

TOWN OF DURHAM

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Town Planner's Recommendation Wednesday, February 12, 2014

IX. Public Hearing - Amendments to the Durham Zoning Ordinance pertaining to ORLI and MUDOR Districts. Initiated by the Town Council, as follows:

- Change <u>Single-Family Residential</u> use in the Office Research Light Industry and Multiunit Dwelling Office Research Districts from a Conditional Use to Not Permitted:
 - 2) Change <u>Duplex Residential</u> use in the Office Research Light Industry and Multiunit Dwelling Office Research districts from a Conditional Use to Not Permitted:
 - 3) Change <u>Multi-Unit Residential</u> use in the Office Research Light Industry and Multiunit Dwelling Office Research districts from a Conditional Use to Not Permitted; and
- 4) Change <u>Mixed Use with Residential</u> use in the Multiunit Dwelling Office Research District from a Conditional Use to Not Permitted.

Recommended action: Vote on recommendation to Town Council

I <u>strongly recommend</u> a vote to support this proposed amendment

Please note the following:

- See the enclosed write-ups by Jim Lawson.
- This amendment was initiated by the Town Council on January 13. The Planning Board has 60 days to make its recommendation to the Town Council, which would give the board until the March 12 Planning Board meeting. However, Todd has requested that the board make its recommendation at the February 12 meeting, if possible. This would allow for the Town Council to then hold its public hearing while Jim Lawson is still on the Council, and he could then respond to any questions or concerns that arise at the Council public hearing.
- See the enclosed study that Jim Lawson conducted about housing supply and demand. With the enormous increase in off-campus student housing in recent years I believe that we are approaching a harmful situation where supple exceeds reasonable demand. This could result in numerous vacancies and potentially blighted properties. It is important that a healthy balance remain between supply and demand in a commodity as significant as student housing is in Durham. It is the role of the Town to help ensure a healthy market through the zoning process. Some may disagree, but I believe this is a fundamental and critical role of the Town, especially in this situation.
- It may be argued that we should simply leave this to the "wisdom of the market." The market is not always wise, as evidenced by the crazy patterns of real estate and stock markets. Plus, individual investors may pursue projects that are rational from their point of view but harmful to the public.

- I believe that allowing multifamily to continue in the ORLI and MUDOR districts will be harmful to the community. Allowing significant more multifamily housing will not have as positive a fiscal impact as projects in recent years because a new project will likely result in vacancies in existing older projects, thereby lowering the value of the older projects to some extent, offsetting the gain of the new project.
- Note that the zoning changed a number of years ago to allow multifamily housing in the ORLI and MUDOR districts. It was changed pursuant to the 2000 Master Plan for reasons related to the benefit of the community, largely to increase the tax base. It is now appropriate to make some other changes. We have been successful in meeting that goal! Some adjustment is now called for. This is the proper function of zoning.
- This zoning change would allow multifamily housing only in the core zoning districts, which it where it belongs, under many circumstances. High density development should be in core areas. Placing high density/multifamily housing in outlying areas constitutes sprawl. It made sense until now. The Cottages and Peak are excellent projects but the situation is different today.
- *The Town should use what remains of excess demand for student housing in strategic ways, i.e. as a generator to redevelop blighted or underused properties in the downtown. This includes projects such as The Grange, Orion, Madbury Commons, and Pauly's Pockets. It would be foolish to squander this excess demand on projects in outlying areas (i.e. in the ORLI and MUDOR) districts which accomplish little for the community. If student housing continues in those districts, then we could find ourselves in a situation where the owner of a blighted property in the downtown contemplates redeveloping but then decides not to finding that there is not sufficient demand for the additional student housing to justify the project.
- The one item that I think is worth the board deliberating is whether or not to leave single family housing as a conditional use in these districts. This is a debatable issue. Removing the residential uses from ORLI and MUDOR would leave numerous viable allowed commercial and institutional uses. However, if the board believes that an additional readily developable use should be retained then it may wish to leave single family residential as a conditional use.
- Single family subdivisions must be developed as a conservation subdivisions in the ORLI and MUDOR districts so there would be a good deal of control that single family subdivisions are carefully designed.
- Either way, I think that duplex residential should not be allowed in the ORLI and MUDOR districts. Duplexes are best located closer to core areas or in carefully designed planned developments where the design of the buildings can be carefully reviewed.