FINAL

LEBANON CITY COUNCIL
MINUTES, BUDGET WORK SESSION
Council Chambers or
Remote Via Microsoft Teams
LebanonNH.gov/Live
Wednesday, November 10th, 2021
5:30 PM

MEMBERS PRESENT:	Mayor Tim McNamara, Assistant Mayor Clifton Below, Erling Heistad, Karen Liot Hill, George Sykes, Douglas Whittlesey, Devin Wilkie, Jim Winny and Karen Zook
MEMBERS ABSENT:	None
STAFF PRESENT:	City Manager Shaun Mulholland, Deputy City Manager Paula Maville, City Clerk/Tax Collector Kristin Kenniston, Assistant City Clerk Jenna Drouin, Finance Director Vicki Lee, Deputy Finance Director Alesia Williams, Recreation, Arts & Parks Director Paul Coats, Recreation Coordinator Kristine Flythe, Human Services Director Lynne Goodwin, Recreation, Arts & Parks Department Meagan Henry

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1. **CALL TO ORDER –** Mayor McNamara called the meeting to order at 5:30 PM.

2. **REVIEW OF 2022 CITY BUDGET-QUESTION AND ANSWER SESSION WITH CITY DEPARTMENTS: Full budget can be found at:**
   https://lebanonnh.gov/1556/2022-Proposed-City-Budget

   A. **Recreation, Arts & Parks – Paul Coats, Director (Note: complete line items can be found on pages 2-5, City Council agenda packet, and starts on page 102 of the Budget).**

      Requesting: $1,109,220 – an increase of $254,230 (29.77%) over the 2021 Budget

Mr. Coats reviewed the Recreation, Arts & Parks Budget with the Council and spoke about specific line item changes in the budget which included:

- Purchased Services: ($3K) Restoration of funds for public concerts and events at Colburn Park.
- Supplies: Restoration of items to the programs that were cut from last year's budget. There will be holiday lights this year due to a very generous team of donors. December 4th will be our Holiday Celebration, tree lighting ceremony, and the public art reveal for the tunnel.
- Labor & Sports supplies: $4K increase will go towards aging soccer & and field hockey goals that cannot be welded back together anymore.
- Wages/Camp/Pool: No increases. Funds are just being restored.
- Maintenance Division: Is mainly related to the salary of a new hire.

The Council discussed whether or not TIF funds could be used for the Farmers' Market to increase program expenditures, and while City Manager Shaun Mulholland said they could be, he suggested TIF Funds should be used strategically for fiscal improvements and for operating expenses; having a City

Council table at the Farmers' Market and adding one in West Lebanon; adding a small amount of funds to the budget to start up a Farmers' Market in West Lebanon; having an event for Fire Prevention Week; having an Open House on Halloween; looking for opportunities to encourage people to visit the AVA Gallery, Opera House, and other areas throughout the City; adding educational programming at the Farmers' Market.

Mr. Coats was in favor of having educational booths at the Farmers' Market to attract a broader diversity of people into the City. However, he would want to study the idea of introducing another market in the Upper Valley. He thought the holiday period is more of a blank spot in our calendar, noting we have tried winter markets in the past and they have consistently not been successful for a large variety of reasons, noting that when the City has a Community Center this may change.

Mr. Coats spoke about the development on Mt. Support Road/Rte. 120 and suggested a small park facility that offers a playground, pavilion, and limited open space where people could kick a ball, etc. would be a good idea. He and the City Manager have talked about this and are beginning to have conversations with DHMC about trading land.

Mayor McNamara said the jewel in that area is Dartmouth's Landmark property (30 +/- miles of mountain biking/hiking trails) and was uncertain if we need to replicate the parks as much as we need to energize this type of activity.

B. <u>Outside Recreation Services</u> – Paul Coats/Stefanie Valley-Lebanon Outing Club

Mr. Coats noted that the Lebanon Youth Hockey Association and Youth Baseball Association offers some of the activities that Lebanon Recreation does not offer and spoke about all the programs provided by the Outing Club, noting they operate and maintain the Storr's Hill Ski area. They would like to build outdoor access to restrooms, doing a building upgrade (will be applying for grants to do this). He also spoke about their rising costs for insurance; rising energy costs to operate the ski area; and increased costs to providing activities. The City's level of support for the Outing Club has been maintained at a constant level but they are asking for an increase to help them keep afloat in their operational expenses.

In response to Councilor Sykes question regarding whether or not the City is setting aside funds to help the Outing Club maintain the ski jumps, Councilor Heistad said this needs to be looked at as maintenance is a problem. The 20 meter (now 25 meter) ski jump was built in 1947, and it is hopeful we will be able to find enough funding so it can be redone next year. For the Heistad Hill, we are looking at bigger jumps and only 50 meter hills that can be used for training. The 10 meter hill is the beginner hill.

Mr. Coats noted there is a replacement plan for the 25 meter ski jump which is estimated at around $100K. Our assistance with the Outing Club is only to help them with grant writing, which they are pursuing. We are not looking, at this time, to propose a CIP (Cost Improvement Proposal).

While Councilor Liot Hill supported the 2022 proposed budget increase, she was not in favor of the Hanover High School Ski Team doing joint training with Lebanon, noting it significantly compromises our students ability to train effectively.

Ms. Stefanie Valley (Vice President of the Outing Club) came forth and noted that Hanover will not be training in Lebanon this season. She also spoke about the negotiations/talks with the ORDA (Olympic Regional Development Authority) out of Lake Placid and will be working with them regarding summer jumping at Storr's Hill. ORDA is considering about $300K worth of landing hill plastic. Renovations are being planned in the future to use that landing plastic combined with a Federal Grant, so the jumps will have summer capacity. She also spoke about the increased costs of insurance (increased by $5K this year), and the need to have one full-time staff member to support the ski area's operations in order to keep up with the volunteer documentation requirements and State regulations. Councilor Heistad added the bulk of the work on the ski area is done by volunteers who provide over 400 hours each week.

City Manager Mulholland noted that all the lights on Storr's Hill will be switched to LEDs and the funds are available in the Capital Budget.

	2021 APPROVED BUDGET		2022 PROPOSED BUDGET	$ CHANGEVS. 2021 BUDGET	% CHANGE VS 2021 BUDGET
REQUESTED OUTSIDE ORGANIZATIONS Total	28,980	28,980	50,230	21,250	73.3%
Account Number Description					
LEBANON OUTING CLUB	23,750	23,750	45,000	21,250	89.5%
GREATER LEBANON YOUTH HOCKEY ASSOCIATION	3,730	3,730	3,730	0	0.0%
LEBANON YOUTH BASEBALL	1,500	1,500	1,500	0	0.0%

C: Human Services – Director Lynn Goodwin ***(pages 6-7 of agenda packet and starts on page 92 of Budget)***

Total Requested: $554,900, which is <$84,700 or -13.2% from the 2021 budget (includes Contracted Services/Outside Human Services)

Ms. Goodwin noted there are not significant changes to the Human Services Budget this year, but did note the staff has seen some turnover in 2021 and are currently without an Assistant Human Services Director, so there is a decrease in requested funds for the PT wages for next year.

Other changes are minor, so overall the administration of the office is only up by .03%. In terms of Direct Assistance for residents of Lebanon, last year we put $20K into the budget with hopes that the Haven would be able to put a low barrier shelter this fall, but this did not happen. There is not going to be a seasonal shelter this year due to the pandemic and having to house people in close proximity to each other. The Haven had hoped to partner with a provider to provide a seasonal shelter, but they had some neighborhood pushback. The alternative this year will be to try and provide some supplemental motel assistance that the Haven will administer during off hours and weekends. So, instead of the $20K that we hoped would go into operational expenses for a low barrier shelter, $10K has been put into the budget to reimburse the Haven for motel expenses they provide on behalf of Lebanon residents when our office is closed. The only other increase is in Direct Assistance for Other Purchased Services, noting the cost of cremations have increased by at least 10%, and there seems to be more cremations.

Ms. Goodwin responded to the Council's questions regarding the following:

- Direct Services: In terms of unemployment benefits, the surplus of benefits that some folks were getting did end, but there is still a significant amount of rental assistance out there. The State dashboard has not been updated since October 3rd, and that juncture of about $50M of $200M had been spent and we have now been told that about $63M has been spent. In the State of NH, everyone's request for assistance is down because everyone is being referred for these Federal Funds which can be used through 2025 if not exhausted by the end of 2022. In 2022, she does not see a need for Direct Assistance in her budget.
- Utility Assistance: There is $200M through the NH Emergency Rental Assistance Program that can also be used for utilities, including water/sewer. There was also a change in criteria that limited assistance to those affected by COVID, but has now been broadened to anyone who suffered a hardship during COVID. Her office will certainly help people navigate the program and noted they can also apply for electric/phone service through providers in the area.
- Homeowner Assistance: Her office is also a resource for homeowners seeking assistance but noted anyone seeking homeowner assistance help will have a lien placed on their home. The Homeowner Assistance fund is being setup this month.
- Salary for new hire: Ms. Goodwin felt the salary range for a new Human Services Assistant is fair and she felt the amount budgeted is adequate as an hourly rate, which is midway in the salary range.
- Most need for Lebanon residents: Right now, most of the calls are for emergency shelter and trying to find housing is so dire. There is a shortage of affordable housing and when hearing from clients, the bar has been moved so high that some landlords are telling applicants that they need to present an income, which means their rent would be over 30% of their income requirement for assistance. Some landlords that used to rent to our lower income clients no longer are.
- Food: We are so fortunate with the Food Shelters and LISTEN that there has not been a great need for food. In the past, some of the food budget would be used through gift cards, and those special gift cards can no longer be purchased. However, the Co-Op has graciously donated gift cards which does not come out of her food budget.

The Council discussed if the City could provide the emergency shelter funds directly to those who are in need of housing as opposed to going through a third party, or having folks go to a motel, in order to achieve greater cost efficiency; the fact that Human Services has never seen emergency shelter housing like this in the past, where even motel rooms were not available during the last week of August through the 1st two weeks in October; how Human Services does provide direct motel assistance and the City has spent significant amounts in motel assistance; how LISTEN has been a resource to them in providing emergency shelter; how, currently, the Haven is pursuing expanding a low barrier shelter on their existing campus in White River Junction, VT.; and, if there is consideration to build a low barrier shelter in Lebanon (there is interest, but the Haven is focusing their energy on expanding on their campus).

D: Outside Human Services – Deputy City Manager Paula Maville
Requesting (included in total for Human Services): $264,580, which is < $77,250 or -22.6% from the 2021 budget.

As part of the City Manager's 2022 proposed budget, there are eleven (11) Human Services agencies that are being recommended for funding. Everything that was requested (in table) is being proposed for funding in the amounts requested, with the exception of Tri County CAP, Inc. The reason for that is due to the adoption of the Welcoming Lebanon Ordinance which requires that an acknowledgement be signed by all agents of the City. Tri County CAP felt they are unable to sign the acknowledgement because they primarily get funds through the Federal Government and did not want to be in conflict with the policies of the Federal Government and lose their potential funding from them. As a consequence, the City is unable to provide the funding they requested.

In looking at the table of all Outside Agencies (above), there is a reduction in the amount of funding from 2021 in the amount of $77,250 (-22.6%), which is representative of the fact that $75K is moving to the Fire Department's budget in support of the Community Nursing Program. The actual reduction is $2,250, which is the difference between what is not being provided to Tri County CAP, and increases for two of our existing agencies, which are the HIV/HIC Resource Center and West Central Behavioral Health.

There is a recommendation to fund a new agency and a program, Valley Court Diversion Program. While they are not a traditional Human Service Agency, they do provide a cost savings to the City through their relationship with the Prosecution Division of the Police Department. They deal with both juvenile and adult cases at the violation, misdemeanor, and felony levels. As of the date of their application, they have completed the diversion program for 28 Lebanon residents, thereby avoiding most law enforcement and court expenses. When this program is successful, the time and money it takes to bring a case to trial can start to be virtually eliminated.

In response to Councilor Sykes question, Ms. Maville concurred this request is due because they have not received funding from the County.

Ms. Ellen Wicklum of Valley Court Diversion Programs noted that Councilor Sykes was correct, and they have not received all the funding they had been receiving over the past +/-10 years, so this is part of the reason they a searching for other funders. There is also a probation transformation coming up in NH, that begins January 1, 2022, for Lebanon Court and this is anticipated to vastly increase the caseloads. She noted the pandemic has upended their funding as well, and spoke about the United Way turning their funding to food and shelter.

In response to Councilor Liot Hill's question regarding where the City stands with West Central Behavioral Health, City Manager Mulholland noted their challenge is they are struggling to hire people to fill the shifts, noting all the other regions are having the same problem.

David Crandall (Twin Pines) noted there will not be any changes for this year. They have approximately 360 Lebanon residents and have a couple of projects in the pipeline with St. Paul's and The Haven. These projects will provide about 18 units of affordable housing. There are also about 3-4 projects in the Upper Valley they are hoping will happen in the near future. At Summer Park in Hanover, there is a project for senior residents and Phase II (18 units) should be completed by the end of November. The funding they receive from Lebanon goes for supportive services for Lebanon residents for funding. Parker Street has 18 units that was completed in 2018 and is for the homeless; however, there is a waiting list.

Ms. Goodwin responded to Councilor Liot Hill's question regarding the voucher program noting that: 1) There are not enough units available. 2) There are not enough units that fall within the fair market rent standard, noting that vouchers have a maximum allowed rent and any increase over that amount of rent will be passed onto the tenants, which would make their rent unaffordable because it would be above their 30% of income. She also noted a lot of folks cannot find a unit because of the price of rents.

Councilor Liot Hill suggested that funds be added to the Human Services Budget this year to augment Section 8 vouchers for those who are struggling and spoke about how the City could provide the additional funding that might be required. Ms. Goodwin noted this would be worth looking into, but noted finding housing is still the problem.

7. ADJOURNMENT:

The meeting was adjourned at 7:04 PM.

Respectfully submitted,
Dona E. Gibson