

CITY COUNCIL JOINT WORK SESSION WITH PLANNING BOARD

CONTINUING CARE RETIREMENT COMMUNITY (CCRC)

January 25, 2010 – 6:30 p.m.

Eileen Dondero Foley Council Chambers

City Council Present: Mayor Ferrini, Assistant Mayor Novelline Clayburgh, Councilors Lister, Hejtmanek, Spear, Coviello, Kennedy and Smith.

Absent: Councilor Dwyer

Officials Present: John P. Bohenko, City Manager; Robert Sullivan, City Attorney, Rick Taintor, Planning Director, Rick Hopley, Building Inspector, John Ricci, Planning Board Chair, Planning Board Members, John Rice, Donald Coker, M.L. Geffert, Anthony Blenkinsop, Norman Patenaude, and Valerie French, Deputy City Clerk I

I. Call to Order

At 6:30 p.m., Mayor Ferrini called the work session to order.

II. Presentation by City Staff Re: Background on Continuing Care Retirement Community (CCRC) and Proposed Ordinance

Planning Director Taintor reviewed the Continuing Care Retirement Community (CCRC) background to this point. He stated that some issues raised includes consistency with the Master Plan; Traffic on Islington Street, if through traffic is allowed; Public safety ,if through traffic is not allowed in relation to the railroad tracks and the length of the access road; Fiscal impacts - tax revenues vs. costs; Affordability – demographics of Portsmouth elderly vs. projected sales prices; Scale and potential to change Portsmouth’s demographics including voting patterns and concerns for school issues.

III. Planning Board Deliberations – John Ricci, Planning Board Director

Planning Board Chair Ricci reviewed the background of the Planning Board activities for the past 40 months in relation to the recently passed zoning ordinance and more specifically the CCRC issue. He stated that the journey took on many faces and he is happy with three results; it is the best use in relation to environmental impact, density and open space and building scale and locations.

IV. Discussion/Questions

Mayor Ferrini stated this ordinance had been tabled by the previous Council but he wanted to bring it back as soon as possible because it contains critical questions.

Councilor Coviello asked Planning Director Taintor to explain the theory of having an access road of a maximum of 500’. Mr. Taintor explained that it is a public safety issue as the fire department needs to have access to run hoses if necessary. Councilor Coviello asked if a secondary access with a gate would allow a waiving of that rule. Mr. Taintor stated that has been brought up but they had to make that determination.

Councilor Spear, referring to the presentation slide with setbacks, asked how that compares to the Office (OR) setback. Mr. Taintor stated that the setbacks are greater than OR, but lower than the OR height. Councilor Spear then asked in terms of economic impact, i.e. tax revenue, is there a generic sense of how a CCRC compares to OR in assessed value. City Manager Bohenko stated that comparison hasn't been made but he can ask the Assessor to do so.

Councilor Hejtmanek stated that during the applicant's presentation, comments were made about assessed value and some people have said it would be lower, so he wants to know this as well. Mr. Taintor stated he received an updated fiscal analysis last week which he can provide to the Council. Councilor Hejtmanek clarified that the CCRC development in Exeter came in at less assessed value than they had said so he is looking for real numbers.

Planning Board member Donald Coker stated he has asked City Attorney Sullivan to advise as to any potential conflict of interest. City Attorney Sullivan explained that he was asked to look at if there was any conflict of interest for Planning Board member Coker to participate in this discussion and due to the fact that there would be no direct pecuniary interest of the member as a result of his participation, there is no conflict of interest.

Mr. Coker clarified that it was the applicant's attorney that raised the conflict of interest issue. He continued to address the question of tax revenue stating that the applicant presented the figure of \$1.4 million for a CCRC compared to \$146,000.00 for OR. City Manager Bohenko stated that our City Assessor has never reviewed the numbers.

Councilor Lister stated that he had previously been following this issue prior to being elected to the Council, but isn't clear on the evidence of the need for this (CCRC) and how it would interface with other senior services, etc. Planning Director Taintor stated that the developer feels they can make money from this project versus what is currently allowed, but with the housing market now, this has changed as people are having a harder time selling their houses and therefore, can't make the move to this facility. Regarding the interfacing with services, Mr. Taintor stated they really haven't looked at that yet, but with other housing, there is a drain on schools, libraries, etc. that seniors don't have. He concluded by stating they also have not looked at the historical impact either.

Assistant Mayor Novelline Clayburgh referred to the last slide of the presentation which stated there needs to be consistency with the Master Plan, but the Master Plan calls for a comprehensive study of what the best use of the land is and asked if this needs to be done. Mr. Taintor stated the analysis provided by the developer has taken us halfway there, but it didn't look at many other issues that could be looked at. Assistant Mayor Novelline Clayburgh continued that last year the Blue Ribbon Committee on Housing concluded that we need to supply affordable housing for our citizens but doesn't see this included in this plan. She stated that we should be able to set aside some low-income units especially for life-long residents. Next, she referred to the table distributed by the developer regarding income versus cost to live at that facility and doesn't understand how they can live on the money that they have left every month. City Manager Bohenko stated that is a good point, but on the land use side of the issue, it is difficult to address and the city would have to do something afterwards in the form of a subsidy perhaps. City Attorney Sullivan stated there would have to be some type of

agreement made but then it would need to be enforced. City Manager Bohenko agreed and stated that 5-10 years from now it could become problematic as there would be many issues associated with it. Planning Director Taintor stated they did look at affordability but couldn't figure out how to make it work economically as it is not only the housing, but there are the services provided as well which are the bigger part of the cost.

Planning Board member Coker addressed Councilor Lister's previous concern regarding the evidence of need, stating that it was presented that there has been no demand for office space as there is already 19 years of office space out there. Next, he addressed the Master Plan and the requirement for a study, stating he disagrees with Mr. Taintor and that it hasn't been done at all. City Manager Bohenko clarified that Mr. Taintor answered that question directly and indicated that a study was not done. Mr. Coker stated that the statement was made that the study was done in part by the applicant, but the city was supposed to do the study, not the applicant.

Councilor Kennedy stated there seems to be a question of a fiscal impact study and also agrees that the City needs to have this done as required by the Master Plan. Secondly, she stated that residents have brought forward solutions and recommendations that should be considered. She then discussed residency requirements asking if there has been a minimum residency requirement in other places. Mr. Taintor stated yes. Councilor Kennedy then listed several other issues of concern including if the setback is adequate, potential development of the road, and railroad tracks. Mr. Taintor stated those are some good points and they can look at residency requirements, but feels that anything site specific should be left to the site review process.

Councilor Coviello stated he is worried about the precedent of mandating items from the Master Plan as this is meant as a guide and this Master Plan was drafted before this applicant came forward. Next, regarding the affordability aspect, he feels that we need to make sure that people can afford the services if low income space is provided and may need to have an impact fee. City Attorney Sullivan stated is he unsure that we have the ability to do that.

Councilor Kennedy asked why do we have to have the CCRC right next to Islington Street and not closer to Borthwick Ave. She stated she is surprised that the residents haven't just said no and feels they just want to ensure their safety. She asked what the cost to the city is as the developer has give figures but she wants the city to come back with figures as to the cost of services that would need to be provided, i.e. more ambulances, fire trucks, etc.

Planning Board member M.L. Geffert stated that regarding the Islington Street access, she stated they don't want to "ghetto-ize" the development and feels that we need to integrate the communities.

Councilor Smith stated he served on the Planning Board for 14 years and is surprised that there is so much discussion about one development versus the actual ordinance. He stated that Councilor Kennedy's concerns regarding the railways are addressed in the ordinance. He discussed the various options that the Planning Board has to deal with issues that have been brought up and is glad that the ordinance has reduced the acreage down to 5 so it can be used in other areas of the city. He stated that the largest population is the senior citizen and people are leaving Portsmouth because we don't have this type of facility. He stated that regarding

affordability, we can't dictate that and it is up to the developer based on supply and demand. He stated that the last line of the ordinance that a project can still be denied even if it meets all the requirements, give the Planning Board lots of flexibility. Next he discussed the Master Plan study issue stating that it would take too long and there is already a matrix out there and this is privately owned land which could have been developed as office space. He stated that since specifics of the project are being discussed, he feels that the neighborhood has to be protected and the Traffic and Safety Committee will raise this issue. He asked if there is a way to divert funds. City Manager Bohenko stated yes, we have a mechanism which is TIF districts. Councilor Smith stated this is our opportunity to read it line by line and have the Planning Board answer the questions and not base the decision on one developer.

Planning Board member John Rice addressed the rail service issue stating that enhanced rail service is expected in that area and feels that this may make this area more attractive, but knows that people don't want it "in their backyard".

Councilor Coviello asked if he could make a formal request of the Planning staff to do a comprehensive study of the land between Islington Street and Borthwick Avenue. Mayor Ferrini explained that once the discussion is done, the Council can make the decision to ask the City Manager to direct the staff. Councilor Coviello stated that he would just like a paragraph on the pros and cons of each use of that land. Secondly, he asked about the traffic concerns and will it be sporadic traffic or constant and what is the experience of the CCRC in Exeter. John Rice stated that the CCRC peak traffic is less intrusive than the OR peak traffic.

Councilor Kennedy stated we are looking at this issue because of one developer and asked how it became a CCRC rather than a general retirement community. Planning Director Rick Taintor explained the background of the various proposals which resulted in the Planning Board wanting to ensure that there would be both assisted living and skilled nursing units included in the development to address the need for these services in Portsmouth. Councilor Kennedy asked about the public hearings that have been held and Mr. Taintor reviewed the various dates beginning in June of 2007 to present. Councilor Kennedy then stated she sees the parking requirements for the residents but what about for the support staff. Mr. Taintor explained that there is a separate area for staff.

Planning Board member Coker addressed Councilor Coviello's remarks regarding the Master Plan stating that he disagrees and feels the Master Plan is the "bible" and when the Planning Board needs direction, they turn to the Master Plan. Secondly, he addressed Councilor Smith's comment regarding looking at the one zoning change versus the whole ordinance stating that he feels the debate would be very different if this one proposal was not an issue. He feels that if they remained with the OR, there could be three office buildings built which could result in 700 jobs, whereas the CCRC will only bring about 100 jobs, 80 of those minimum wage, and feels that this is what should be considered and not lose sight of what is best for the whole community.

Mayor Ferrini asked if there were any further questions or comments. Seeing none, City Manager Bohenko reviewed the list of information items requested by the Council.

V. Adjournment

At 8:10 p.m., Mayor Ferrini closed the meeting.

Respectfully submitted by:

Valerie A. French,
Deputy City Clerk I