

CONWAY PLANNING BOARD

MINUTES – WORK SESSION

NOVEMBER 17, 2022

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A meeting of the Conway Planning Board was held on Thursday, November 17, 2022 beginning at 6:02 pm at the Conway Town Office, 23 Main Street, Conway, NH. Those present were: Chair, Ben Colbath; Selectmen’s Representative, Steven Porter; Vice Chair, Ailie Byers; Secretary, Erik Corbett; Eliza Grant; Bill Barbin; Mark Hounsell; Planning Director, Jamel Torres; and Planning Assistant, Holly Whitelaw. Alternate Ted Phillips was in attendance. Jason Dennis, Town Counsel, of Hastings Law Firm was in attendance.

ZONING DEFINITION DISCUSSION

Mr. Torres read the condominium definition. **Mr. Porter made a motion, seconded by Ms. Byers, to post the definitions of condominium and townhouse to a public hearing on January 26, 2023. Motion carried unanimously.**

MORATORIUM ORDINANCE REVIEW

Mr. Dennis gave an overview of the NH RSA for moratoriums. The Board reviewed the proposed moratorium [see information attached].

Mr. Hounsell made a motion, seconded by Mr. Porter, to accept the unusual circumstances as noted in staff’s proposed moratorium language. Motion carried unanimously.

Mr. Hounsell made a motion, seconded by Mr. Porter, to accept the written findings as noted in staff’s proposed moratorium language. Motion carried unanimously.

Mr. Hounsell made a motion, seconded by Mr. Barbin, to authorize Town Staff and Town Counsel to draft the ordinance for the December 8th Planning Board meeting. Motion carried unanimously.

Mr. Hounsell made a motion, seconded by Mr. Porter, to reconsider the motion for the written findings. Motion carried unanimously.

Mr. Torres stated he would suggest it be for Hotels/Motels/Resort Hotels and commercial establishments greater than or equal to 50,000 square not including multi-family developments. **Mr. Hounsell made a motion, seconded by Mr. Porter, to amend the motion to include Hotels/Motels/Resort Hotels and commercial establishments greater or equal to 50,000 square feet not including multi-family development. Motion carried unanimously.**

Meeting adjourned at 6:49 pm.

Respectfully Submitted,

Holly L. Whitelaw, Planning Assistant

Planning Staff Report for Planning Board Work Session

To: Planning Board
Prepared By: Jamel Torres, Planning Director
Date: 11/10/22

Staff has prepared this report to assist the Planning Board during their work session on November 17, 2022. This report includes a proposed new definition for “Condominium” and the previously proposed definition for “Townhouse” proposed to be placed on the April 2023 Town Warrant within Section 190-31 – Definitions, in the Zoning Ordinance. This report also includes information related to the proposed moratorium language, and the required process, for hotel/motels and related land uses. Please note that the specific moratorium language has been provided to the Board under a separate cover.

Proposed Zoning Definitions

Condominium

A special system of real property ownership that includes individually owned “units” and areas owned in common by the unit owners (“common areas”).

Townhouse

A one-family dwelling unit which is part of a group of two or more such units separated by a common party wall, having no doors, windows, or other provisions for human passage or visibility. Each unit shall have individual outside entrances at ground level (which may face in different directions) and may have more than one level.

The Planning Board should be prepared to discuss the definitions above. If the Board is comfortable with the proposed definitions, then a public hearing should be set for the January 26, 2023 meeting.

Proposed Moratorium

The Town's attorney and staff have prepared to the following procedure to move forward with the proposed moratorium language –

1. Public Planning Board meeting to determine if and what the “unusual circumstances” are.

The November 17, 2022 Planning Board Work Session can be considered this public meeting to determine what the “unusual circumstances” are. It is staff's recommendation that the Planning Board consider the following as “unusual circumstances –

- Severe shortage of housing stock (rental & to-own).
 - Increased traffic congestion
 - Greenspace impacts
 - Lack of industrial/commercial workplace industries
 - Lack of workforce for hospitality and retail sector jobs
 - Lack of capacity within the Planning Department to work on planning initiatives, including but not limited to, land use ordinance review and proposed modifications to help improve the regulatory environment related to housing proposals
 - A full Master Plan update for the first time since 2003
2. Planning Board to make written findings enumerated in Section IV found on page 1 in the proposed moratorium language (provided to the Board under a separate cover), which not only include the circumstances but also the “course of action to correct or alleviate such circumstances.”
The Planning Board could vote to accept the written findings as drafted by staff (provided to the Board under a separate cover) at the November 17, 2022 Work Session.
 3. Draft an ordinance that contains the components enumerated in Section III found on page 1 in the proposed moratorium language (provided to the Board under a separate cover).
Staff, with help from the Town's attorney, will draft an ordinance to be reviewed by the Planning Board at the December 8, 2022 Work Session. If the Board accepts the draft ordinance, then it could be placed on the January 26, 2023 Planning Board agenda for a public hearing.
 4. Place the proposed moratorium ordinance on the warrant to be voted on at the 2023 Town Meeting in April.
Staff has no further comments on this element.

Another issue to consider is related to the proposed land uses that the moratorium will apply to. The Planning Board should refer to the listed land uses within Section d. found on page 5 in the proposed moratorium language (provided to the Board under a separate cover) and be prepared to discuss during the Work Session.

Town of Conway, New Hampshire

RSA 674:23 -- Temporary Moratoria & Limitations on Building Permits and the Approval of Subdivisions & Site Plans

- I. Upon recommendation of the planning board, the local legislative body may adopt or amend an ordinance establishing a moratorium or limitation on the issuance of building permits or the granting of subdivision or site plan approval for a definite term.
- II. An ordinance may be adopted under this section in unusual circumstances that affect the ability of the municipality to provide adequate services and require prompt attention and to develop or alter a growth management process under RSA 674:22, a zoning ordinance, a master plan, or capital improvements program.
- III. An ordinance under this section shall contain:
 - a. A statement of the circumstances giving rise to the need for the moratorium or limitation.
 - b. The planning board's written findings, on which subparagraph III(a) is based, which shall be included as an appendix to the ordinance.
 - c. The term of the ordinance which shall not be more than one year.
 - d. A list of the types or categories of development to which the ordinance applies.
 - e. A description of the area of the municipality, if less than the entire municipality, to which the ordinance applies.
- IV. An ordinance under this section shall be based on written findings by the planning board which:
 - a. Describe the unusual circumstances that justify the ordinance.
 - b. Recommend a course of action to correct or alleviate such circumstances.
- V. An ordinance under this section may provide for the exemption from the moratorium or limitation of those types or categories of development that have minimal or no impact on the circumstances giving rise to the moratorium or limitation.
- VI. An ordinance under this section may provide for a special exception or conditional use permit to allow development that has minimal or no impact on the circumstances giving rise to the moratorium or limitation.
- VII. Additional ordinances may be adopted under this section only if they are based on circumstances that did not exist at the time of any prior ordinance. The authority to adopt ordinances under this section shall not be used to circumvent a municipality's need for a growth management ordinance under RSA 674:22.

Proposed Ordinance Language --

a. A statement of the circumstances giving rise to the need for the moratorium or limitation.

Conway is facing unusual circumstances in regards to a severe housing shortage due to a lack of workforce and affordable housing stock. The Town would like to put a pause on specific types of development in an effort to create a better environment for long-term residents to live, work and play in our beautiful community. The Town has been facing not only housing shortages, but also increased traffic congestion, green space impacts, a lack of industrial/commercial workplace industries outside hospitality/tourism, and a general shortage of a workforce, resulting in many businesses needing to limit their days/hours of operation. Over the past decades, the growth in commercial development for visitors to the valley, be it retail, services, or lodging has been exponential versus the growth of services and development for residents. Due to this, a large part of staff time in the Planning Department is dedicated to reviewing these significant commercial plans and thus the Department has been far more administrative than planning-oriented in their duties. As a result, Town staff has not had the capacity to be proactive in creating/reviewing ordinances, looking for alternative ways of solving town problems and updating the master plan due to this drain on their resources. This proposed moratorium would help to free up staff planning resources to not solely review large commercial projects, but also allow them to allocate time and energy to the above-mentioned proactive measures. This would be exceedingly beneficial to the Town as a whole. This moratorium limiting specific commercial development will by no means halt all the issue Conway has. It will, however, help the Town work to restore the work/life balance that Conway needs. As a tourism destination town, Conway needs time to alleviate pressures that are only exacerbated by these commercial developments that have been coming at a rapid rate in the past few years. In order to forestall further decline in year-round population, along with decreased services, the Town of Conway will be implementing a moratorium on certain types of development as described below.

b. The Planning Board's written findings, on which subparagraph III(a) is based, which shall be included as an appendix to the ordinance.

- The Town is currently in the process of updating its Master Plan for the first time in 20 years. The plan update will be addressing a variety of issues, including, but not limited to, a severe housing shortage, an increasing population, and an imbalance of commercial and residential growth. However, until the Master Plan is updated and land use ordinances can be altered to better address the growth of the Town in a balanced manner, the Town of Conway will be instating a moratorium on new commercial development of hotel/motels, owner-occupied & non-

owner-occupied lodging houses, owner-occupied & non-owner-occupied boarding houses, owner-occupied and non-owner-occupied tourist homes, owner-occupied and non-owner-occupied rooming houses, time shares, and other transient accommodations, as defined in Section 190-31 in the Zoning Ordinance. These include any other developments that are for transient use (non-resident stay of less than 30 days), regardless of whether or not the units have kitchens in them or not.

- According to a study provided by the Mount Washington Valley Housing Coalition in March 2022, the median sales price for a single-family home in Carroll County has increased by 290% between 1998 and 2021. Between 2017-2021, Carroll County has experienced a 61% increase, averaging over a 10% increase per year, including a 23.4% increase in median sales price in 2021 alone. These prices have rapidly increased when compared Area Median Income (AMI), which has only increased by 55% between 2000-2020, according to the U.S. Census Bureau. Given the stark difference between median home prices and AMI, a median family in our community simply cannot afford a median home without significant economic burden placed upon them.
- Further, residents face increasingly difficult competition in the housing market with second home buyers. This is especially evident over the past few years, mostly due to the Covid-19 pandemic and the influx of new residents into Conway from areas with much higher AMIs. This large section of the homebuyer market has further exacerbated the scarcity of affordable homes for local first-time buyers in Conway. This has also resulted in a rapid decrease in time property is available for purchase, from an average of 100 days in 2017 to an average of 34 days in 2021. This rapid decrease in time in which a property is available for purchase has been especially difficult for local residents trying to purchase a home for the first time. The scarcity of housing stock, increased median pricing when compared to AMI, and pressures from second home buyers have all combined to put increased pressure on the already-limited rental housing market in Conway as well. This market is inextricably linked to the purchase market as increased costs in purchasing a home are directly translated to increased rents for potential tenants.
- When it comes to housing for the workforce in Conway, rental housing is generally the most realistic option given the current real estate market. The two largest employment sectors are hospitality and retail, which are also understood to be some of the lowest paying sectors in Conway. Rents have been steadily increasing since 2000, at a rate of about 77%, while AMI has increased by only 55%, as noted above. As rent increases continue to rise faster than wages, it becomes more burdensome for those who rent in our community. In addition, there has been a continual decrease in the availability of rental units, with Carroll County having an

estimated rental vacancy rate of less than 1% according to the Mount Washington Valley Housing Coalition. This has all led to a very competitive rental market, resulting in a continued increase in rental prices in Conway.

- Many local businesses, including restaurants and retail establishments, cannot maintain a full staff due to lack of affordable/workforce housing in the community.
- The Police Department has been down several officers and dispatchers for several years due to lack of affordable/workforce housing in the community.
- The Town Office has had a difficult time filling professional positions (Planning Director, Assessor, etc.) due to a lack of affordable/workforce housing in the community.
- 300 total commercial building permits, including a total of 364 hotel rooms, since January 1, 2020.
 - Worth a total of \$111,418,180.27 in construction costs.
- Other Important Information –
 - As of 2021, the Area Median Income for a family of four for Carroll County is \$75,000 (US HUD, 2022).
 - As of 2022, the 2-bedroom median monthly gross rental costs \$1,251, an increase of 20% since 2017 (NHHFA, 2022).
 - Conway Census Data (US Census, 2022) –
 - Population
 - 2000 – 8,693
 - 2010 -- 9,995
 - 2020– 10,194
 - Median Age
 - 2000 – 40.6
 - 2010 – 43.2
 - 2020 – 48.4
 - Median Household Income
 - 2000 -- \$35,873
 - 2010 -- \$24,611
 - 2020 -- \$32,401
 - Employed Population (16+)
 - 2000 – 4,593
 - 2010 – 4,975
 - 2020 -- 4,658

- c. **The term of the ordinance which shall not be more than one year.**
The proposed ordinance shall be in effect for a full calendar year upon its adoption.

d. A list of the types or categories of development to which the ordinance applies.

- Hotel/Motels
- Owner-Occupied & Non-Owner-Occupied Lodging Houses
- Owner-Occupied & Non-Owner-Occupied Boarding Houses
- Owner-Occupied & Non-Owner-Occupied Tourist Homes
- Owner-Occupied & Non-Owner-Occupied Rooming Houses
- Time Shares
- Other Transient Accommodations as defined in Section 190-31 in the Zoning Ordinance.

e. A description of the area of the municipality, if less than the entire municipality, to which the ordinance applies.

This proposed ordinance will apply to the entire municipality of Conway, NH.