

**City of Keene**  
**New Hampshire**

**JOINT PLANNING BOARD/  
PLANNING, LICENSES AND DEVELOPMENT COMMITTEE**  
**MEETING MINUTES**

**Monday, November 13, 2023**

**6:30 PM**

**Council Chamber,  
City Hall**

**Planning Board**

**Members Present:**

Harold Farrington, Chair  
David Orgaz, Vice-Chair  
Mayor George S. Hansel  
Roberta Mastrogiovanni  
Armando Rangel  
Kenneth Kost, Alternate (voting)

**Planning Board**

**Members Not Present:**

Councilor Michael Remy  
Emily Lavigne-Bernier  
Ryan Clancy  
Randyn Markelon, Alternate  
Gail Somers, Alternate  
Tammy Adams, Alternate

**Planning, Licenses &**

**Development Committee**

**Members Present:**

Kate M. Bosley, Chair  
Philip M. Jones  
Raleigh C. Ormerod

**Planning, Licenses &**

**Development Committee**

**Members Not Present:**

Michael Giacomo  
Ward Four Council Seat  
Vacant

**Staff Present:**

Jesse Rounds, Community  
Development Director  
Mari Brunner, Senior Planner

**I) Roll Call**

Chair Farrington called the meeting to order at 6:30 PM and a roll call was taken.

**II) Approval of Meeting Minutes – August 14, 2023**

A motion was made by Mayor George Hansel that the Joint Committee approve the August 14, 2023 meeting minutes. The motion was seconded by David Orgaz and was unanimously approved.

**III) Public Workshop**

- a. **Ordinance – O-2023-16** – Relating to permitted uses in the Downtown Core, Downtown Growth, and Commerce Districts. Petitioner, City of Keene Community Development Department, proposes to amend Section 8.3.2. of Article 8 of the Land Development Code (LDC) to add a definition for “Charitable Gaming Facility” and amend Table 8-1, Table 4-1, and Table

**5.1.5 to display “Charitable Gaming Facility” as a permitted use in the Downtown Growth District and Commerce District. In addition, the petitioner proposes to amend Section 8.4.2.C.2.a of Article 8 of the LDC to remove drive-through uses as a permitted use by Special Exception in the Downtown Core District.**

Community Development Director Jesse Rounds addressed the Committee and stated the Keene Zoning Code is permissive, which means it permits exactly what it says it permits. Therefore, if it doesn't say a specific use, then that use is not allowed. However, there is room for interpretation in that new uses that aren't defined and are determined to be similar to an existing use after interpretation by the Zoning Administrator are allowed.

When there is a new use or a use that needs better definition, staff propose an ordinance change in order to work with this Committee and the community through a process to better define these uses so that people have a chance to say what their city should look like. The community through this process defines exactly what is allowed, so when a new use comes along, we have an opportunity to talk about the uses we allow in our community.

What is before the committee tonight is Charitable Gaming Facility which is allowed under “Recreation/Entertainment Facility - Indoor.” This is because, when Charitable Gaming Facilities first came into Keene, it was a new use and the Zoning Administrator thought it fit under the definition of “Recreation/Entertainment Facility - Indoor.” Mr. Rounds went over what the definition outlines for Recreation/Entertainment Facility - Indoor : “*A facility for spectator and participatory uses conducted within an enclosed building, including but not limited to*” – this is the entire definition part, the rest is a list of uses that fit this definition, and casino, charitable gaming facility, and bingo hall do not appear on this list. It is very specific about what it allows. The City feels this is an opportunity for the City to define a use that is growing across the state and is appearing in various communities.

Mr. Rounds noted this use (Recreation/Entertainment Facility - Indoor) is permitted in Downtown Core, Downtown Growth, Downtown Institutional, Commerce, Commerce Limited and Business Growth and Reuse. Downtown Core is the Main Street area, Downtown Growth is outside of the historic part of Main Street, going east and west. Downtown Institutional is the Keene State campus and Commerce is West Street and Main Street south of 101. Commerce Limited is more of the car dealership area. Business Growth and Reuse is intended to be neighborhood-oriented, light industrial areas. These are the areas where Recreation/Entertainment Facility - Indoor uses are permitted.

Mr. Rounds next went over the definition that is being proposed: “*A facility licensed in accordance with the requirements of RSA-287D (which is the RSA in the State Statute that defines charitable gaming in the state) and operated by a Licensed Game Operator as defined by RSA 287D:1, VII or any facility operated by a person or entity licensed by the lottery commission under RSA 287-D:7 to operate games of chance on 5 or more dates per calendar year. Does not include games licensed under our RSA 287-E.*” Mr. Rounds explained that this section (RSA 287-D:7) is specific to Bingo and Lucky 7.

Mr. Rounds stated that the main point here is that this is a licensed use by the state, it is not like a bowling alley or a movie theatre or any of the other uses that are listed under the definition of “Recreation/Entertainment Facility – Indoor.” This use doesn’t occur very often, so this is an opportunity to define it and have a discussion about where it should go in our city. That gets back to the point of a permissive zoning code – if we know a use is growing in our community or there is a chance of it coming to our community, we ought to talk about it, define it, and see where it needs to go.

Mr. Rounds stated the proposal is to locate this use (“Charitable Gaming Facility”) in the Downtown Growth and Commerce districts. Mr. Rounds referred on a map to the areas he had outlined earlier where this would be permitted. He noted that the Commerce District is generally located around the main roads and is where automobile-oriented businesses are located, meaning there are large parking lots. He stated the reason staff felt Downtown Growth would be an appropriate location is because this is where there are bigger buildings, the Land Development Code allows for infill with larger buildings, lot line to lot line, and this area has a lot of parking. While parking is not necessarily required, it is there. He felt there are a lot of opportunities in these two districts for the growth of this industry. Mr. Rounds paused to see if there are any questions.

Mr. Kost felt the intent of this ordinance makes a lot of sense. The Entertainment use is allowed in a lot of districts, but it is a broader use. With respect to where Charitable Gaming uses should be located, he stated he sees Downtown Growth as being a little different – it is meant to be walkable and connected to the downtown, and stated he felt this use fits better in Commerce where there is lots of parking, store fronts and areas to build.

Mr. Rangel stated he wanted to understand a little more about Charitable Gaming Facility – he asked whether this is a business that can obtain this license and then can run charitable games out of their currently existing business or whether it was a charitable organization that could purchase a building for the purpose of running charitable games. Mr. Rounds stated the way the State Statute is written, there are tiers of licenses. You do have to obtain a license to operate such a facility, but generally the way it is handled throughout the state is that a business obtains an operator license, and then charitable organizations contract with that business.

Councilor Bosley noted this ordinance does not trigger until the business obtains a license and the business does need to have five or more gaming devices, less than that would be a secondary use. Someone who wanted to have this use as a small operation would not be prohibited by this ordinance. Mr. Rounds clarified if someone operates a charitable gaming facility for fewer than five days, then they don’t need to obtain a license. Councilor Bosley noted that there was a provision that has to do with the types of gaming, not days. Mr. Rounds stated this is something he had concluded incorrectly.

Mr. Rangel asked why this use was brought forward for consideration. Mr. Rounds stated it has been growing across the state, and in talking with other cities, they are seeing these uses grow in places they didn’t expect. In addition, last year a property owner proposed a change to the definition of “Recreation/Entertainment Facility- Indoor” to allow it in the Business Growth and

Reuse District. Mr. Rounds added City Council also received a letter from the Mayor asking the city to look into this use.

Mayor Hansel added this was brought to his attention in late 2021, when someone inquired about it and he started having discussions with staff when the City was in the middle of adopting the land use code. At the time, staff suggested waiting until that code was adopted. However, legislation has changed, and it became more popular and hence, he brought it forward again.

Mr. Rounds addressed drive-throughs next. He indicated drive-throughs are permitted in the Downtown Core and are permitted in many districts. They are permitted in the Downtown Core by Special Exception, which is a process that goes through the Zoning Board of Adjustment. Mr. Rounds stated what staff is proposing is to remove the ability to get a Special Exception for a drive-through in the Downtown Core. This would mean there would be no future drive-throughs in the Downtown Core. However, there are currently three or four existing drive-throughs, and those would be allowed as a nonconforming use. They would continue to operate and there are some limited ways they could expand and change while still remaining a legal nonconforming use. When discussing where Charitable Gaming Facility should be located staff looked at walkable neighborhoods. He noted the Master plan and the LDC talk a lot about this issue and that Downtown Core should be this pedestrian scale. He noted Special Exception has confusing requirements and at times doesn't address what is intended in a district. This concluded Mr. Rounds presentation.

Mr. Kost referred to the map and indicated the area where drive-through will not be permitted, which is Main Street and a small portion of Washington Street. Chair Bosley clarified the existing drive-throughs will be grandfathered and one permitted drive-through that is not completed and this too would be grandfathered. Mr. Rounds agreed they would be grandfathered.

The Chair asked for public comment next. The Chair indicated this is not a formal public hearing, it is a workshop but he will permit public comment.

Attorney Michael Atkins with Shaheen and Gordon from Peterborough, NH addressed the Committee on behalf of Dorie Mattson, who is a property owner downtown. He stated he was before the committee to speak in opposition of the ordinance. He noted this is a very highly regulated state statutory scheme. He felt what is being considered is preemptive by that state statutory scheme and Ms. Mattson has already moved forward in the application process and has already spoken to the city in this regard to utilize her property in the Downtown Core area in accordance with RSA 287E to locate a Charitable Gaming location. Adopting this currently would not only be preempted but would suggest a regulatory taking, particularly in regard to her property.

Mr. Jared Goodell of 39 Central Square, #201 addressed the committee next. Mr. Goodell stated he has some background in charitable gaming. He owned and managed a charitable gaming facility in Keene. He felt this request was appropriate and the city has heard a lot of debate about the downtown project which is to maintain a level of "old school" New England. He did not feel uses such as casinos belonged on Main Street - they are loud, they attract a lot of traffic and it is contrary to what we want in downtown, specifically as it relates to parking.

Mr. Goodell directed the committee's attention to ITE traffic data as it pertains casino traffic volume. Mr. Goodell felt this ordinance does not go far enough particularly as it relates to the exception and referred to the last sentence of the proposal where it says *does not include games licensed under RSA 287-E*. He stated he understands the intent of the Community Development Department wanting to preserve the ability for fraternal organizations like the Elks, American Legion, or even churches who operate bingo games that might exist in the Downtown Core area. As it reads on its face, the body of law that encompasses RSA 287-E and it seems to pertain only to those fraternal organizations or nonprofit organizations, who are the only people who can operate Games of Chance as it relates to Bingo or Lucky 7; Mr. Goodell felt that was not correct as that Statute does allow for commercial bingo halls, which essentially would allow slot style machines which are called Lucky 7 machines. These machines fall under the bingo statute. Under this current proposal, someone could operate a commercial bingo hall and have it be full of these machines. He felt this is not something the city is not going to want in its downtown.

Mr. Goodell felt Charitable Gaming is great in Keene, it is invaluable to our local charities but did not feel it belonged downtown. Mr. Goodell proposes that language be added that says *does not include games licensed under RSA 287 E except those operated by commercial bingo halls as defined in RSA 287-E:1 v-a*.

He stated there was also some confusion about the license as it relates to five or more days – he noted it is five or more calendar days per year. Gaming laws in this state are “rough”. When this body of law was introduced, it was restrictive and over time items have been added to create what it is today; it is not a clean body of law and at times can be confusing. He commended the Community Development Department for bringing this up. He indicated the Town of Conway is going through a struggle as it pertains to this very item. He indicated gaming is growing rapidly and felt now is the time for the city to take some restrictive action that makes sense.

With no further comments, the Chairman closed the public hearing.

Mayor Hansel felt this item makes sense – when you look at the master plan and how it defines the downtown along Main Street, there has been a lot of growth with uses such as restaurants, the Colonial Theater, retail and felt charitable gaming use is inconsistent with the uses the city has been trying to promote. The uses the city is trying to promote are geared around the parking program and moving people through the downtown for short stops or going in to see a couple hour shows.

The Mayor indicated parking in downtown is a shared resource and hence we have to be very cautious and careful as these different uses come up that the city does not disturb that ecosystem in a way that would be detrimental to the look and feel of downtown.

With that, a motion was made by Mayor Hansel that the Joint Committee find the proposed Ordinance consistent with the 2010 City of Keene Master Plan. The motion was seconded by David Orgaz.

Ms. Brunner stated the public workshop phase is the time the Joint Committee can make any changes to the Ordinance. She referred to the suggestion from the last speaker from the public

regarding modification to language and stated this would be the time to make that change, if that is what the Committee wants to do. Councilor Bosley asked staff for clarification.

Mr. Rounds in response stated RSA 287 E is as confusing as RSA 287 D; it is structured in the same way and it allows for an outside business to operate, for example, a bingo hall that does all the things Mr. Goodell outlined. The use as worded would allow the city (zoning administrator) to evaluate if a bingo hall would fit under charitable gaming or whether it was a different use. However, this item is open now and the committee could add stipulations to it.

Chair Bosley referred to the following language “... *does not include games licensed under RSA287-E* she clarified whether this language prohibits this ordinance from shutting down bingo halls, essentially that are run in the downtown. She asked what RSA 287-D:e.1.b.a. refers to. Mr. Rounds stated it is actually RSA 287-E and added RSA 287 E:1.v.a is the definition section. Ms. Brunner referred to the language 287-E:1 - Definitions - Section 5. v.a. *Commercial Hall means any hall owned or leased by an individual Corporation, Realty Trust, Partnership, Association or any other person who rents or leases the hall to a charitable organization for the operation of Bingo games, excluding halls owned by any charitable organization or governmental subdivision is specified in RSA287-E:5,b.1.*

Councilor Bosley asked whether this definition gets more clearly to the heart of what the city is trying to protect. Mr. Rounds stated the reason he excluded RSA 287 E when he wrote the ordinance language was so that the city could allow charitable organizations like a church to continue to have bingo in their basement, for example. He added this is new information and he did not realize it was operated in exactly the same manner; two facilities that do the same thing through different means - One is charitable gaming facilities, essentially Games of Chance, Poker, Roulette etc (table games). Then Bingo and Lucky 7, which look like slot machines. By separating these out the intention was someone could have a number of Lucky 7 machines in their bar and they would need the same license if for instance you were to have Poker.

Councilor Bosley stated she did not feel the spirit of the ordinance is intended to allow for large facilities and felt this needs to be tuned up. Mr. Rounds agreed and stated the language could be changed to *..as defined under RSA 287D 1. B.ii and RSA 287E: 1 5.a.*

Ms. Brunner stated if the committee intended to amend the ordinance they would have to vote as a committee to amend the ordinance and then create an A version.

A motion was made by Councilor Bosley that the Planning Licenses and Development Committee amend the Ordinance with new language. The motion was seconded by Councilor Ormerod.

Councilor Jones asked Councilor Bosley for clarification on her motion. Councilor Bosley stated her motion is to prohibit commercial bingo halls from being located on Main Street. The City has figured out a way to protect the church basements; this motion is to not allow big commercial bingo halls. It was suggested that the motion and second be withdrawn to add more clarification to the discussion.

Councilor Bosley withdrew her motion and Councilor Ormerod withdrew his second.

Mr. Kost referred to the Downtown Growth District and noted the intention of this area is *to provide the flexibility needed to create a mixed use environment suitable for commercial, residential, civic, cultural, open space in areas of downtown where growth is desired with standards for new construction and infill that complement the walkable urban form of Keene's downtown.* He indicated he is comfortable with this use in the Commerce District but has concerns allowing it in the Downtown Growth District, especially those areas that get closer to Main Street.

Councilor Jones noted there is an exception for Bingo and Lucky 7 to be located in any area and suggested adding Keno to that list as well. He indicated Keno is in many cities in New Hampshire, but it was defeated on the Referendum twice in Keene. He felt this was mostly because the language wasn't very clear on the Referendum. He added the Lottery Commission calls for Keno to be in any use that has a liquor license which could be any part of the city. He felt if Keno ever passed on a Referendum, the city would have to change this ordinance and go through this process again. Mr. Rounds stated the Councilor is correct Keno has been denied in the city on the Referendum but future voters could vote to approve it. He added, however, he wasn't sure if the city could create a definition for a use that is not permitted but once it is voted in by future voters it would have to go through a similar process such as this.

A motion was made by Councilor Bosley to amend the definition of Charitable Gaming Facility to include Commercial Hall under New Hampshire RSA 287E. The motion was seconded by Councilor Ormerod.

Councilor Jones clarified this would allow bingo halls in the downtown. Councilor Bosley stated it would prohibit certain types of bingo halls in the downtown. A charitable organization that is running a charitable gaming facility would still be allowed, but a for-profit organization that is running a charitable gaming facility would not be allowed. Staff agreed that was correct.

The amended motion made by Councilor Bosley carried on a unanimous vote.

Councilor Bosley asked whether the committee wanted to address the concern raised by Mr. Kost. Councilor Ormerod asked what the economic impact would be if this use was restricted from Downtown Growth. Ms. Brunner stated staff might be not able to give the committee the economic impact if this use was prohibited in Downtown Growth but there has been desire expressed to locate this use in Downtown Growth. She added this district has the potential for development unlike Downtown Core which is mostly built out. If this use was denied from Downtown Growth, the existing use would be legally non-conforming but any new Charitable Gaming Facilities that wanted to locate in Keene would only be permitted in the Commerce District.

Mayor Hansel stated he appreciates Mr. Kost's concern because it is difficult to separate these districts and their different uses. However, the future of Downtown Growth is yet to be defined in many ways. The Mayor noted there is a lot more space in this district for parking and felt this area does not have the same kind of problems with these types of facilities as the Downtown

Core, which is fully built out and has an established look, feel and uses the city is trying to promote.

Councilor Bosley agreed with the Mayor and noted Downtown Growth to the west does encroach onto Main Street but over time the Commerce District is likely going to merge into Downtown Growth and overlap on the edge and so will Downtown Core. She felt eventually Downtown Growth will disappear and the city will end up with more defined districts.

A motion was made by Mayor George Hansel that the Planning Board find that the amended Ordinance O-2023-16, the A version, is consistent with the 2010 Comprehensive Master Plan. The motion was seconded by David Orgaz and was unanimously approved.

A motion was made by Councilor Phil Jones that the Planning Licenses Development Committee formalize the public hearing already set by the Mayor for December 7. The motion was seconded by Raleigh Ormerod and was unanimously approved.

**IV) Presentation: SWRPC Regional Housing Needs Assessment – J.B. Mack, Assistant Director for Southwest Region Planning Commission, will give a presentation on the Southwest New Hampshire Regional Housing Needs Assessment Report that was completed in 2023. The full report is available online at [www.swrpc.org/housing](http://www.swrpc.org/housing)**

JB Mack, Assistant Director for Southwest Region Planning Commission (SWRPC), addressed the committee next. He indicated he is before the committee to provide a presentation on the Regional Housing Needs Assessment. He stated he is aware that the city has done its own work with Camoin and Associates. He noted however, housing issues are also a regional matter so felt it was important to look at the perspective of housing situation in surrounding communities.

Mr. Mack stated the Regional Housing Needs Assessment is a robust document which was published earlier this year. The last time SWRPC published a regional housing needs assessment was in 2014, and a lot has happened since then. Hence, this document was in need of an update. Mr. Mack noted the State Statute requires regional housing needs assessments to be periodically updated to provide data and analysis to towns and respective regions to help inform towns on their housing development. The information in the report focuses on SWRPC's planning district, which includes all Cheshire County, 10 towns in Hillsborough County, and Town of Langdon in Sullivan County.

He indicated they obtained much of their data from sources like New Hampshire Housing, US Census, and economic data. They also talked to Planning Board members, residents of Keene, Code Enforcement officers, Planners, Real Estate Agents, and anyone else involved in the housing sector to get their perspective on this issue.

Mr. Mack stated he would first like to address key information and trends associated with the regional housing needs assessment. He indicated Southwest New Hampshire was growing quite fast in the 1970s, at a pace of 27% more housing units and during the 70s and 80s grew another 23%. As we approach modern times, there is a decline and he referred to the orange arrow on the



graph which shows the rate of growth. During the 2010's housing unit production actually slowed to only about 2% for the entirety of Southwest New Hampshire, which is quite a change in the past decade.

Mr. Mack noted housing stock is overwhelmingly single family detached homes, and those are the most popular type of housing and this is what many are looking for. However, we don't have a diversified housing portfolio in the Southwest region. Housing units such as duplexes, small multifamily apartments, large apartment buildings, and manufactured homes are underrepresented in the region. Mr. Mack referred to the graph which shows differences in housing units in 2010 and 2020. The gray line shows the change between 2010 and 2020. There was a high number of 50 or more units built in the 2010's and this has to do with buildings right here in Keene (Washington Street Apartment) as well as the conversion of the Mill on West Street. Duplexes and Triplexes have decreased during the 2010's due to either remodeling or other reasons.

Mr. Mack stated the housing inventory in the southwest region was largely constructed prior to the 1940s and represents an older housing stock when compared to New Hampshire and the United States. There is a disproportionate number of these 1940's and pre 1940 housing, which is also rental housing. Older housing units are generally more expensive to live in, especially during winter due to heating costs and will result in a disproportionate need to renovate or replace existing units to make them more energy efficient compared to other parts of New Hampshire or the rest of the country.

This region has many more owner occupied units in Southwest New Hampshire compared to the State and the country. Mr. Mack stated Keene is an exception. Camoin did a good job at explaining that, but half of the communities in the region have ownership rates of actually 84% or more that are owner occupied units. Keene represents over a third of all rentals in the entire region with Peterborough coming in next at 8% and Swanzey, Jaffrey, Winchester and Walpole coming in after that. Between 1979 to 2020 there has been a slight increase in renter occupied units versus owner occupied units.

Mr. Mack stated the big issue with housing is the vacancy rates that we have in our region. New Hampshire Housing Finance Authority put out a report suggesting that in Cheshire County we have a 0.7% vacancy rate for rental units. Typically, the number should be 5%. The region has not seen the 5% rate since around 2012.

Mr. Mack referred to the census data regarding vacancies. He cautioned the committee when talking about vacancies, the census has many definitions for this term; it could be housing units that are spoken for, housing for migrant workers, people that have just bought a home, or people that have just decided to rent a home - the unit is still vacant, seasonal or recreational use. He referred to a bar graph and noted the real vacancies are the ones that are vacant units for sale and vacant units for rent. When those numbers are applied to all housing units in the region, that number gets to about 1.6% of units that are actually vacant.

Councilor Bosley referred to the chart and asked what happened in 2002 that brought our vacancy rate down to this extent; she noted this was the pre mortgage crisis. 2008 is when the

mortgage world collapsed and we started seeing foreclosures happen. She asked what was driving the low rate prior to that. Mr. Mack stated it has a lot to do with the region not having a lot of housing. Growth has slowed substantially and wasn't keeping up with population and need. It has been a long term issue.

Mr. Mack then talked about supply and demand. When there are few vacancies you often have higher pricing, due to more competition. The city at one point reached \$350,000 as a median price home in our region; this was during the summer of 2022. In Cheshire County median home price is \$324,000 and on average it is on the market for about 42 days. Median rent continues to go up as well. Looking at the most recent New Hampshire Housing Finance Authority numbers survey for Cheshire County; a two bedroom in Cheshire County is priced at an average of \$1441.00.

Mr. Mack stated one of the things they did with the Regional Housing Assessment is to look at wage growth versus housing cost. Covid brought to light essential workers; these people that are critical to our communities. People we need to work in our restaurants, hospitals, clinics. He indicated they looked at 15 different occupations and the median wage for these different occupations in Cheshire County and compared that to the median home price (from 2021). What was realized with housing (one income) even someone like an engineer is not making enough to afford a median home. When you look at some of the essential workers - childcare workers, waiters and waitresses, even in a two-person working household they wouldn't come close to the median home price in our region, same is true with median gross monthly rent.

Mr. Mack noted when using the term affordable it is 30% of someone's household income to be able to afford housing.

Mr. Mack stated he would like to discuss population trends and projections, because population is a principal driver for housing need. He referred to a slide and noted the dark blue bars which refers to historic population growth between 1930 and 2020. The light blue bars show projected population change between 2030 to 2050. The orange line shows the historic rate of change by decade. Historic data on this chart shows that 2020 was the first time Southwest New Hampshire actually lost population in a long time. The last time we lost population was 100 years ago in 1920. Mr. Mack stated the population projections done with a state demographer looked at all counties in New Hampshire and their expectation is that we will continue to grow a little into 2030, but after that we will probably be dropping off in population. This has to do a lot with our aging population and in-migration; fertility rates are going to be lower – we will be producing less of our homegrown population.

He noted what we need to start thinking about is if we want to sustain our regional workforce, for instance. The Greater Monadnock Chamber is strategizing on how we can bring new people into this Community.

Mr. Mack explained that population is driven by births minus deaths plus or minus net migration. He referred to a chart that showed those three components; it breaks out every five years between 2000 and 2020; number of births shown in purple, number of deaths shown in black and migration orange. When you add up births, deaths and migration, the result is shown in the light

blue bar. There is a significant change when you get to the 2010's - net population growth in Cheshire County was about 300 people. In 2015 the number dropped to negative 733 and then a slight bump in 2020. Mr. Mack stated this is by no means is a strong growth for this area.

Another driving factor for housing is household size. Camoin Associates talked about this as well. He referred to a chart comparing 2020 to 1940. One person household size was only 7% of all the households in 1940 and this number has quadrupled to 28% by 2020. The inverse is happening with larger size households. Pre 1940 housing was built originally for larger household sizes. This region has a large stock of pre 1940 housing which is larger than what we need for today's households.

Incidentally, 55% of single owner-occupied homes in Cheshire County are 65 and over. These are people that are aging and will possibly start needing additional assistance.

The other big change that is going on both nationally and locally is that more households are made up of unrelated individuals.

Councilor Ormerod noted that much of the housing stock that is pre 1940 is not energy efficient so these seniors are going to have rising cost of energy to just operate these facilities. He asked whether the analysis gets into that issue. Mr. Mack answered in the negative but felt one can make a logical conclusion that if you are living in a 1940's housing that that this would be a challenge that our region faces - to try to create more energy efficient homes. This is a challenge that is unique to the southwest region compared to the rest of the state or the country. Mr. Mack stated there are also younger people living in these homes and around 40% are rentals.

Mr. Mack then addressed Key Challenges. Some challenges can be addressed at the local and regional level, but some are more national and statewide. One big issue is inflation as well as COVID which had a major impact on the housing industry. Consumer Price Index went up in 2023 after COVID creating an increase in cost of building materials, partially because of inflation, but also because of supply chain issues. However, he added the spike in price of lumber is less of an issue now. It is still trending up, but the supply chain issue doesn't seem to be as much of an issue now.

Mr. Mack indicated the mortgage interest rate, which was 3% 14-15 years ago (\$1,600) month is now close to 7% which equates to approximately \$2,500 at the present market rate. He added interest rates have a huge impact on affordability.

Mr. Mack went on to say there are state challenges which the state has been trying to address such the Invest New Hampshire program, which uses some of the COVID stimulus funding to help construct more workforce housing. There were some incentive programs to get communities to permit more affordable housing. Some other things also were put in place such as due process. For instance, the state created a Housing Appeals Board so that Planning Board decisions can be appealed to a Housing Appeals Board rather than having to go before the Supreme Court. Also, things like incentives for senior housing, permitting accessory dwelling units allowed by right in single family zones.

Mr. Mack stated something else that the state is going to look at in the next legislative season is septic systems and what the state currently permits for septic systems. This would affect a lot of the towns around Keene where communities could achieve higher density, therefore, more affordable housing can be constructed if septic design standards could be relaxed a bit. Mr. Mack noted most of our communities don't have wastewater infrastructure. This is important because you can create more affordable housing by creating more dense conditions for housing when sewer and water is available.

A generalized zoning analysis was completed which looked at permitted uses for one family, two-family or three plus family housing. What was discovered is that our region is overwhelmingly single family detached units. 92% of the land is zoned to allow for that. We are simply not allowing duplexes or triplexes as much as we are single family homes in this area.

Mr. Mack next referred to a rendering of the labor force in this region. The region peaked in about 2012, we are losing labor force primarily because of our aging population. Keene is one of the communities that has been affected greatly by this issue. Keene lost about 1,350 people in the labor force in the last decade which was a reduction in the labor force by about 11%. What the data shows is net migration is pretty flat – this means that just as many people are coming into the community are being replaced by people that are moving out - retirees are not necessarily moving in droves to Florida or South Carolina for instance. There is a housing issue for the labor force because there isn't enough extra housing for people coming into work. Keene needs these people because the labor force is shrinking dramatically.

Mr. Mack stated they did some qualitative analysis and one of the things they looked at was an employer survey. They reached out and heard back from 57 employers representing 18 different communities and nine different industries. Almost all of them said the region needs more housing. Mr. Mack stated they also did a community survey and received 310 responses from people all over the region with different incomes, owners, renters, as well as homeless individuals. Again, most people agreed the region needs more housing; we need more moderate income housing, rental housing, and low income housing. He referred to another slide, the information on it comes from a housing consultant that worked for the State Regional Planning Commissions to try to quantify the need for housing across the state and the region. The chart shows the cumulative need for housing by 2040 for the region, each color represents a different category that they looked at; affordable rentals, affordable owner-occupied housing and market rate rentals and market rate, and owner-occupied housing. It was determined the regions would need about 4,700 additional units by 2040. He noted the trend line shown on this chart for housing that needs to be created is nowhere close to the growth challenge we had in the 70's and 80's and felt it was something that could be done.

He noted next to Cumulative Housing Targets and said this was based on population growth and workforce needs. Keene is the dominant job center for the region and Keene is at the top on the list of housing targets.

In conclusion, Mr. Mack stated there are four takeaways from the Housing Needs Assessment. The first is *Individuals and households living in Southwest New Hampshire have varied needs that are not sufficiently being met.* "One size fits all" is not something we can go by, different

people have different needs. A single-family unit doesn't work for everybody, two story buildings are not appropriate for the aging population, so we need to think about the diverse needs of our population. So the region needs to think about diverse housing needs.

The second takeaway is that *housing plays a much more important role than an individual or household shelter; it is an essential ingredient for maintaining a community's vitality*. Mr. Mack stated this region is experiencing an unprecedented decline in labor force and increasing aging population. Housing is critical to making sure we can have a sustainable labor force in our region. When talking about the aging population, social isolation is one of the top health risks for our aging population. It is really about community, not just the individual. Making sure we have a healthy and economically vibrant community.

The third takeaway is *transportation, water, sewer, energy and broadband are part of a package of household needs*. Mr. Mack stated we live in a more complex society and when talking about housing, there is a whole package that goes along with it.

The fourth takeaway is the *housing market isn't likely to improve without new strategic improvements* – housing needs are only likely to change when there are partnerships among all groups in a community.

This concluded Mr. Mack's presentation.

Chair Farrington asked whether Mr. Mack, as someone who has regional experience, whether he has any suggestions or examples of cross boundary solutions. Mr. Mack stated Keene has already done this; for example exploring if water and sewer can be expanded if there is capacity and working with neighboring communities to facilitate affordable housing across boundaries. Another infrastructure to think about is transportation infrastructure; public transit to make this area more affordable. He asked the committee to look at what is called the NH Housing Toolbox which has good ideas and innovative ideas, some of which require regional cooperation.

**V) New Business**

None.

**VI) Next Meeting – Monday, December 11, 2023**

**VII) Adjournment**

There being no further business, Chair Farrington adjourned the meeting at 8:30 PM.

Respectfully submitted by,  
Krishni Pahl, Minute Taker

Reviewed and edited by,  
Mari Brunner, Senior Planner