

## Meeting Notes

Informational Meeting of Sunapee Forward Committee members and representatives of the Sunapee Heritage Alliance (SHA) and Riverway held at the Livery on January 16, 2025.

### **Sunapee Heritage Alliance**

Presenters:

Carol Wallace, Chair of SHA (Select Board Chair)

Barbara Sullivan, SHA and Riverway (Resident since 1970s and President of Riverway in 1980s)

Sharon Parsons (Operates Wild Goose).

- SHA formed 15 years ago to manage the Livery.
- 4 spaces in the Livery building are available for rent year-round.
- Activities include wine tasting, murder mystery, etc
- Board committed to not change the building.

### **Riverway**

Presenter: David Hoffman

The Riverway has been seen by many as secretive and opaque. Recently, there is a renewed effort for the organization to be more transparent.

Riverway History

In the 1970s when a private marina planned to buy Sunapee harbor properties, a group of residents banded together to form the Riverway corporation to purchase harbor properties to protect the character of the harbor.

- Goal: Preserve and protect the small “New England” character of Sunapee Harbor.
- Means:
  - Raise capital to buy commercial properties in Sunapee Harbor then resell them to entrepreneurs with deed restrictions to prevent two

potential undesirable outcomes or continue to own the properties and 'underwrite' the properties financially:

- Commercial development not in keeping with a "New England" small harbor or
- Residential encroachment on the commercial district. The best economic use for Sunapee Harbor land is residential development (single family homes), though the Riverway continues to support avoidance of residential encroachment.
- Capital was raised through a \$250/per share subscription into the Riverway Corporation
- There were approximately 600 original shareholders, and 6,000 shares issued.
- Upshot:
  - Properties purchased include the Anchorage, Wild Goose, Fenton's Landing, Stacy's Building, Harborside Trading building and several other lots in the harbor area.
  - Properties were not resold but held by Riverway with limited reinvestment.
  - The brick walkway was also a Riverway project.

While there are many voices within Riverway, the board is moving forward on several fronts.

1. Disposition of properties to commercial operators with deed restrictions. The first is Fenton's Landing building which is under contract. The buyer was not disclosed nor what the buyers intention is but it was indicated Riverway believes the buyer is a known quantity in the community and will develop it in conformity with the deed restrictions and the goals of Riverway.
  - a. Deed restrictions in the purchase and sale agreement for Fenton's Landing property require that it must be used for commercial purposes except for existing apartments on the second floor. The deed restriction follows the property meaning anyone who purchases the property at a later time would still be bound by those restrictions.
2. New lessee tenant at the Anchorage related to 74 Main in New London to reopen as a 'fish house' style restaurant. Riverway is currently performing some renovations to the building.

There is more the Riverway board would like to carry out including acquisition of more properties but needs fresh capital to pursue those goals.

Riverway is not sustainable financial enterprise. The rental income does not support capital budgets to maintain much less improve the properties it owns. Riverway sustained its financial position over the years by selling harbor slips.

Riverway's Long-range Planning Committee is undergoing several actions to move on potential projects to improve the harbor and improve its flexibility to achieve those goals.

1. Capital Raising – a high near-term priority
  - a. Given the economics of the properties and harbor, a for-profit financial structure is a hinderance to raising capital.
    - i. Fiduciary duty to shareholders prevents selling below “market value” which may be a use that conflicts with Riverway’s goals.
    - ii. Capital providers are not willing to invest without a market return
  - b. Alternatively, the board is considering a “not-for-profit” structure so that capital providers can donate funds for immediate tax benefits.
  - c. Private capital focus
    - i. New projects are not looking for contributions from the Town of Sunapee budget or from its tax revenue but rely on private capital.
    - ii. A good example of success in private capital raising through not-for-profit structures is the Riverwalk Upgrade project. Approximately, \$100,000 was raised through private donations.

Following the prepared remarks, the following Q&A issues were discussed:

- How can the harbor be more active year-round?
- Are the deed restrictions publicly available?
  - Answer: Yes. Deed language is publicly available on the town website for each property. Riverway’s intent is to include deed restrictions on all Riverway properties.
- Viewpoints were expressed around stewardship and development control through deed restrictions by committee members attending.
  - If a property has deed and zoning restrictions it affects the property value. Best ‘financial’ use of harbor property is generally thought to be residential, so deed restrictions are necessary to keep the commercial character of the harbor.
  - Further, deed restrictions applying to buildings as well the land may be necessary to keep the harbor’s character.
  - Concern over stewardship was also mentioned. Deed restrictions may not achieve what we want as self interest and different interpretations can lead to unintended consequences that changes the town in a direction we may not want.

- There is an assumption that businesses know the market and would not start unwanted commercial enterprises such as a tattoo parlor. Feedback from residents is that they want more control to assure that cannot happen.
- Is there room for dense housing in harbor village to help alleviate the housing crises in New Hampshire?
- Is parking an issue as Riverway considers harbor commercial development?
  - Answer: There is an imbalance of parking at some times but always. Looking at ways to expand parking. The implementation of one-way traffic in 2025 will free up parking spaces in the harbor.
- Has Riverway seen specific zoning restrictions that are hindering development of harbor commercial properties in conformity with its goals?
  - Answer: Not yet. More to come.
- What type of additional development does Riverway want to see?
  - Answer: Riverway aspires to develop more commercial space but not decided what that would be yet. A lot of thoughts and ideas but nothing that has been agreed to.
  - Important to educate people about activities that are working to help the community. Many vote for no change and do not understand what is being offered is better.
- How to maintain a small town feel and not price restaurants or other retail outlets out of the market?