Lancaster Zoning Board
Location: Lancaster Town Hall
June 25th, 2025

Roll Call:
Regular Members Present: Chair Tricia Frenette, Vice Chair Nate Kenison, Les Hilton
Absent: Steve Young
Alternate Members Present: Robert Cass, Eric Livingstone, David Anderson, Scott Lambert
Alternate Members Absent: Donald Freddette
Other Attending Meeting: Land Use Coordinator Robin Irving, Clerk Kailey Brackett, Applicant/Fieldstone Consultants Representative Dan Barowski, Resident Andrew Nadeau, Residents Brian and Ruby Berryman, Residents Linda & John Ogle, Resident Greg Westcott, Abutter Toni Farnham, Resident Dave Haas, Resident Kathy Bernette

Meeting opened at 18:30 PM by Tricia Frenette with the Pledge of Allegiance.

Chair Frenette moved Eric Livingstone to a regular voting member.

QUORUM

Minutes:
Eric Livingstone moved to APPROVE AS WRITTEN the May 28th, 2025 meeting minutes. Les Hilton seconded the motion. All members vote to **APPROVE AS WRITTEN** the May 28th, 2025 meeting minutes, no objections. *Motion Passed.*

Appointments:
Chair Frenette opened by setting rules that anyone who would like to speak or ask questions can raise their hands, and that she didn't want anyone speaking at the same time so we could all hear properly and things will run smoothly. LUC Irving also stated that the ZBA was just addressing the density variance for the town, because density requirements for the central business district middle only allows for 30 housing units and the applicant is requesting 36. If there are other concerns about the project as a totality, there will be an opportunity at the Planning Board Meeting at the public hearing for the Site Plan Review to discuss those concerns.

Case # 558- Axis Realty Group LLC – Applicant(s)/Retrotel Inc.—Owner(s) for a Variance (Area) concerning Article 5 "Districts," Section 5.1 "Central Business District," Subsection III(B) "Standards—Commercial Middle Sub-District Dimensional Standards Table," Lot Dimensions; Density "4 units per 10,000 sf." Owner(s)/Applicant(s) request approval to convert the existing thirty-six (36) motel rental units into thirty-six (36) market-rate residential apartments when thirty (30) units would be allowed. More than fifty percent (50%) of the dwelling units have fewer than (2) bedrooms therefore do NOT constitute workforce housing pursuant to RSA 674:58(IV). Parking will remain on-site with two (2) parking spaces per unit pursuant to the Lancaster Site Plan Regulations Section 10.14(b). Land Zoned Central Business District Middle. [Tax Map P07 Lot 003 (1.7 acres; 74.052 square feet; 112 Main Street].

Representative Dan Barowski from Fieldstone Consultants, also a representative for Axis Realty for this meeting, presented the case to the Board. He stated they were seeking the variance on the density in the CBDM. This proposal is asking for an adequate number of units that makes the project financially viable making a return on investment into the building and to make the upgrades needed to make it unto multi-family apartments. The motel was built in 1955.

Barowski read the narrative:
As agent for Axis Realty Group, LLC, Fieldstone Land Consultants, PLLC is submitting this variance application for Zoning Board of Adjustment approval. The proposed project consists of converting existing improvements on Tap Map Lot P07-3-0, 112 Main Street, into multi-unit housing. The subject property is the location of the Lancaster Motel, a 36-bedtoom facility with municipal sewer and water. The applicant is proposing redeveloping the existing motel into multi-unit housing with up to 36 units. Tax Map Parcel P07-3-0 is located in the southern portion of the middle sub-district of the Central Business District (CBD), just north of Bunker Hill Street, where multi-unit housing is permitted at a density of 4 units per 10,000 sq.ft of land. The existing lot is 1.7 acres, or 74,000 sq.ft which yields 30 units per the zoning ordinance. We are requesting relief to allow for the conversion of the motel into up to 36 units, which is a density of 4.8 units per 10,000 sq.ft.

VARIANCE REQUEST: The proposed multi-unit density on the property requires a variance pursuant to Article 5, Section 5.1, III, B: Dimensional Standards Table to allow for a density of 4.8 units per 10,000 sq.ft, where 4 units per 10,000 sq.ft is allowed.

Below are the support statements for the variance. The numbered items below correlate to the variance criteria outlined in the Town of Lancaster, NH Application for a Variance.

1. Granting of the requested variance will not be contrary to the public interest because:
   Multi-unit housing is proposed for the redevelopment of this property. The purpose of the CBD is to support a wide diversity of land uses while securing the harmonious and orderly evolution of the subdistricts. The subject property has historically been developed as a 36-unit motel but is currently proposed to be redeveloped into multi-unit residential housing; much of the necessary infrastructure is already in place. Multi-unit housing is a permitted use by right in the Central Business District. Granting the variance would allow for the productive use of this property while providing much needed housing in the town and the surrounding area. Granting the variance would result in a housing development that is slightly denser than what is allowed in the CBD middle district, but still in the interest of the public. Immediately adjacent to the subject property is the south sub-district of the CBD, which allows for 6 units per 10,000 sq.ft. There is a need for additional permanent housing opportunities in Lancaster. The proposed multi-unit residential development will not conflict with the general purpose of the zoning ordinance to promote the health, safety, and general welfare of the community. The proposed redevelopment will repurpose the subject property with a use much needed by the community.
2. The proposed use will observe the spirit of the ordinance, because:
   Granting the proposed variance will observe the spirit of the ordinance because multi-unit residential use is allowed within the Central Business District. The proposed density will not be drastically different than what is allowed by right, and is les than what is allowed in the

south sub-district of the CBD. The proposed density will not alter the essential character of the neighborhood, as the property is already being used in a similar way to what is being proposed and no expansion to the building footprint is contemplated at this time. The redevelopment of up to 36 units of residential housing will not threaten public safety, safety or welfare, or otherwise injure public rights; for these reasons we believe the proposed use will observe the spirit of the ordinance.

3. Substantial justice would be done to the property-owner by granting the variance, because:
Substantial justice is done by granting the proposed variance. Granting the proposed variance for multi-unit density would allow the property owner to develop the property with much-needed housing in the community. The proposed development will productively utilize this parcel that has municipal water and sewer infrastructure in place, while providing responsible growth in the community. The redevelopment of the property would allow the owner to better accommodate how the property is currently being utilized by upgrading facilities with long term housing. The public would realize no appreciable gain from denying this variance.
4. Proposed use will not diminish the values of surrounding properties, because:
Surrounding properties are a mix of municipal, religious and commercial facilities. There is no evidence that the change from a motel to the proposed 36-unit residential development would diminish surrounding property values. Granting the variance will facilitate the redevelopment of 112 Main Street with permanent town residents rather than transient motel guests. Permanent tenants of multi-unit housing have a stake in the appearance and upkeep of the property – it is their home. It has been our experience that redevelopment and investment in communities will often result in positive impacts to property values.
5. Unnecessary Hardship:
    A. Owing to special conditions of the property that distinguish it from other properties in the area, denial of the variance would result in unnecessary hardship because:
        i. No fair and substantial relationship exists between the general public purpose of the ordinance provision and the specific application of that provision to the property because:

The subject property has special conditions that distinguish it from other properties in the area. The properties in this area are developed largely as commercial facilities, with some municipal buildings. The subject property differs greatly from those surrounding it because it has been developed with a motel building. The historic use of this property distinguishes it from others in the area. A conversion from motel to multi-family housing would likely have the least impact to surrounding properties than other types of redevelopment of this property. This property is immediately north of the south sub-section of the CBD; if it were located in that subsection a density of 44 units would be allowed on this property. Allowing for an increase from 30 units to 36 units does not unduly frustrate the ordinance and the proposed multi-unit residential use. Granting this variance will allow the owner to address the housing needs of the community.

        ii. The proposed use is a reasonable one because:

The proposed use is reasonable because it will balance the public need for housing with the intent of the ordinance to not over develop areas that lack sufficient infrastructure for development. As this property is already developed as a motel, the change is use is a reasonable repurposing of an existing facility. The requested increase in density is reasonable because it

best utilizes the existing 36-bedroom structure. The motel has several features such as a kitchen, meeting room, lounge, and lobby which will all be converted to residential units, but the footprint of the building will still accommodate 36 units. Granting the variance will allow for the property owner to efficiently repurpose the existing building. It will allow for the transition from the temporary housing which a motel provides to more permanent housing.

B. Explain how, if the criteria in subparagraph (A) are not established, an unnecessary hardship will be deemed to exist if, and only if, owing to special conditions of the property that distinguish it from other properties in the area, the property cannot be reasonably used in strict conformance with the ordinance, and a variance is therefore necessary:

The special conditions of the property as set forth above distinguish this from other properties in the area and prevent the property from being developed in strict conformance with the ordinance. The most reasonable use of this property would be to repurpose the existing improvements. Because of the special conditions that exist, namely the property being developed as a motel, there are not many uses this existing development could be reasonable repurposed in to. Allowing for the requested density makes the proposed redevelopment financially viable and effectively uses the existing structure. A variance is therefore necessary to enable a reasonable use of the property. The variance for a multi-unit residential housing at a density of 4.8 units per 10,000 sq.ft is reasonable because it fits the spirit of the ordinance and provides a much-needed benefit to the community.

The Board discussed and had questions: Livingstone asked if the density was grandfathered in, Barowksi responded that it is not as it is a change of use. Lambert asked if they planned to add a second story to the motel, Barowski responded that it is not proposed at this time. Hilton asked if there were enough parking spaces for tenants, as well as for visitors. Barowksi responded that these units are a mix of 1 and 2-bedroom as well as studio. There will typically not be several cars for most of these units, being single young professionals or elderly individuals who are downsizing. 2 cars per unit is a higher end estimate, there is space on site for 72 parking spaces but this will be hammered out at the Planning Board Meeting. No field survey has been done yet. He cannot attest that the existing spaces meet regulations. He also added RSA 674-16 effective in January 2025, stating that municipalities shall not require more than 1.5 parking spaces per unit for multi-family developments of more than 10 units. Per the RSA, they would not be required to have more than 54 parking spaces, 53 exist on site now. There is room for additional parking, and there is a provision in the site plan regulations that allows developments within 400' of a public parking lot that you can get some relief from having that available, which this property does. This would all be addressed at the Planning Board. Irving reminded at the preliminary hearing the Planning Board will calculate the parking accordingly and that there would likely be a waiver for parking, and the Planning Board had mentioned they may end up making it a condition that the municipal lots were not to be used by tenants of the building. Livingstone asked what the logic was on drawing the line at Park Street, Irving stated the tenement style buildings, allowed commercial units downstairs and apartments upstairs back in the day. Now we are back to that point, it's all been converted to housing on the upper floors. In the line Livingstone is talking about, Barowski clarified that in that sub-central part of the district there is no residential allowed on the ground floor. Because the motel, is already on the ground floor and in the next section down, they are not seeking any variance for that. Hilton asked what the plan for rubbish removal. Barowski doesn't have an answer yet, it would be dealt with at the

Site Plan review at Planning Board. Frenette stated that multi-family units do not qualify for curbside pickup; they do not pick up multi-unit housing waste from Middle Street up to Summer Street because it is commercial, and from the Post Office to the bridge on Main Street. Cass asked Irving if these units would ever be for sale, or strictly for rent. Irving stated strictly for rent, and that may be something that the Planning Board should address so not to be condominiumized or timeshared in the future, but that is not something addressed here. Cass also asked if the owner or manager would be living on site, or managed from afar. Barowski stated they would not be living on site and that it was not their first location that has been converted and tackling a project like this and managing from afar. They will get local contacts for property management in the area. Frenette asked if they talked with the town at all about how it would affect the water and sewer having 36 rented units. Barowski stated they did not. If it comes up in the site plan process that they have to change the plans accordingly then plans could be changed. Irving stated when the motel was built, the lagoons went in about the same time and the capacity of the lagoons was built to handle a full motel and that nothing has really changed. Barowski said there is more daily water use with rental units than motel rooms, but this will be worked out later in the process. Kenison asked about room size, Barowski stated it's a mix of 1 and 2-bedrooms, more than 50% being 1-bedroom or studio and range in size from 400 to 900 sqft per unit. The existing building is 27,000, divided by 36 would be average of 750 sqft per unit with some taken out for mechanical and hallways. Target market is young professionals or single people looking to start a career and stay in the area, looking for a living space that isn't more than they can manage. Kenison asked is they will bring rooms down to the studs, and Barowski said it would be some substantial renovations, being built in 1955 and in need of great renovation. Converting from motel to multi-unit there are mechanical upgrades being done. Kenison asked if the format would be the same as the other apartments Axis Realty has. Barowski said it would be similar, but every property is unique. Frenette asked how many 1-bedroom units there would be and if they are doing inside as well as outside renovations. Barowski said yes, inside and outside renovations will be done. They plan to landscape and add green-screening as well as the façade renovation. Barowski said the tentative proposal is 5-10 2-bedrooms and 26-30 1-bedroom or studio units. Hilton stated for all intensive purposes, all the Zoning Board is to do is give permission for 36 units to be had at the property. Barowski stated that was correct, they are just looking for UP TO 36 units at this time. He understands that it may not end up being 36 units when done with the Site Plan depending on the Planning Board. No other questions came from the Board.

The Board reviewed the application. Barowski had already read the answers to the Board verbatim.

1) All agree except Cass. Cass was not sure the need for housing was there, and was not trusting someone from out of town coming in and saying the town needs more housing. Barowski stated that the applicants are inspired by the Master Plan: Vision Statement, exit is higher than entry, in the housing section it is stated there is a lack of housing, most multi-unit housing needs renovation, the community needs more multi-unit housing, Goals and Objectives, 2.2, 2.3, and 2.4 all stating there is a need for housing. Cass is not sure he agrees with the Master Plan, and he would rather have businesses in the CBD. Barowski said the multi-unit use is allowed in that district. Lambert asked if the 36 isn't approved, they can still have 30. But in order for them to make the investment worth it, they would need the 36 units.
2) All agree. Everyone agreed that going from 30 to 36 units doesn't have an impact.

3) All agree. Frenette had concerns over the water and sewer system. Hilton stated if the motel was full, it wouldn't make a whole lot of difference. Frenette said the housing would use more water living there full time. Kenison said we need housing, but we need better water and sewer as well.
4) All agree. Kenison asked how we keep the tenants to keep up with the property. Barowski was trying to make the point that someone who lives there would treat the property better than a person staying there one to two nights. The board mostly agreed with that, and that it depends on the tenants. The Planning Board can address this further.
5) Irving made it clear that by agreeing to number 5, the Board is agreeing to an unnecessary hardship. Livingstone stated they are buying the facility and if they don't get the density variance the facility may not be developed. Irving wanted to Board to consider the southern district already had 4 housing developments that already had 6 units per 10,000 sqft and the Board has precedent for those projects to increase the density for everyone. The applicant has clearly stated it was designed a certain way and wouldn't be able to use it for anything else. There hasn't been any interest from potential buyers to continue operation as a motel nor for any other commercial enterprises. Every potential buyer that has come to Irving about the property has wanted to convert it to housing. All agree with this part of the application.

Chair Frenette **OPENED TO THE PUBLIC** the public hearing at 1913PM for Case #557.

Kathy Bernette asked if the applicant did a market analysis on the need for housing, as she hasn't seen many job openings in town, the hospital has traveling temporary people, but not in need of permanent housing. She wanted to know if there was a market analysis to support the 36 individual places for people to live. Irving said there was a housing assessment done for Lancaster and it was used to draft some of the language in the Master Plan. It's not saying that another 36 units could be supported, but that housing is needed in the area for certain demographics overall. Brian Berryman had concerns that this housing didn't meet the RSA for workforce housing, and there are many categories of housing used to talk about this project. He said some could be less appealing and raise concerns that people have brought up and what cosmetic quality it will have. He asked what this is being classified as for housing. Irving stated it was being classified as Market-Rate Housing. Frenette asked what the price range was for the market, and that is some of the concern is people in this community cannot afford the higher rate apartments. Irving gave the Pak Solutions building rent as an example, they are finding to rent it they need to include all utilities and it is falling within the HUD standards for affordable housing. The Motel project cannot be classified as 'workforce housing' because of the 1-bedoom and 2-bedroom ratio. Ruby Berryman asked if it would be low-income housing, and Irving answered no. Berryman said they put a lot of hours and money put into the property, and wanted to make sure it wouldn't be made into low-income housing. Irving encouraged everyone to look at Axis' website and see what their current rental properties look like, and what the improvements look like. Andy Nadeau, Chair of the Planning Board, made comments on the case coming to the Planning Board and appreciated the concerns that have come up. He stated he is an employer and there is a difficulty in bringing employees to the north country. An engineer making a starting salary of $65,000 has no place to live or start up here, making recruiting for a company like his difficult. There are no jobs here partly because there are no places to live. If there is suitable housing, it will attract investors in the form of people who want to live here and contribute to the economic growth of the community. He said to his understanding, the CBDM is a

combination of residential and commercial uses integrated. He stated Brian and Ruby have done a lot of work to the property, and the motel could go back to deteriorating and unoccupied as it was before 2019 if this proposal doesn't go through. Ideally, the property would be another motel, but that is not the market currently. Toni Farnham asked if we knew what the area median income (AMI) is. Irving stated it changes every year, but she doesn't know exactly what it is this year. This central part of town is the census designated place with a lower AMI than what the entire jurisdiction including properties out east would be. Irving thinks it's roughly $67,000.

Chair Frenette **CLOSED TO THE PUBLIC** the public hearing at 1923PM for Case #557.

No other discussion was had about the case from the Board.

Les Hilton motioned to GRANT THE VARIANCE for up to 36 housing units with no conditions. Eric Livingstone seconded the motion. All members vote to **GRANT THE VARIANCE** for up to 36 housing units with no conditions, no objections. *Motion Passed.*

The applicant has 30 days to wait for appeal. The next step is having materials in by 7/23, and will be before the Planning Board the second week of August. Lambert asked if there were any inspections that had to be done. Irving stated it would require a fire inspection, but for big projects like this the Fire Marshal will come in and do the inspection. Irving also stated there is no clause protecting the mural on the building. Frenette brought up that they did state they would renovate the outside, but at the preliminary hearing for the Planning Board the applicant said he was not going to renovate the outside of the building. The Planning Board will likely address this.

Other Business:

Land Use Permits:
25-050 – Hampton, Lisa & James, 8 Rowell Road, Residential roof over deck
25-049RA – Rexford, Gary M. & Marissa N., 26 Pleasant Street, Residential amended renewal interior renovation
25-048 - Mayne, Samuel J. & Abby Roy, 5 Holton Park, Residential breezeway enclosure
25-046 - Fontaine, Roger & Dingman, Brenda, 14 Woodcrest Lane, Residential carport
25-044R3 – Champagne, Derek, 193 Prospect Street, Residential Renewal deck
25-045RA – Rivers, Dayton R. & Lisa M, 45 Middle Street, Residential Renewal Amended interior renovation
25-042R2A – Thompson Mill Properties LLC, 65 Main Street, Commercial Amended Renewal
25-007 – Nast, Lisa M - Sign Permit

Planning Board Agenda: None

Other:
The Board discussed some projects happening around town.

Les Hilton motioned to RECOMMEND TO THE BOARD OF SELECTMEN APPOINTING DONALD FREDDETTE AS A REGULAR MEMBER of the Zoning Board, MOVING Freddette from Alternate to Regular. The motion was seconded by Robert Cass. All members vote to **RECOMMEND TO THE BOARD OF SELECTMEN APPOINTING DONALD FREDDETTE to A REGULAR MEMBER** of the Zoning Board, none opposed. *Motion Passed.*

Les Hilton motioned to ADJOURN at 1948PM. The motion was seconded by Nathan Kenison. All members vote to **ADJOURN** at 1948PM, no objections. *Motion Passed.*

Respectfully submitted,

Kailey Brackett, Clerk

Approved by:_____ Date: 7/30/2025

Robin L. Irving, Land Use Coordinator for the
Lancaster Zoning Board of Adjustment