

CITY COUNCIL JOINT WORK SESSION WITH PLANNING BOARD

MUNICIPAL COMPLEX
DATE: MONDAY, FEBRUARY 11, 2019

PORTSMOUTH, NH
TIME: 6:30 PM

PRESENT: Mayor Blalock, Assistant Mayor Lazenby, Councilors Roberts, Pearson, Dwyer, Perkins, Reynolds and Becksted

ABSENT: Councilor Denton

PLANNING BOARD MEMBERS PRESENT:

Dexter Legg, Chair; Jeff Kisiel; Corey Clark, Alt.; Polly Henkel, Alt.; Ray Pezzullo, Asst. City Engineer, Staff Representative;

PARTICIPATING STAFF:

Nancy Colbert Puff, Deputy City Manager; Robert Sullivan, City Attorney; Jane Ferrini, Assistant City Attorney; Juliet Walker, Planning Director

Mayor Blalock called the Work Session to order at 6:30 p.m.

Deputy City Manager Colbert Puff stated that because this is a joint work session, the focus will be on zoning and how it impacts short-term rentals in the City of Portsmouth.

City Attorney Sullivan stated that this type of issue is a national phenomenon because technology has changed quickly and laws cannot keep up with it. He stated he would like to give information to the City Council as policy makers and Planning Board as advisors, to decide what, if any changes, they would like to make to the ordinance. He continued by explaining that currently short-term rentals are not allowed in residential areas.

A brief power point presentation was given by Planning Director Walker, City Attorney Sullivan and Assistant City Attorney Ferrini.

After several questions regarding bed and breakfast categorization, Planning Director Walker explained that we are trying to detach from the Breakfast portion as that is hard to define and enforce.

Discussion ensued regarding the collection of Room and Meals tax to the state being collected even though they are not called a business by the State.

Councilor Dwyer asked what would be the advantage of regulating through zoning rather than waiting for State licensing. Planning Director Walker stated it would be for clarity.

City Attorney Sullivan stated another advantage is that it would allow the city to determine where they will be allowed.

Councilor Reynolds stated that one benefit of the internet/sharing economy is that it is self-regulating in some ways via the on-line reviews. He stated it would be good to come to a consensus of what we want to allow in the City of Portsmouth and what we don't want and then have the staff codify that.

Councilor Pearson stated that if House A has less tolerant neighbors than House B, then it becomes inequitable and unfair.

Councilor Dwyer stated that the neighborhood parking discussions and AirBNB discussions are not easily solved and feels the Planning Board has been handling the ADU's well over the last few years on a case by case within the parameters. She stated she is not sure how to handle different neighborhoods with a blanket policy.

Councilor Perkins stated she is concerned with the ADU process and would want to have the presumption that it would be allowed and leans towards licensing to balance the number allowed. She stated that people have totally different experiences of the areas they are visiting when they stay with people who live in the area instead of hotels.

Councilor Becksted stated that the State of New Hampshire have set parameters for Accessory Dwelling Units that we can defend, but not for Short-term Rentals and he doesn't want to have the Planning Board make the determination which could impact property values.

Planning Board Chair Legg stated that this is an intriguing idea but feels that the City Council passed a very detailed ordinance to follow which is followed but also can have exceptions made.

Councilor Pearson stated that the community feels that we businesses have veered towards tourists but feels we need to think about allowing our residents to be allowed to participate in the tourist industry as well. She stated she reached out to the Police Chief who cross-referenced the number of calls in 2018 relating to short-term rentals and there were none so she feels we need to make decisions based on facts and not fears.

Councilor Roberts stated that a licensing approach would be better than zoning on a neighborhood by neighborhood basis.

Planning Director Walker explained the difficulty of tracking all of the different companies involved in the on-line short-term rental business. She continued that there is also the distinction of whether or not the property owner lives at the property or buys it as an investment property specifically to rent-out for short term stays.

Councilor Raynolds stated that it is a good example of what people don't want in Portsmouth is out-of-town investors buying up all of the property and feels that we need to decide how to regulate that while still allowing residents to use their properties.

Discussion ensued.

Planning Director Walker stated that currently the ADU ordinance will be at 2nd reading on the next City Council agenda and we currently do not allow short-term rentals.

City Attorney Sullivan suggested that the Council and Planning Board reach out to staff with ideas and goals and they will put it together.

At 7:50 p.m., Mayor Blalock closed the work session.

Respectfully submitted by:
Valerie A. French, Deputy City Clerk