

## Minutes for Planning & Zoning Sunapee Forward Committee Meeting – January 20, 2025

Attendees: (Video only)

David Andrews

Lynn Arnold

Ann Bordeianu

Rhonda Gurney

Paul Larocque

Trina Hill

Diane Keane

Patty Schwarzkopf

Discussion centered around a debrief of the informational meeting held on the 16<sup>th</sup> covering history, background and forward plans for the Sunapee Heritage Alliance and Riverway (see Meeting Notes attached).

Key discussion points:

- There appears alignment of Riverway goals and those discussed within our committee in terms of prioritizing protection of Sunapee Harbor as a New England small harbor town in character and feel.
- Consensus appeared around deed restrictions on land sold by Riverway within the harbor commercial district may not be enough to ensure property owners interpretation of “New England harbor town” is the same as most of the town residents. Consideration of an overlay district, as discussed during our earlier meeting seems an important goal for this committee.
- To move forward with an overlay concept, first the coverage area needs to be defined. A smaller group within the committee led by Ann Bordeianu will work on a proposal to present to the full committee for our next meeting.
  - The initial work is to define what would be the most logical and important area to cover. This may need to be adjusted given other regulatory constraints.
- Following the definition of the overlay geography, the next task is to define what the overlay restrictions will entail. It may make sense to separate some of the more restrictive zoning issues or more controversial issues such as density from the broader requirements when presenting the plan for public vote.
- Next meeting will be in person (with video option) at the Library on February 18<sup>th</sup> at 4:30 pm.

## 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 building are available for rent year-round.
- Activities include wine tasting, murder mystery
- 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 harbor properties then resell them to entrepreneurs with deed restrictions to prevent two potential undesirable outcomes:

- 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).
  - Capital was raised through a \$250/per share subscription into the Riverway Corporation
  - There were 600 original shareholders, and 6,000 shares issued.
- Upshot:
  - Properties purchased include the Anchorage, Wild Goose, Fenton’s Landing, Stacy’s Building, Sunapee Trading building and several other lots in the harbor area.
  - Properties were not resold but held buy 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 condo’s 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 restaurant. Riverway is currently completing 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.
    - i. To carry this out, are three potential pathways that have yet to be decided upon.
      1. Riverway shareholders convert shares into a not for profit.
      2. A new 501C3 is formed and Riverway assets are sold or transferred to the new not-for-profit entity.
      3. Merge with SHA as only one not-for-profit is needed for the harbor.
  - 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 effects the property value. Best use of harbor property is residential, so deed restrictions are necessary to keep the commercial character of the harbor.
  - A collective understanding of existing deed restrictions as proposed by Riverway is needed. 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. Ideas are artist retail with dense housing on top. 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?