the installation, relocation or removal of the projecting sign, for any reason, shall be restored at no cost to the City and shall be subject to review and acceptance by the Department of Public Works***

B. Request for License to Install Projecting Sign:

Emily Stearns owner of Drift, LLC for property located 12B Fleet Street (***Anticipated action – move to approve the aforementioned Projecting Sign License as recommended by the Planning Director, and further, authorize the City Manager to execute the License Agreement for this request***)

Planning Director's Stipulations:

- ***The license shall be approved by the Legal Department as to content and form;***
- ***Any removal or relocation of the projecting sign, for any reason, shall be done at no cost to the City; and***
- ***Any disturbance of a sidewalk, street or other public infrastructure resulting from the installation, relocation or removal of the projecting sign, for any reason, shall be restored at no cost to the City and shall be subject to review and acceptance by the Department of Public Works***

C. Request for License to Install Projecting Sign:

Tom Chappell owner of Ramblers Way for property located at 100 Market Street (***Anticipated action – move to approve the aforementioned Projecting Sign License as recommended by the Planning Director, and further, authorize the City Manager to execute the License Agreement for this request***)

Planning Director's Stipulations:

- ***The license shall be approved by the Legal Department as to content and form;***
- ***Any removal or relocation of the projecting sign, for any reason, shall be done at no cost to the City; and***
- ***Any disturbance of a sidewalk, street or other public infrastructure resulting from the installation, relocation or removal of the projecting sign, for any reason, shall be restored at no cost to the City and shall be subject to review and acceptance by the Department of Public Works***

XI. PRESENTATION & CONSIDERATION OF WRITTEN COMMUNICATIONS & PETITIONS

(There are no items under this section of the agenda this evening)

XII. REPORTS AND COMMUNICATIONS FROM CITY OFFICIALS

A. CITY MANAGER

City Manager's Items Which Require Action:

1. Proposed Public Hearing Re: Amending Elderly and Disabled Exemptions
2. Request for Public Hearing Re: All Veterans Tax Credit RSA 72:28 (b)
3. Sale of Surplus Generator
4. Adoption of Housing Policy & Housing Committee Recommendations

Informational items

1. Events Listing
2. Report Back Re: Cultural Plan
3. LED Streetlight Rebate Funds

B. MAYOR BLALOCK

1. Appointments to be Considered:
 - Reappointment of Philip Cohen to the Economic Development Commission
 - Appointment of Sarah LaChance to the Economic Development Commission
 - Appointment of Jane Begala to the Planning Board as an Alternate member
2. *Appointments to be Voted:
 - Appointment of Robin Pickering to the Portsmouth Housing Authority – Resident Representative
 - Reappointment of Chris Mulligan to the Zoning Board of Adjustment
 - Reappointment of David Rheaume to the Zoning Board of Adjustment
3. Appointment by Mayor to Sustainable Practices Blue Ribbon Committee – Tracey Cameron
4. Resignation of Stefany Shaheen from the Economic Development Commission

C. ASSISTANT MAYOR SPLAINE

1. At 50 Years:
Remembering Portsmouth's North End

D. COUNCILOR DWYER

1. *Middle School Update

E. COUNCILOR LOWN

1. Parking & Traffic Safety Committee Meeting Action Sheet and Minutes of the December 1, 2016 (***Sample motion – move to approve and accept the Parking & Traffic Safety Committee action sheet and minutes of the December 1, 2016 meeting***)

F. COUNCILOR SPEAR

1. *Extending evening hours of downtown parking meter enforcement in Portsmouth

XIII. MISCELLANEOUS/UNFINISHED BUSINESS

XIV. ADJOURNMENT

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

**Indicates Verbal Report*


INFORMATION ITEMS

(There are no items on under this section of the agenda this evening)

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

**CITY OF PORTSMOUTH
PORTSMOUTH, NH 03801**

Office of the City Manager

Date: December 15, 2016
To: Honorable Mayor Jack Blalock and City Council Members
From: John P. Bohenko, City Manager 
Re: City Manager's Comments on December 19, 2016 City Council Agenda

5:30 p.m. Non-Meeting Re: Strategy or Negotiations With Respect to Collective Bargaining - RSA 91-A:2,I (a) – Portsmouth Police Civilian Employees Association Tentative Agreement

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

Work Session:

6:00 p.m.

1. **Prescott Park Master Plan.** On Monday evening, the City Council will hold a Work Session regarding Prescott Park. Members of the Blue Ribbon Committee will be present along with City staff and representatives from the Weston & Sampson design team who have worked with the Committee since February of this year on a Master Plan for Prescott Park. Councilor Dwyer, who Chairs the Committee, will facilitate the discussion. The other Committee members are Mayor Blalock, Councilor Pearson, Resident Stefany Shaheen and the three members of the City's Trustees of Trust Funds Phyllis Eldridge, Tom Watson, and Dana Levenson.

The Committee has met approximately 23 times and held several public forums and input sessions on the Master Plan. In the coming weeks, the Committee intends to finalize the Master Plan and related recommendations in a report back to the City Council by the end of January. A public hearing (to be scheduled) will take place in early January prior to the finalization of the Committee's recommendations and final report to the City Council.

Presentations:

1. **Portsmouth High School Madrigal Singers.** The Portsmouth High School Madrigal Singers will perform at Monday's City Council meeting.
2. **Presentation from New Hampshire Municipal Association.** On Monday evening, the New Hampshire Municipal Association will make a presentation to the City Council.
3. **Update Re: Click N'Fix.** Public Works Director Peter Rice will give an update to the City Council regarding Click N'Fix.

Acceptance of Grants and Donations:

1. **Acceptance of Donation for the 400th Anniversary Trust.** The City of Portsmouth has received the first donation to the 400th Anniversary Trust in the amount of \$300.00 from Harold Whitehouse.

I recommend the City Council move to accept and approve the donation for the 400th Anniversary Trust. Action on this matter should take place under Section VIII of the Agenda.

Items Which Require Action Under Other Sections of the Agenda:

1. **Public Hearing/Second Reading of Proposed Ordinance Amendments.**
 - 1.1 **Public Hearing/Second Reading of Proposed Ordinance amending Chapter 7, Article II – Taxis, Section 7.201 – 7.217.** As a result of the December 5th City Council meeting, under Section VII of the Agenda, I am bringing back for public hearing and second reading the [attached proposed Ordinance](#) amending Chapter 7, Article II – Taxis, Section 7.201 – 7.217. This ordinance is identical to the draft provided to the City Council on November 21, 2016 with the exception that Section 7.214 was changed in response to Councilor Dwyer's comment. It now provides taxi owners with five (5) business days to correct a defect. Councilor Splaine asked for a comparison of the draft ordinance with the new State law that governs transportation network companies such as Uber and Lyft. The Deputy City Attorney provides a short summary attached and can provide more detail as may be requested.

Prior to the public hearing, Deputy City Attorney Suzanne Woodland will give a presentation on the proposed changes.

I recommend the City Council move to pass second reading and schedule a third and final reading of the proposed Ordinance at the January 9, 2017 City Council meeting. Action on this matter should take place under Section IX of the Agenda

- 1.2 **Public Hearing/Second Reading of Proposed Zoning Ordinance Amendments (“Zoning Omnibus, Part 1”)**. As a result of the December 5th City Council meeting, under Section VII of the Agenda, I am bringing back for public hearing and second reading the [attached proposed Zoning Ordinance Amendments](#) (“Zoning Omnibus, Part 1”).

At its meeting on October 20, 2016, the Planning Board voted unanimously to recommend that the City Council enact the series of amendments to the Zoning Ordinance set forth in [the attached document](#). These amendments address a variety of issues throughout the Ordinance, ranging from simple housekeeping matters to implementation of the new State mandate regarding accessory dwelling units.

The City Council will be acting on the seven proposed Ordinances separately. At the December 5th meeting, Councilors requested that staff consider several amendments to proposed ordinances C (building heights) and D (accessory dwelling units), and staff have prepared suggested wording for these amendments. Planning Director Rick Taintor will give a presentation for each proposed Ordinance prior to the respective public hearing.

- B. **Public Hearing/Second Reading of proposed ordinance amending Chapter 10 – Zoning Ordinance, Articles 2, 3, 11 and 15, to implement housekeeping changes relative to conformance with state law, nonconforming buildings and structures, setbacks requirements for parking areas, and the definition of “structure.”**

This ordinance would amend and update four provisions in the Zoning Ordinance:

- Article 2 – Administration and Enforcement: Extend the life of variances and special exceptions from 1 year to 2 years, to conform to a change in state law.
- Article 3 – Nonconforming Lots, Buildings, Structures and Uses: Revise one provision relating to changes to nonconforming buildings and structures, and delete three other provisions, in order to eliminate inconsistencies and clarify the intent.
- Article 11 – Site Development Standards: Off-Street Parking: Add the Gateway district to two tables of setback requirements for off-street parking areas. (These tables were not updated when the Gateway district was established.)
- Article 15 – Definitions: Amend the definition of “structure” to exclude fences up to 4 feet in height.

I recommend the City Council move to pass second reading and schedule third and final reading at the January 9, 2017 City Council meeting. Action on this matter should take place under Section IX of the Agenda.

- C. **Public Hearing/Second Reading of proposed ordinance amending Chapter 10 – Zoning Ordinance, Articles 5 and 15, to revise and clarify provisions related to yards (i.e., setbacks), exceptions to yard requirements, and projections into required yards; and to clarify the definition of “building coverage.”**

This proposed Ordinance revises and clarifies several provisions relating to yards, exceptions to yard requirements, and projections into required yards; and amends the definition of “building coverage” to clarify items that are exempted from the definition.

I recommend the City Council move to pass second reading and schedule third and final reading at the January 9, 2017 City Council meeting. Action on this matter should take place under Section IX of the Agenda.

- D. **Public Hearing/Second Reading of proposed ordinance amending Chapter 10 – Zoning Ordinance, Article 5, Section 10.521, to reduce the maximum building height from 35 feet to 30 feet in Residential districts and from 40 feet to 35 feet in the Mixed Residential districts.**

As passed at first reading, this proposed Ordinance would reduce maximum allowed building heights in Residential districts from 35 feet to 30 feet, and in Mixed Residential zoning districts from 40 feet to 35 feet, as a step in addressing concerns about infill development that is out of scale and character with the surrounding neighborhood. (The Planning Board also considered a proposal to create a new “bulk control plane” standard to regulate bulk, but determined that more work was needed before presenting this to the Council.)

At the December 5th City Council meeting, Councilor Spear requested that the ordinance be amended so that the reduction in building height would apply only to flat-roofed buildings; and Councilor Dwyer requested information on the heights of existing buildings to ensure that the reduced building height maximums would not create a large number of non-conforming situations. In response, staff conducted a detailed review of two sample neighborhoods and on the basis of that review considered alternative approaches to managing building heights in context with the City’s established character. A revised proposed Ordinance, dated December 14, 2016, is [attached](#), and the results of the staff analysis of existing building heights will be presented at the December 19th meeting.

I recommend the City Council move as follows:

1. *Move to amend the proposed Ordinance by substituting the revised Ordinance dated December 14, 2016.*

2. *Move to pass second reading of the amended Ordinance and schedule third and final reading at the January 9, 2017 City Council meeting.*

Action on this matter should take place under Section IX of the Agenda.

E. Public Hearing/Second Reading of proposed ordinance amending Chapter 10 – Zoning Ordinance, Articles 4, 8 and 15, to allow accessory dwelling units and garden cottages by conditional use permit from the Planning Board, and to establish standards and procedures for such uses, in order to comply with a new State law.

This proposed ordinance will make additions to Articles 4 (Table of Uses), 8 (Supplemental Use Standards) and 15 (Definitions) to implement the state law enacted in 2016 (SB 146, codified at RSA 674:71-73), which will take effect on June 1, 2017.

In accordance with the new law, the proposed ordinance allows attached accessory dwelling units (AADUs) in every zoning district where single-family dwellings are permitted. The statute defines “accessory dwelling unit” as a unit that is “within or attached to a single-family dwelling.” The proposed ordinance further states that “attached to” means “sharing a common wall for at least 25 percent of the length of the side of the single-family dwelling.”

The Planning Board recognizes the need for affordable housing in the City, but is also cognizant of the potential impacts of increased density on already congested neighborhoods. Under the state law, communities must permit accessory dwelling units – either by right or by special exception or conditional use permit – without requiring any increase in lot area for the second unit. This mandate does not create a significant issue where the accessory unit is created within the existing dwelling, but could significantly impact neighborhood character and perceived density where the accessory unit is created by building an addition to the existing dwelling.

In addition to attached accessory dwelling units, under the state law communities may, but are not required to, allow detached accessory dwelling units, i.e., units in a separate structure from the primary dwelling unit. If detached units are permitted, they are subject to all local regulations that apply to a single-family dwelling. Among other things, this means that an existing garage or carriage house that is in violation of a zoning provision, such as a setback requirement, could not be converted to a detached accessory dwelling unit.

The Planning Board felt that in many cases converting an existing accessory structure into a small dwelling unit would be more appropriate for a neighborhood than building an addition onto the primary dwelling. In addition, a unit converted from a garage or carriage house might be more likely to be

affordable than a unit created by an addition or new construction. Therefore, the staff looked for a way to allow such conversions as an alternative to the detached ADU that would be allowed under the statute.

The approach to this issue included in the proposed ordinance is a separate category of dwelling unit called “garden cottage” (this term is used by many communities in the western U.S. and in Canada and seems more colloquial than other planning-jargon alternatives in use). As set forth in the second part of the proposed ordinance (beginning on page 14), a garden cottage is a smaller unit created by conversion of an existing accessory unit. By creating a second unit on the lot, the garden cottage makes the lot no longer eligible for an attached or detached ADU.

Under the proposed ordinance, both an accessory dwelling unit and a garden cottage require a conditional use permit from the Planning Board and an annual certificate of use from the Planning Department demonstrating continued compliance with all standards.

If an ordinance implementing the state law is not enacted by June 1, 2017, attached accessory dwelling units will automatically be allowed as of right (i.e., without requiring any approval by a land use board) in all zoning districts throughout the City. Therefore, it is important that the Council adopt the proposed ordinance or an alternative by that date.

At the December 5th City Council meeting, Councilors suggested several changes to the proposed ordinance:

- Councilor Dwyer suggested that the term “conditional use permit” be defined in the Zoning Ordinance (perhaps at a future date);
- Councilor Spear recommended that a provision be added to give the Planning Board additional flexibility, particularly with respect to the minimum required number of off-street parking spaces;
- Councilor Cyr recommended that the maximum size of a Garden Cottage be increased from 500 sq. ft. to 600 sq. ft., to accommodate the conversion of a 24-foot by 24-foot (576 sq. ft.) two-car garage;
- Councilor Denton requested information as to whether other communities have prohibited separation of ownership of the primary and accessory dwelling units.

Staff have prepared proposed amendments to address the Council suggestions regarding Planning Board flexibility and the maximum size of garden cottages, and are continuing to research the question of common vs. separate ownership of the primary and accessory dwelling unit.

I recommend the City Council move as follows:

1. *Move to amend the proposed Ordinance as follows:*

(a) *Insert the following new Section 10.814.80:*

In granting a conditional use permit for an accessory dwelling unit, the Planning Board may modify a specific dimensional or parking standard set forth in this Section, provided that the Board finds such modification will be consistent with the required findings in Section 10.815.60.

(b) *In proposed Section 10.815.32, change “500 sq. ft.” to “600 sq. ft.”*

(c) *Insert the following new Section 10.815.60:*

In granting a conditional use permit for a garden cottage, the Planning Board may modify a specific dimensional or parking standard set forth in this Section, provided that the Board finds such modification will be consistent with the required findings in Section 10.815.40.

2. *Move to pass second reading of the amended Ordinance and schedule third and final reading at the January 9, 2017 City Council meeting.*

Action on this matter should take place under Section IX of the Agenda.

F. Public Hearing/Second Reading of proposed ordinance amending Chapter 10 – Zoning Ordinance, Articles 5A and 6, regarding the Historic District, to reference Design Guidelines adopted by the Historic District Commission, to revised and expand the list of activities that are exempted from HDC review, and to clarify that exempted uses are subject to administrative review and approval.

This proposed Ordinance, recommended by the Historic District Commission, will make the following changes to the Historic District provisions of the Zoning Ordinances:

- In Sections 10.632.30 (new) and 10.635.70 (amended), add references to the Design Guidelines recently developed by the Historic District Commission; and in Article 5A – Character Districts, delete Section 10.5A45 – Interim Architectural Design Guidelines, as these interim guidelines are being replaced by permanent guidelines.
- In Section 10.633.20, revise 15 provisions regarding exemptions from HDC review, and add 3 additional exemptions, to reduce burdens on property owners proposing minor changes.

- Also in Section 10.633.20, clarify that exempted activities, while not requiring a public hearing, are subject to administrative review and approval.

I recommend the City Council move to pass second reading and schedule third and final reading at the January 9, 2017 City Council meeting. Action on this matter should take place under Section IX of the Agenda.

G. Public Hearing/Second Reading of proposed ordinance amending Chapter 10 – Zoning Ordinance, Article 10, Section 10.1010 – Wetlands Protection, to expand the jurisdictional wetlands to include a portion of the Piscataqua River shorefront north of the I-95 bridge, to clarify the existing allowance for expansion of a single- or two-family dwelling, and to require restoration of a vegetated buffer strip to the extent feasible.

This proposed Ordinance, recommended by the Conservation Commission, will make the following changes to the Wetlands Protection provisions of the Zoning Ordinance:

- In Section 10.1013, expand the jurisdictional areas to include a portion of the Piscataqua River shorefront north of the I-95 bridge.
- In Section 10.1016.10(4)(a), clarify that the existing allowance for a 25 percent expansion of a single- or two-family dwelling is cumulative from the effective date of the Ordinance (i.e., January 1, 2010).
- In Section 10.1017.50, add a sixth criterion for approval of a conditional use permit, requiring restoration of the vegetated buffer strip to a natural state to the extent feasible.

I recommend the City Council move to pass second reading and schedule third and final reading at the January 9, 2017 City Council meeting. Action on this matter should take place under Section IX of the Agenda.

H. Public Hearing/Second Reading of proposed Ordinance amending Chapter 10 – Zoning Ordinance, Article 12 – Signs, to limit the type and manner of illumination of signs using “direct illumination,” such as LED or plasma signs.

In addition to internal and external illumination, the Zoning Ordinance allows signs to be illuminated by “direct illumination,” which means that the lighting elements comprise the sign. Examples include neon and LED signs. This proposed Ordinance limits such signs to not more than three colors on a dark background, in order to preclude signs that are similar to television or video displays. In addition, the proposed Ordinance amends the definition of

“changeable sign” by changing the word “illustrations” to “symbols,” for the same purpose.

I recommend the City Council move to pass second reading and schedule third and final reading at the January 9, 2017 City Council meeting. Action on this matter should take place under Section IX of the Agenda.

Consent Agenda:

1. **Request for Licenses to Install Projecting Signs.** Attached under Section X of the Agenda are requests for projecting sign licenses (see attached memorandums from Rick Taintor, Planning Director):

- Chloe Kelley, owner of Serendipity for property located at 41 Pleasant Street.
- Tom Chappell, owner of Ramblers Way for property located 100 Market Street.
- Emily Stearns, owner of Drift, LLC for property located at 12B Fleet Street.

I recommend the City Council move to approve the aforementioned Projecting Sign Licenses as recommended by the Planning Director and, further, authorize the City Manager to execute these License Agreements for these requests. Action on this item should take place under Section X of the Agenda.

City Manager’s Items Which Require Action:

1. **Proposed Public Hearing Re: Amending Elderly and Disabled Exemptions.** Annually the City Council reviews both the income and asset levels for the elderly and disabled exemptions, along with a change in exemption levels pursuant to RSA 72:39-b and RSA 72:37-b and makes recommendations as to these levels. Last year, the City Council made the following adjustments:

Adjusted the income, asset and exemption limits for the elderly and disabled taxpayers:

- Single \$ 40,000 increase of \$ 3,689
- Married \$ 55,000 increase of \$10,207
- Elderly Asset Limit of \$175,000 increase of \$53,961

Adjusted the exemption amounts for elderly taxpayers in comparison to neighboring communities, this decreased the limit:

- Age 65 to 74 \$120,000 decrease of \$ 5,000
- Age 75-79 \$160,000 decrease of \$15,000
- Age 80 + \$200,000 decrease of \$20,000

Qualified disabled taxpayers exemption off the assessed value of the property remained the same at \$100,000.

I propose that the City Council increase the income limits for the elderly and disabled exemptions by the Boston CPI-U for November 2015 to November 2016. Any adjustment if approved would be for assessments as of April 1, 2017 for the 2017 tax year or FY18.

Total tax loss for Tax Year 2015 or FY16 was \$320,000 or 7¢ on the rate.

The Assessor's office mails a notification annually to all elderly and disabled persons who currently receive this exemption to update their applications. All new applicants must submit an application and required documentation by April 15th of each year.

On Monday evening, I am requesting that the City Council act to authorize the City Manager to proceed with the proposed increases to income limits for the elderly and disabled exemptions by the increase in the Boston CPI-U for November 2015 to November 2016, and further, move to authorize the City Manager to bring the Resolutions back for public hearing and adoption at the January 9, 2017 City Council meeting, as proposed.

2. **Request for Public Hearing Re: All Veterans' Tax Credit RSA 72:28 (b).** Councilor Josh Denton is requesting that the City Council conduct a public hearing on January 9, 2017 regarding the amended Veterans' Tax Credit in accordance with RSA 72:28 (b). This law HB430 relative to the "All Veterans' Tax Credit" was approved and signed by the Governor. This Bill expanded RSA 72:28 and added RSA 72:28 (b) enabling municipalities to change the eligibility requirements for persons receiving the veterans' property tax credit to include all veterans who have been honorably discharged or officers honorably separated from service. If adopted, this statute removes all gaps in the eligibility periods described in RSA 72:28.

Last year the City had 789 individuals receiving a veterans' tax credit of \$500.00 each at a tax loss of \$394,500 under RSA 72:28. In addition, there were 43 qualified service related disabled veterans who received a tax credit of \$2,000 each or tax loss of \$86,000 under RSA 72:35. The total tax loss for Fiscal 2016 is \$480,500.

The Assessor estimates that if the City Council were to adopt this new law there could be in excess of an additional 900 veterans eligible. At \$500.00 each, this would be an estimated additional tax loss of \$455,500 and a 10¢ increase on the tax rate. Therefore, a total tax loss for existing and newly qualified veterans could reach approximately \$936,000 or approximately 20¢ on the tax rate.

If the City Council makes any changes in the veterans' tax credit in accordance with the new law, it is required to abolish the existing tax credit and reestablish a new tax credit. (This does not impact the disabled tax credit.) The minimum tax credit by state law is \$50.00 whereas the City provides a \$500.00 tax credit per veteran presently.

Therefore, the City could adopt a new tax credit of \$250.00 per qualified veteran which would make this change approximately revenue neutral. Going forward, we could adjust the credit amount once we know how many additional veterans would qualify.

The City Council could consider the following options:

Provide tax credit of:

<u>Tax Credit</u>	<u>Estimated Tax Loss</u>	<u>Estimated Tax Rate Impact</u>
\$250.00	\$425,000	9¢
\$300.00	\$510,000	10.7¢
\$400.00	\$680,000	14.3¢
\$500.00	\$850,000	18¢

On Monday evening, I am requesting that the City Council act on one of the aforementioned options, and further, move to authorize the City Manager to bring back the Resolution for public hearing and adoption at the January 9, 2017 City Council meeting, as presented.

3. **Sale of Surplus Generator.** The Department of Public Works has a surplus Onan 120/208, 3-phase, 1200 amps GenSet for disposal. This generator is approximately 14 years old and was originally located at the High School. It was replaced by a larger generator when the High School was renovated. It is believed that its value exceeds \$5,000.00.

According to City Ordinance Section 1.505, any sale of property valued at or over \$500.00 must be authorized by the City Council and may be conducted by competitive bidding, public auction, or any other means authorized by a 2/3 vote of the City Council.

Due to the type of product, I believe the best method of disposal is through GovDeals, a government surplus website that we have used twice in the past with favorable results. The GovDeals website will reach a larger population of interested bidders, therefore receiving more competitive bids.

I would recommend the City Council move to authorize the City Manager to dispose of surplus generator by the sealed bid process.

4. **Adoption of Housing Policy and Housing Committee Recommendations.** At its work session on November 21st, Council reviewed a draft Housing Policy and Recommendations made by the Housing Committee, chaired by Councilor Rebecca Perkins (see attached memorandum and exhibits). Councilors were asked to submit proposed revisions no later than December 14th, in order that both documents, as revised, might be considered for adoption at the City Council meeting on December 19th. The attached documents incorporate only one change – namely to the title of the policy. At the work session, the draft policy title was “Workforce Housing Policy.” This is now

proposed as “Housing Policy.” Councilor Perkins would like to request that the City Manager make funds available from contingency to draft zoning language to implement the recommendations.

The City Council may wish to move the following motion:

Move that the Council adopt the Housing Policy and endorse the Housing Committee’s recommendations, and to ask the City Manager to make \$10,000 available from contingency to draft zoning language to implement the recommendations.

Informational Items:

1. **Events Listing.** For your information, [attached is a copy of the Events Listing](#) updated after the last City Council meeting on December 5, 2016. In addition, this can be found on the City’s website.
2. **Report Back Re: Cultural Plan.** City staff and Councilor Pearson met to discuss a strategy for updating the 2002 Cultural Plan as requested at the November 21, 2016 City Council meeting. The proposed strategy going forward is to solicit three quotes from individuals to undertake the following tasks:

- With the assistance of the Art-Speak Chair, review the goals and objectives in the 2002 Cultural Plan and identify which are completed, which are no longer relevant, and which should be retained and updated.
- Compile the findings and input regarding arts and culture from the Master Plan public input sessions and the Portsmouth Listens Focus Groups.
- Draft an updated Cultural Plan and meet with Art-Speak, City staff and stakeholders to gather feedback and input.
- Revise the updated Plan as needed and submit to Art-Speak for printing.

Estimated cost for the update and printing: \$8,000- \$10,000 to be paid from UDAG funds.

3. **LED Streetlight Rebate Funds.** For your information, [attached is a memorandum from Jacob Levenson, Solid Waste Sustainability Coordinator](#) regarding LED streetlight rebate funds.