

**City of Portsmouth
Housing Blue Ribbon Committee
Conference Room A*
MEETING MINUTES
February 13, 2025 at 5:30 p.m.**

I. Roll Call

Attending: Councilor John Tabor, Assistant Mayor Joanna Kelley, Councilor Beth Moreau, School Board Representative Byron Matto, Tracey Kozak, Mary Loane, John O’Leary, Jennifer Stebbins Thomas, Dagan Migirditch, Erik Anderson, Megan Corsetti, Andrew Samonas.

City staff: City Attorney Susan Morrell and Peter Stith, Planning Manager.

II. Workforce Housing Trust Fund

City Attorney Susan Morrell presented the draft Workforce Housing Trust Fund document draft to Committee.

Committee suggested several text edits. Asked about intent of #4 “Retain existing housing” – use funds to extend term of below market rate housing. Discussion of Trust loaning money at a lower interest rate as Upper Valley trust does. City Atty: Not sure Trustees set up to do that. Committee: Upper Valley loan fund – private funded through 2 banks and employers.

City doesn’t want to own housing, PHA is established for that. Trust would financially contribute as opposed to owning land. Distribution of Portsmouth funds for abated tax rate or paying for water line, assistance to parties purchasing and rehabilitating, subsidies and grants for ADUs, provide direct subsidies for rent, deposits or home buying

City Attorney: Trustees of the Trust Funds are meeting next week to review prior to referring to City Council. Then it must be approved by AG office which would accept as presented but audit trustees with distributions.

John O’Leary made a motion, seconded by Beth Moreau to refer the Trust draft to Trustees of the Trust Fund with incorporating input from Housing Committee.

Erik Anderson offered an amendment, seconded by Byron Matto that the Housing Committee should see the final draft in March for review. Amendment failed.

III. Disposition of City Property

Discussion of working with POAH and bringing them in sooner to look at city owned properties or advise regarding the parcel in GNOD.

City Attorney: Suggest a different process than Sherburn: Through procurement process, CM runs RFQ and RFP and picks the developer. Next developer could be chosen through the RFQ process we just went through, without formal RFP. If you brought in POAH you would need contract to bring them in to help advise or pick property. Purview of CM to make that type of authorization.

We have qualified vendors through RFQ process, make sense to invite to table. Process was what had been done for 50 years and Sherburn project changed the process.

Future City property developments should be subject to the same land board reviews as any other project and include an extensive community engagement process.

Jen Stebbins made a motion seconded by Dagan Migirditch that the Housing Committee recommends to the City Council that the City Manager (by charter with authority for the disposition of City property) be allowed to follow that process in future dispositions and take the recent RFQ findings that ranked POAH highly and identified other qualified housing developers into consideration. Approved with one nay (Erik Anderson) who stated the decision shouldn't be left to discretion of a few people. Should be a public process.

IV. Payment in Lieu

Recommended by staff to approve the RKG market rate table. 2 year timeframe too long.

Apply to each individual unit size (which would result in a higher fee) or average the unit values. GNOD does not specify AMI. Will advise percentage of units.

Gateway zoning uses HUD determination of 60 percent AMI for rentals vs. 80-100 percent AMI for sale.

Conditional Use Permit process would determine.

Jen Stebbins made the motion seconded by Byron Matto to recommend that the City Council adopt the payment in lieu fee using the value gap table by unit size.

Motion passed unanimously.

| Value Gap Calculations | | | | | | | | | |
|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Unit | 30% AMI | 40% AMI | 50% AMI | 60% AMI | 70% AMI | 80% AMI | 90% AMI | 100% AMI | 110% AMI |
| Studio | \$353,210 | \$328,905 | \$304,600 | \$280,295 | \$255,991 | \$231,686 | \$207,381 | \$183,076 | \$158,771 |
| 1BR | \$413,270 | \$388,965 | \$364,660 | \$340,355 | \$316,051 | \$291,746 | \$267,441 | \$243,136 | \$218,831 |
| 2BR | \$525,376 | \$501,071 | \$476,766 | \$452,461 | \$428,156 | \$403,851 | \$379,547 | \$355,242 | \$330,937 |
| 3BR | \$615,037 | \$590,732 | \$566,427 | \$542,122 | \$517,817 | \$493,512 | \$469,208 | \$444,903 | \$420,598 |
| Average | \$476,723 | \$452,418 | \$428,113 | \$403,809 | \$379,504 | \$355,199 | \$330,894 | \$306,589 | \$282,284 |

V. City Owned Properties

Move to March meeting

VI. 2025 Committee Goals – Work Session 2-27-25

No work session on 27th

VII. Public Comment

Jim Smalley – Comment on trust fund. Council meeting on sheds – zoning is too prohibitive.

Invite PHA to come to April meeting to discuss redevelopment of their properties.

Adjourned. 6:05 pm