

DRAFT MINUTES

Housing Advisory Committee

MINUTES

June 10, 2016

1. Call Meeting to Order

The meeting was convened at 9:00 a.m. in the Nowak Room of the Town Office. Present were committee members Kathy Corson, John Mueller, Tony Texeira, Cliff Sinnott, Barry Sandberg. Also Russ Dean Town Manager and Dave Sharples Town Planner.

Dave Sharples handed out a sheet showing new residential construction along with numbers of bedrooms. Units covered included 8 Sterling Hill Lane, 27 Chestnut Street, Windsor Crossing (2 Hampton Road) and McKay Drive (80 Epping Road). Total number of bedrooms in process is 449. Each development has a mix of 1, 2, and 3 bedrooms. There are 30 3 bedroom units including 11 at Charron Circle.

Cliff reviewed OEP population projections with death and birth rates. This also showed migration patterns – in migration and out migration. These projections were re-done and show a pattern of slow or no in-migration in recent years.

Cliff reviewed the draft white paper outline on housing with the group, and reviewed the different items to be included in the white paper.

Kathy asked Cliff to explain housing availability matching market and what does that mean. How does this impact the community? Cliff explained in the various equations that multi family was favorable and studies have showed this, as a financial matter. A discussion on service costs ensued and Don Clement (who was present) mentioned in 2003 when a conservation bond was issued these items were discussed in that era, however the data is now 20 years old.

Russ Dean discussed the various housing issues facing the community in the next several years. Lots of things need to be looked at so good decisions can be made. This includes rentals, workforce housing percentage, age demographics, zoning.

John Mueller mentioned the need to look at commercial and residential with respect to the market and what is viable from the developer perspective. He will work up some information on this. If market rents don't cover cost of construction in the commercial area this is an issue for expanding commercial office market, for example.

Kathy discussed the concept of multi use and mixed use and how they are different. The town needs a vision plan and the master plan process with citizen input is important.

Cliff discussed how for a couple of decades the area has seen low growth in housing and absolute growth has been low in the region.

John and Cliff discussed the overall value of office space and demand in the area. John's opinion was there was an over-availability of commercial office space. There are fewer office uses where you have less manufacturing. A recent article on a shortage of office space in the seacoast region countered this.

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John indicated that for “state of the art” office demand is there, but class B is not as desirable. High bay warehouse space is at a premium. John explained the cost of building exceeding the cost of return on development. Reliable tenants that are paying rents are better for landlords than increasing rents to cover the cost of new construction and risking tenants. The overall appetite for risk in today’s environment is lower. There are tremors of a lot of supply coming.

Barry asked to explain the assessment of need and how developers look at housing and office issues. Income, existing stock, affordability, and vacancy rates all play a part. Kathy mentioned 27 Chestnut Street as the units she understands are going for \$1350 plus \$75 for parking fees. Also anything 250 SF or less is unavailable. John mentioned the desirability of Exeter versus the comparative affordability versus other towns as a factor in decisions. Cliff indicated the assessing offices are always behind the market so there is a lag issue. John discussed the affordability of multi-family rental units. The median purchase price is affordable. Multi-family brings its own sense of community issues. Russ mentioned the town needs to decide what kinds of housing to encourage by looking at infill, cost issues. These should help decide what kinds of housing to advocate for. Cliff mentioned the master plan should be rolling. On housing there was no need to encourage multi family. Reacting versus anticipating – after 500 units what do we look like?

Russ added water/sewer costs are a major component in this. For example finding more ratepayers to offset the cost of the new wastewater and water facilities.

Cliff asked that notes be sent to him on the outline for the white paper. Rents are up and foreclosures are down. Downtown investments were discussed. John indicated we need a snapshot of increases costs. Kathy asked if we had a way to tell how long someone lived in town. Would census data tell us this – length of residency. In the past PEA also owned a lot less land – was there a way to measure.

The next meeting is scheduled for Friday, July 15th at 8:30 a.m.

2. Adjournment

The committee adjourned at 10:05 a.m.

Respectfully submitted,

Russell Dean
Town Manager