

FINAL

**LEBANON CITY COUNCIL
REGULAR SESSION MINUTES
Wednesday, November 2, 2022, 6:00 p.m.
Remote Via Microsoft Teams: [LebanonNH.gov/Live](https://lebanonnh.gov/Live)**

MEMBERS PRESENT: Mayor Tim McNamara, Assistant Mayor Clifton Below, Erling Heistad, Karen Liot Hill, Christian Simon, Douglas Whittlesey, Devin Wilkie, and Karen Zook (Remote)

MEMBERS ABSENT: George Sykes

STAFF PRESENT: City Manager Shaun Mulholland, Deputy City Manager David Brooks, City Clerk Kristin Kenniston, Director of Planning & Development Nathan Reichert, Senior Planner Tim Corwin, Finance Director Vicki Lee, Deputy Finance Director Alesia Williams, Retired LFD Chief/Emergency Management Director Chris Christopoulos, LFD Chief/Emergency Management Director Jim Wheatley, Solid Waste Manager Marc Morgan, DPW Administrator Services Manager Kelly Crate, Chief Innovation Officer Melanie McDonough, Recreation, Arts & Parks Director Paul Coats

1. CALL TO ORDER: Mayor McNamara called the meeting to order at 6:00 p.m.

2. PLEDGE OF ALLEGIANCE: Councilor Simon led the Council in the Pledge.

- City Manager Shaun Mulholland announced the meeting criteria for the public.
- Councilor Zook noted her reason for attending this meeting remotely was due to family health situation.

3. BOARDS AND COMMITTEE REPORTS (3rd Quarter 2022)

Tree Advisory Board: Chair Andrew Garthwaite updated the Council on the following:

- Inventory of trees.
- Plant/Maintain/Education of trees.
- Heat Island Study: There are remote sensors around town and will bring report back to the Council in March/April 2023 to present their preliminary findings.
- Care of Urban Ash Trees.

Conservation Commission: Chair Sarah Riley updated the Council on the following:

- A \$7K grant was approved for the design/build of the bridge over Great Brook. There is a 20% match by the City.

Pedestrian & Bicyclist Advisory Board: Chair Colin Smith updated the Council on the following:

- Disrupted meetings due to staff/members having COVID.
- Focusing on the latter stages of the Pedestrian & Bicyclist Transit Rider Plan.
- Brainstorming Infrastructure Projects for pedestrian, bicyclists and transit riders.
- Collaborating with the Friends of Northern Rail Trail and Friends of Lebanon Recreation on a project to help seniors take rides on the Mascoma Greenway and the Rail Trail.

- Looking at meeting with former LPD Chief Mello on plans to connect pedestrian/bicyclists to Dartmouth Health and Hanover.

Economic Development Commission: Chair William Dunn updated the Council on the following:

- Will be combining their November/December meetings into one meeting and hope to invite the Lebanon Downtown TIF Advisory Committee to be part of their discussion.
- In looking at the proposed zoning changes, the Commission felt it would be a benefit in adopting them.
- Next meeting will be on November 30th.

Arts/Culture Commission: Councilor Wilkie updated the Council on the following:

- Sidewalk Poetry Contest: Four (4) winners were selected. The plan is to have the poems stamped in sidewalks in early 2023.
- Developing a long-term Master Plan for the art that will go in the tunnel to the Rail Trail and various other possibilities for more art in the community.
- In the pipeline, they are looking forward to being involved with an Oral History Project.

Heritage Commission: Councilor Wilkie updated the Council on the following:

- Dana House: Continued use and restoration.
- The City has received an NHDHR Grant to update the National Historic Register and provide signage and interpretation for the Colburn Park Historic District.
- Began an audit of existing landmark designations (85+/- properties in Lebanon).
 - Created an Emeritus Status for buildings that no longer exist.
- Involved with an Oral History Project regarding an oral history of precolonial Lebanon. Received a grant to host some workshops.

Class VI Roads: Councilor Heistad updated the Council on the following:

- Have been working on a very challenging road. Met with landowners, walked the roads and will be coming up with recommendations for a right of way that will be presented to the Council.

Diversity, Equity and Inclusion Commission: City Manager Mulholland noted this will discussed later in the meeting.

Planning Board: No Update

Lebanon Energy & Advisory Committee (LEAC): Assistant Mayor Below updated the Council on the following:

- Keeping abreast of development on the EV (Electric Vehicle) front.
- GM will be placing a certain number of level II chargers into communities and have identified sites here in Downtown Lebanon. They will cover the cost of installation and some of the initial operations.
- A letter was prepared from the EV Subcommittee that could go out to developers to alert them about, particular multi-family housing, the opportunity to get EV Charging infrastructure in the ground.
- Working with City Staff on the third phase of solar installations within the City, and a variety of other things (i.e., Community Power Coalition of New Hampshire, selection of major vendors to

help support the launch of Community Power Aggregations, and are in the process of refining contracts).

- Local Energy Solutions Conference was very successful state-wide.

Airport TIF Advisory Board: No Report. Have not met this quarter.

Downtown TIF Advisory Board: No Report.

4. **PUBLIC FORUM:** Mayor McNamara made the Public Forum announcement.

5. **OPEN TO PUBLIC:** No one came forth.

6. **RECOGNITIONS:**

- **Marc Morgan, Years of Service to the City Resolution, Solid Waste Director**

WHEREAS, Marc Morgan has devoted himself to a career in public service, having faithfully served the City of Lebanon in the Solid Waste Division for 12 years; and,

WHEREAS, Marc has demonstrated his dedication to providing top notch customer service and community relations, continually giving of himself freely and unselfishly; and,

WHEREAS, during his time with the City, Marc faced and overcame many challenging issues and situations. He consistently provided communication to the public, neighboring communities, elected officials, in-house staff, and helped guide the City through each situation in the best way possible; and,

WHEREAS, Marc regularly made improvements to systems and procedures at the Landfill. He built in resources to help educate residents on waste management, recycling, composting, and renewable energy. His ability as a problem solver allowed him to provide support for City staff and the public with many great outcomes; and,

WHEREAS, due to his dedication, tactful mannerism, and friendly personality, Marc has earned the respect, confidence, and friendship of his fellow coworkers, business associates, and all of the landfill “regulars” he has come in contact with; and,

WHEREAS, Marc, having served thousands of patrons during his career with the City, and being a strong advocate for best practices in waste management for years, has become a leading voice in the State and will be missed by everyone who has had the pleasure of working with him.

NOW, THEREFORE, BE IT RESOLVED, that we, the members of the Lebanon City Council, on behalf of the citizenry of Lebanon, Marc’s friends, fellow employees, and associates, express our admiration of and respect for the career of our outstanding and faithful employee, and extend to him our sincere gratitude and wish him well in his next adventure,

BE IT FURTHER RESOLVED that this Resolution be written upon the minutes of the Lebanon City Council meeting and a copy be presented to Marc Morgan.

Dated this 2nd day of November, 2022.

TIMOTHY J. MCNAMARA, MAYOR
City of Lebanon

The following agenda item(s) were taken out of order from what is listed on the agenda and are presented in the order they were discussed.

7. ACCEPTANCE OF MINUTES: October 19, 2022 (Regular & Budget Work Session Meeting)
Amendments: Page 29, agenda packet, Line 28: Change “Portable” to “Potable”

***Councilor Whittlesey MOVED to approve the October 19, 2022 minutes as amended as presented in the October 19, 2022 City Council agenda packet.
Seconded by Councilor Wilkie.***

Roll Call Vote:

All voting Yea: Assistant Mayor Below, Councilors Heistad, Liot Hill, Wilkie, Whittlesey, Simon, Zook and Mayor McNamara

None Voted Nay

Absent from vote: Councilors Sykes

****The Vote on the Motion was approved by members present (8-0)***

8. APPOINTMENTS:

- Diversity, Equity & Inclusion Commission, Richard Ford Burley (Reappointment as Regular Member)

Councilor Wilkie put forth the NOMINATION of Richard Ford Burley for reappointment as a regular member of the he Diversity, Equity & Inclusion Commission, for a two-year term.

Term: (10/22-10/24)

Roll Call Vote:

All voting Yea: Assistant Mayor Below, Councilors Heistad, Liot Hill, Wilkie, Whittlesey, Simon, Zook and Mayor McNamara

None Voted Nay

Absent from vote: Councilors Sykes

****The Vote on the NOMINATION was approved by members present (8-0)***

- Downtown Lebanon TIF Advisory Board, Barry Schuster (Reappointment as property owner/occupant)

Councilor Whittlesey put forth the NOMINATION of Barry Schuster for reappointment (property owner/occupant) to the Downtown Lebanon TIF Advisory Board for a three-year term.

Term: (10/22-10/25)

Roll Call Vote:

All voting Yea: Assistant Mayor Below, Councilors Heistad, Liot Hill, Wilkie, Whittlesey, Simon, Zook and Mayor McNamara

None Voted Nay

Absent from vote: Councilors Sykes

****The Vote on the NOMINATION was approved by members present (8-0)***

- Board of Cemetery Trustees, David Muzzy (Reappointment as Ward 2 Representative)

Mayor McNamara put forth the NOMINATION of David Muzzy for reappointment as a Ward 2 Representative for another two-year term to the Board of Cemetery Trustees.

Term: (10/22-10/24)

Roll Call Vote:

All voting Yea: Assistant Mayor Below, Councilors Heistad, Liot Hill, Wilkie, Whittlesey, Simon, Zook and Mayor McNamara

None Voted Nay

Absent from vote: Councilors Sykes

****The Vote on the NOMINTION was approved by members present (8-0)***

6. RECOGNITIONS: (continued)

- Chris Christopoulos, Retirement Fire Chief/Emergency Management Director

WHEREAS, Chris Christopoulos has devoted himself to a lifelong career in public service, having served the residents of the City of Lebanon and the region for more than 20 years; and,

WHEREAS, Chris began his service with the City in 2002 as a Deputy Fire Chief of operations and training and upon recognition of his skills and leadership traits was promoted to Fire Chief and Emergency Management Director in 2007; and,

WHEREAS, Chris served as Interim Airport Manager from December 2018 to February 2020; and,

WHEREAS, during his time with the City, Chris faced and overcame many challenging issues and situations. He consistently took charge and provided leadership to the department and community with clear and effective communication to city administration and elected officials; and,

WHEREAS, during his time as Fire Chief, Chris regularly made improvements to emergency planning and response throughout the city and region. Chris was the Regional Coordinator for response to the H1N1 Pandemic. Chris Successfully managed resources and personnel to provide a regional response to the H1N1 Pandemic in 2009-2010. Chris served as lead planner in the development of the City of Lebanon Emergency Operations Plan, the Lebanon Airport Emergency Operations Plan, and as Chair of the Hanover-Lebanon Emergency Planning Committee and the development of the Hanover-Lebanon Hazardous Materials Emergency Operations Plan; and,

WHEREAS, Chris was an exemplary city employee with decades of experience, institutional knowledge, a knack for creative thinking, a willingness to be open to new ideas and to try new approaches. He routinely sought to implement more streamlined, efficient methods for the daily operations of the city; and,

WHEREAS, Chris's leadership through actively listening, making intelligent and logical decisions, and instilling confidence in employees to ask questions and use their skills and knowledge to work together and solve issues, made him someone who always had the utmost respect from his peers, coworkers, and the public.

NOW, THEREFORE, BE IT RESOLVED, that we, the members of the Lebanon City Council, on behalf of the citizenry of Lebanon, Chris's friends, and his fellow employees, express our admiration of and respect for the career of our outstanding and faithful employee, and extend to him our sincere gratitude and wish him well in his retirement.

BE IT FURTHER RESOLVED that this Resolution be written upon the minutes of the Lebanon City Council meeting and a copy be presented to Chris Christopoulos Jr.

Dated this 2nd day of November, 2022.

TIMOTHY J. MCNAMARA, MAYOR
City of Lebanon

New Hampshire State Senator Suzanne Prentiss came forth to honor outgoing LFD Chief/Emergency Manager Director Chris Christopoulos. As many of know, the Lebanon Fire Department is family. It is her true honor to come back and present recognitions like this to her hometown. She presented the following Resolution:

New Hampshire State Resolution

BE IT KNOWN that the New Hampshire Senate extends its congratulations to Chris Christopoulos in recognition of twenty (20) years of service to the City of Lebanon as Fire Chief and Emergency Management Director. As Chief, during the N1H1 and COVID 19 Pandemics, his leadership was critical to the public health and safety of our residents, and of surrounding communities.

FURTHERMORE, the New Hampshire Senate wishes Chief Christopoulos a happy and healthy retirement.

Suzanne Prentiss
New Hampshire Senator for District 5

- Promotion of Fire Captain James Wheatley to Fire Chief/Emergency Management Director

City Clerk Kristin Kenniston swore in Mr. James Wheatley to be the City of Lebanon, NH's Fire Chief and then swore him in as the City's Emergency Management Director.

9. PUBLIC HEARING ITEMS: NONE

10. OLD BUSINESS: NONE

11. NEW BUSINESS

A. Review and Action on Properties Qualified for Tax Deeding

Included in the agenda packet:

1. 10/24/2022 Memo from Kristin Kenniston, City Clerk/Tax Collector, RE: Tax Deeding ([Pages 49-60, City Council agenda packet](#))

Kristin Kenniston, City Clerk/Tax Collector, briefly reviewed the process for waiving of property Tax Deeding.

BACKGROUND

Tax bills are mailed on or around June 1 and November 1 each year. Interest accrues at a rate of 8% per annum on bills outstanding for more than 30 days. Within 18 months of the date assessed (April 1), the Tax Collector places a lien on properties for all uncollected property taxes. The lien on these properties has priority over other liens and accrues interest at 12% per annum.

According to State law, if property is not redeemed (including taxes, penalties and interest) within the 2-year redemption period, the Tax Collector is required to tax deed the property as a normal matter of course unless notified by the City's governing body (City Council) not to take a deed.

When the City Council instructs the Tax Collector that it shall not accept a tax deed the tax lien remains in effect indefinitely. The taxpayer's right of redemption (to pay what is outstanding including taxes, penalties and interest) is likewise extended indefinitely with interest at the rate of 12% per annum continuing to accrue. At any time, if in the judgment of the City Council, the reasons for refusing the tax deed no longer apply, and the tax lien has not been satisfied, the City Council may instruct the Tax Collector to commence the statutory deeding process.

WAIVER OF TAX DEEDING:

There are three properties recommended to waive tax deeding on totaling \$48,985.85. These three properties have active payment plans in place.

AUTHORIZATION FOR TAX DEEDING:

There are no properties recommended for tax deeding.

ACTION:

Assistant Mayor Below MOVED the following Resolution:

RESOLUTION

FOR THE PURPOSE, of complying with NH RSA 80:76.

NOW THEREFORE BE IT RESOLVED that the Lebanon City Council, in accordance with NH RSA 80:76, has reviewed the following compilation prepared by the Tax Collector of tax liens outstanding for tax years 2019-2022.

NOW THEREFORE BE IT FURTHER RESOLVED that the Lebanon City Council, hereby serves notice upon the Tax Collector to waive taking deeds immediately on the following properties because of an existing payment plan between the owner and the City of Lebanon:

Billed Owner/Location	Map/Lot	Type	Total Due
Maville, Sandra 19 Mason Street	91/59	Residence	Total: \$13,478.19 (2019: \$4,637.70)
Morley, David & Nancy 37 Lily Lane	8/2/905	Residence	Total: \$32,242.95 (2019: \$9,081.01)
Jalbert, Patricia 63 Bomhower St Ext	90-42-6300	Residence	Total: \$3,264.71 (2019: \$402.34)

Seconded by Councilor Wilkie.

Roll Call Vote:

All voting Yea: Assistant Mayor Below, Councilors Heistad, Liot Hill, Wilkie, Whittlesey, Simon, Zook and Mayor McNamara

None Voted Nay

Absent from vote: Councilors Sykes

**The Vote on the Motion was approved by members present (8-0)*

B. Presentation and Discussion Regarding the 2022 Property Revaluation

Included in agenda packet: [\(Pages 61-83, City Council agenda packet\)](#)

1. Lebanon, New Hampshire 2022, Revaluation Process Presentation, prepared by Vision Government Solutions
2. 2022 Revaluation of Property Presentation

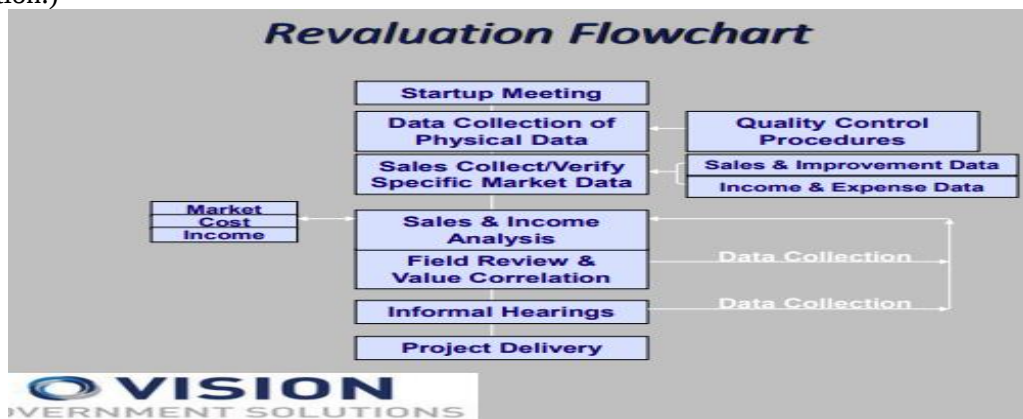
Mr. Scott Marks (Assessing Supervisor for Municipal Resources), Mike Pelletier (Municipal Resources) and Steve Whalen (Vision Government Solutions) presented and reviewed the 2022 Property Revaluation.

BACKGROUND

The rate of inflation of property values, especially residential property values, has resulted in an equalization rate outside the parameters established by the NH Department of Revenue Administration. The equalization rate is the ratio between the market value of a property compared to the assessed value the City uses to levy property taxes. To ensure fair taxation of property, the equalization rate should be in the range of 90% to 110% with the goal of being as close as possible to 100%. In late 2021, the equalization rate for residential properties was estimated to be approximately 66%.

As a result, the City contracted with Vision Government Solutions to conduct a 2022 Revaluation of Property. The revaluation process is detailed in the PowerPoint presentation in this packet. [\(Pages 61-83, City Council agenda packet\)](#) The City also has a contract with Municipal Resources Inc. to conduct cyclical evaluations of property. This involves the inspection by field personnel of 20% of the City's properties on an annual basis. In the past, the City has planned to conduct revaluations of property every five years. However, that assumes the market rates for property have remained within the equalization parameters discussed above. The recent volatility of the market has required more frequent revaluations of property. Depending upon the changes in the market for properties, we anticipate the need for another revaluation of properties as early as 2024.

The changes in the market, especially for residential properties, has changed the proportional amount of the tax levy between residential, commercial, and utility properties as articulated in the enclosed presentation. The shift in the proportion of total property valuation toward the residential sector and away from the commercial and utility sectors means that the residential sector will assume a larger percentage of the total tax levy. This shift will result in significant increases to the amount of taxes owed by some residential property owners compared to commercial property owners. The actual impact to individual property owners will not be known until the tax rate is set by the NH Department of Revenue Administration which should be within the next week. (Below are highlights from Mr. Whalen's (Vision, Governments Solutions) presentation.)



Income & Expense Information

- Mailed questionnaires out to all commercial property owners requesting property related income and expense information
- Requested two years of information
- Research publically available sources and commercial listing services
- Research vacancy rates & capitalization rates
- Enter I&E's received into the database

Mr. Whalen noted the Income & Expense Information (above) was sent out to only commercial properties.

Market Analysis

- In-Depth Study of Town Sales: April 2021 to April 2022
- Income/Expense Information from past two years
- Current construction costs
- Determine Land Prices
- Determine Building Value and Depreciation
- Delineate Neighborhoods (location adjustments)
- Set Market Rents and Capitalization Rates
- Develop Computer Models Based On Market
- Statistically Test for Accuracy

Valuation

- Three Approaches to Value
 - Sales Approach
 - Income Approach
 - Cost Approach
- Set Market Values as of 4/1/2022
- Review of All Values and data in the Field checking for Accuracy, Consistency and Equity

Preliminary Old to New Values Percent of Change for FY2022

- Single Family Average = + 27%
- Ranch = + 29%
- Cape Cod = + 24%
- Colonial = + 36%
- Manufactured Housing = + 18%
- Apartments = + 55% (incl new growth)
- Commercial = + 8%
- Industrial = +10% (no utilities)

How will this effect Property Taxes?

- City does not take in more or less taxes as a result of a revaluation
- Do not calculate new values with existing tax rate
 - New Tax Rate will be set by the municipality this fall.
- Tax Rate =
$$\frac{\text{Budgets} - \text{Income from other sources}}{\text{Total Assessed Value of Town}}$$

Informal Hearing Process

- Notification to Taxpayers of New Proposed Assessment
- Information will be available on the VGSI Website
- Informal Hearings Begin
- Discuss property data and value with the Taxpayer
- Valuation Review, inspection if necessary
- Change Notice sent out as a result of Hearings

Project Finalization and Delivery

- Final Values are Set
- Valuation Reports finalized
- All final work products delivered to town
- Appraisal Report and Manual is completed and given to the municipality and DRA

Council Discussions:

Assistant Mayor Below asked how many informal reviews they ended up doing and was it very different from what they were seeing in other communities. Mr. Whalen said no, it was not different. He thought the number was closer to around 5%, which they typically expect. We sent out about 400 notices and the actual hearings we had were closer to 250, but some people have multiple properties.

Councilor Liot Hill was curious about the commercial/industrial properties where they used the income and expense method and asked how many of those provided income/expense information. Mr. Whalen said that maybe the Assessor has that information because he could not remember. He also noted that when they do get an income/expense statement, it could be for a strip mall, so that would only count as one I&E received. However, that one I&E could include multiple stores or properties. The average number in the computer is larger than the actual number of I&Es received because of that. Typically, commercial/industrial properties do not increase at the same rate just because they have multiple year leases and while the rate does go up, they do not go up at the same rate as residential properties.

Mayor McNamara was curious as to how they value the industrial properties. Mr. Whalen noted it is done pretty much in the same way as commercial properties. If it is a warehouse or light industrial, we will come up with rent and then come up with a vacancy, expenses and a capitalization rate. Mixed use and apartments fall under the same category as well.

Councilor Liot Hill questioned what happens when commercial properties refuse to provide I&E information and the City does not have enough data on record for them. She questioned how much we lean on the income expense vs. the replacement cost. Mr. Whalen stated that most cities and towns rely on the cost as their final answer and use the income as the backup answer. We can use manuals, or talk to local builders to get an idea on what it would cost to rebuild it then add the land to it and depreciate it depending on how old the commercial building is. On the income side, for example, say there are 10 warehouses in town, he would enter the I&Es received for all 10, and this comes up with an average that would be applied to everybody. They then are adjusted for use, condition and location when we are out in the field looking at them. For all revaluations, you have to deal with each one individually by class and gave examples.

In response to Councilor Liot Hill's questions regarding the number of classes in the commercial category, Mr. Whalen explained that typically the commercial/industrial properties can be broken into two classes, then apartments and mixed use. If done this way, there are four classes. The apartments are by themselves; the mixed use, which is a combination of commercial and apartments; the regular commercial (i.e., retail and restaurants); and the industrial (light manufacturing and warehouses). He noted they are adjusting the base rate for each "type" of property. For commercial properties there are approximately 50 "types" and gave examples of the different types of property.

Upon the request from Councilor Liot Hill, Mr. Whalen will send a report out to the Council breaking down properties by commercial and industrial class, mixed use class and apartments. This report will show how many I&E reports Lebanon received that what went into calculating the base rate for each type of property.

Mayor McNamara was curious about single family residents, noting the reaction the City was getting from these homeowners was how much their revaluation has gone up. He questioned if this is something that is happening state-wide, or does Lebanon just stand out? Mr. Whalen stated Lebanon's ranges were actually a little lower than some of the other towns because the revaluation had been done more recently and gave examples of tax rate increases across the state where revaluations had been done yearly and compared tax rates to those who had revaluations done every 3-5-years. Lebanon, in general, was a little bit lower than some of their other towns/cities in the State..

Mayor McNamara questioned if tax rate increases statewide are happening more frequently. Mr. Whalen stated this is the highest time for tax rate increases that he has ever seen, noting he has been doing revaluations for about 35 years now. In all of New England we see the same increases. For example, there were a couple of towns in Maine where tax increases were in the mid 50-60%, but they had not done revaluations for 12 years.

Councilor Liot Hill questioned if there are best practices/guidance in the assessing world of how to deal with extraordinary circumstances, noting that for that for the last two years the pandemic had a different impact on the commercial side. Mr. Whalen stated he would have to say, no. What they are continuing to see is apartment buildings, in general, continue to go up (before, during, and after the pandemic) and continue to sell for more and more. The houses have gone crazy because of supply and demand, and the

interest rates seem to be slowing down sales. During the pandemic, your restaurants, hotels, nursing homes, and retail properties were not doing very well due to high vacancy. On the other hand, they were noticing that buildings like Amazon, and places that make shipments online were buying up properties and paying over asking prices for the industrial-type properties.

Mayor McNamara noted this has been a tough topic and was interested to see that Lebanon is not that much different than most of New England. That is not much consolation for some folks, but at least we are not out of the norm.

Mr. Mike Pelletier and City Manager Mulholland reviewed and explained the 2022 revaluation for the City of Lebanon.

In Terms of Growth for one year:

New Property Inventory

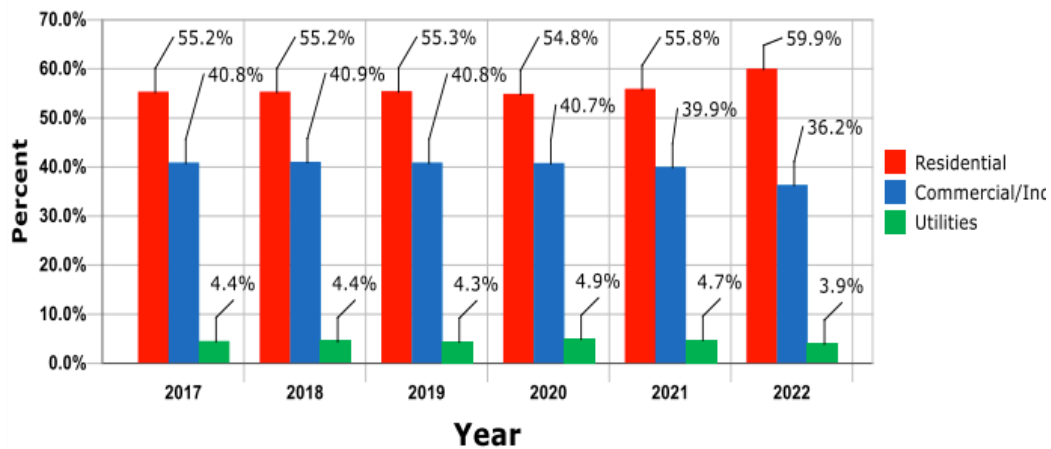
- The new additions to the property valuation of the City due to construction of new buildings is approximately **\$40 million.**
- This results in a **1.75%** increase in new property valuation
- We were projecting a **.50%** increase to determine the tax rate
- Change from **\$2,280,148,240** to **\$2,740,434,670 = 20.18%** increase

City Manager Mulholland explained the equalization rate, which is a comparison of the market rate compared to what we actually assess it for. The range acceptable to the NH DRA (Department of Revenue) is 90%-110%. This is the range Lebanon has to stay within. He also explained the overall market to tax value ratio and the market to tax value ratio for residential commercial properties.

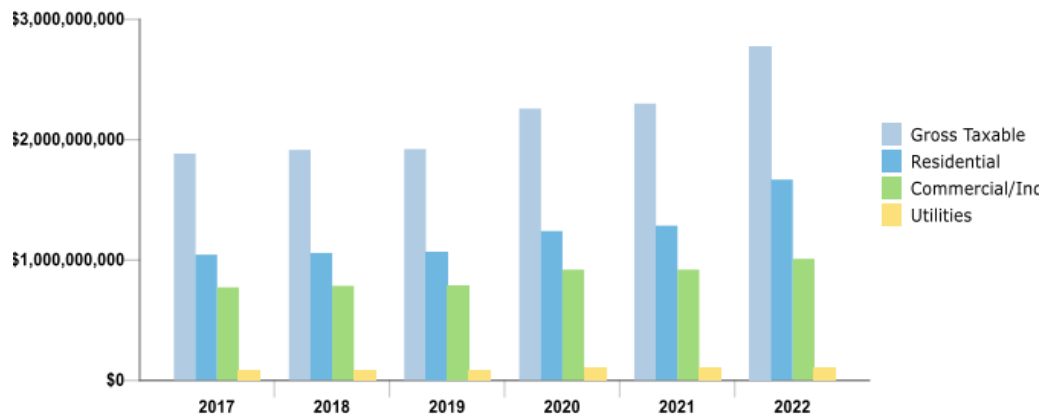
Residential Property Changes by Style

• OVERALL Residential 27%	• Cape 24%
• Old Style 48%	• Raised Ranch 19%
• Colonial 36%	• Bungalow 19%
• Conventional 35%	• Mobile Home 18%
• Split Level 31%	• Camp Seasonal 16%
• Ranch 29%	

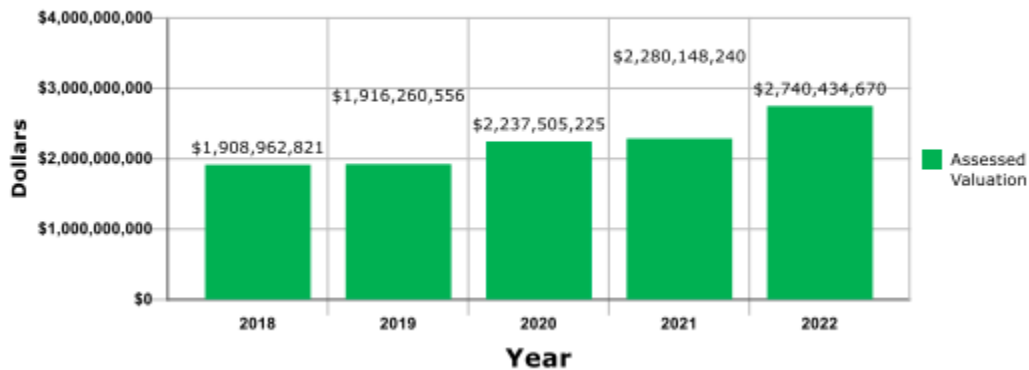
Tax Share by Sector



Assessed Valuation of Property



Assessed Valuation of Taxable Property



Projected Impacts Examples

Properties	2021 Value	2021 City Tax Rate \$10.06	2022 Value	2022 City Tax Rate \$8.62	Difference	% Increase in Value
House #1	\$238,800	\$2,402	\$325,000	\$2,802	\$399	36%
House #2	\$442,900	\$4,456	\$593,800	\$5,119	\$663	34%
Commercial #1	\$1,057,600	\$10,639	\$1,259,500	\$10,857	\$217	19%
Commercial #2	\$322,700	\$3,246	\$357,500	\$3,082	(\$165)	11%

For the above slide, City Manager Mulholland explained this shows only the City Tax Rates and does not include the School District/County tax rates. The tax rates are sent in October. Our information has been sent to the NH DRA (Department of Revenue) and we are waiting for them to set the tax rate. Our hope is that by the end of the week we will receive this information so tax bills can be sent out. We do not know what the School District's tax rate will be yet, but we know the County tax rate will be going down. He also noted that when the tax bill goes out, people will be unprepared for this. He wanted to present this topic to the Council so they can be prepared and be able to answer their questions. What he would like to do is take the video used here tonight and put it on the City's website, so when people walk into the Clerk's Office, they can provide a link to the website to get an explanation as to why this is affecting their tax bill.

In response to Mayor McNamara's question about the NH DRA, Mr. Mulholland explained there is a preliminary injunction that was filed (emailed to Council). The court chose not to act on the preliminary injunction at that time and decided to schedule a hearing for this Friday, November 4, 2022. The injunction is to enjoin the DRA Administration from setting property rates for SWEPT (State-Wide Education Property Taxes). There are two property taxes that relate to public education: 1) Local property tax (school property tax), and 2) The State-wide education property tax. Both of those revenues are generated from the City and are affected by that stay.

Councilor Liot Hill noted that in the past, both residential/commercial properties have grown in value at similar rates. What is different here, that will surprise people, is that because residential property values have gone up so much faster than commercial properties this year, some residential property taxpayers are actually going to see higher tax bills. We have to be cautious about this because the municipal tax has only been a third to maybe 40% of the entire tax bill. It is also important for people to understand that what we are talking about here is less than ½ of their tax bill and further explained her position and gave examples. She felt it important to give people advance notice so they can manage their budget and resources as best they can.

City Manager Mulholland stated that when the City does receive the tax rate (from the NH DRA), he will update this information on the website so people will have the full story.

Councilor Simon also noted that an important part of this information tonight is that these increases are being seen, not only State-wide but Regionally and in New England. His point is that this is happening everywhere.

Mayor McNamara also felt it was important to show people that the City Budget may be only increasing by 2.5%. People have to split the revaluation away from the City Budget.

City Manager Mulholland explained what could possibly happen if/when the court makes a decision regarding SWEPT, noting that the tax rate can only be set by the NH DRA, so until the Commissioner signs this, the City cannot actually send out any tax bills.

The Council continued to discuss the City's tax rates; potential for prepaying or setting up payment plans for property tax payments; how property taxes work with those who have tax payments sent from their bank if they have an escrow account on their mortgage; how this increase will be taking place this year; and how notices to the public could be prepared separately from the tax bill.

Finance Director Vicki Lee noted they do not establish a formalized payment plan for someone until they are a point where we will take them to Deed, but again, people can set their own payments up. So, if someone says they want to pay, for example, \$200/month, they can. They just come in and make a payment. However, interest does start to accrue on the amount of unpaid property taxes

ACTION: *No action is required by the Council. This is for informational purposes only.*

C. Presentation & Discussion of Proposed Amendment to City Council Rules: §A191-15, Council Appointments to City Boards, Committees, Commissions

Included in the agenda packet:

1. Chapter §A191-15 Council Rules (as amended and presented on 11/02/2022)

City Clerk Kristan Kenniston reviewed the proposed Amendment to City Council Rules as listed above, noting this is primarily for reappointments to streamline the process.

BACKGROUND

Attached below is a proposed amendment (highlighted in **red**) to the City Council Rules, Chapter §A191-15, to amend the process for reappointment of members to City boards, committees, and commissions. Currently, the Council's process for both new appointments and reappointments requires that one member of the City Council shall interview the applicant within 30 days of receiving the application from the City Clerk and report to the full Council prior to any nomination for appointment or reappointment.

A proposal has been made to remove the requirement for a member of the City Council to interview applicants for reappointment to the same board, committee, or commission on which they currently serve. Chapter A191 Council Rules.

§ A191-15 Council appointments to City boards, committees, commissions.

[Amended 11-7-1979; 8-2-1995; 9-18-1996; 5-21-2003; 4-2-2008; 5-16-2012; 12-2-2015; 6-5-2019]

- A.** When vacancies occur on City boards, committees, commissions, either by resignation, removal or lapse of term, applications received by the City Clerk will be forwarded to the City Council in a timely manner in order for vacancies to be filled as quickly as possible.
- B.** All appointments shall be acted upon by the City Council as authorized by the City Code, the City Charter and New Hampshire law.

C. The following procedure will be followed for board, commission and committee appointments and reappointments:

- (1)** For initial appointment, the applicant shall fill out the standard application form.
- (2)** For reappointment, the applicant can update the current form on file or complete a new updated application form.
- (3)** One member of the City Council shall interview ~~the applicants for initial appointment~~ within 30 days of receiving the application from the City Clerk and report to the full Council prior to any nomination for appointment ~~or reappointment~~. Applicants for reappointment to the same board, committee, or commission may be nominated for reappointment without completion of an interview with a City Councilor.
- (4)** While one City Councilor is officially assigned to interview each applicant, any City Councilor may interview any applicant for any position to better inform their decision.

Council interviews would still be required for initial appointments of applicants to boards, committees, or commissions.

In accordance with §A191-13 of the Rules, amendments must be presented in writing at the preceding regular meeting, prior to adoption. As such, this amendment will be presented for adoption at the November 16th meeting. Adoption requires a 2/3 vote of all members of the Council.

ACTION:

No action is required at this time. Action on the amendment will be scheduled for November 16, 2022.

D. Discussion & Set Public Hearing for November 16, 2022: Proposed City Charter Amendments relative to changing gender-based pronouns to gender-neutral pronouns

Included in the agenda packet *(Pages 86-87, City Council agenda packet)*:

1. Memorandum of Recommendations from the Diversity, Equity, and Inclusion Commission
2. Draft Proposed Charter Amendment Language

City Manager Mulholland reviewed the recommendations from the DEI Commission. There is a lengthy process established by State Statute RSA: 49 (b). This is time sensitive because this needs to go before the voters in March 2023. If the Council chooses to move this forward, it needs to go before the State DRA Commissioner, the Secretary of State, and the Attorney General. They have 45 days in which to write back about any concerns that they may have and approve the proposed change.

BACKGROUND

As part of its overall mission, the Diversity, Equity, and Inclusion Commission (DEI) has recommended that the City update its Charter with the intention of making the language of the Charter gender neutral. DEI members have reviewed the Lebanon Charter and provided a detailed and precise list of suggested changes in language to various sections as reflected in the attached redline document. DEI has taken care not to suggest changes that would alter the meaning of the Charter in any other way.

In order to change the Lebanon Charter, the City Council must first schedule a public hearing to determine that the proposed amendments are necessary. Following a public hearing, a resolution must be adopted by the Council to place the question of the proposed charter amendment on the March 14, 2023 ballot. It is

requested that the City Council schedule the public hearing for November 16, 2022, at which time the Council will be asked to consider adoption of this proposed resolution:

RESOLUTION

BE IT RESOLVED that the Lebanon City Council hereby requests that the following proposed City Charter amendments be placed upon the ballot of the March 14, 2023 Municipal Election:

Proposed City Charter Changes: Amend the City Charter as follows:

Amend Section II, Elections, §C419:8-10 by deleting gender-based pronouns and terms and replacing them with gender-neutral pronouns and terms.

Amend Section III, Administration, §C419:16-18, §C419:26-33, §C419:38-40, §C419:44-45, and §C419:48 by deleting gender-based pronouns and terms and replacing them with gender-neutral pronouns and terms.

Amend Section IV, Merit Plan, §C419:54 by deleting gender-based pronouns and terms and replacing them with gender-neutral pronouns and terms.

Amend Section VI, Miscellaneous Provisions, §C419:59-60, §C419:62, §C419:70 by deleting gender-based pronouns and terms and replacing them with gender-neutral pronouns and terms.

Explanation: The purpose of these amendments is to replace the existing use of gender pronouns and terms to gender neutral pronouns and terms.

This change will be effective July 1, 2023, if passed by voters at the March 14, 2023 Municipal Election.

The Council discussed capitalizing City Manager throughout the document, and having legal counsel review punctuation and other related typographical changes, such as changing the town of Lebanon to the City of Lebanon because there seems to be a consistency problem.

ACTION:

Councilor Wilkie MOVED, that the Lebanon City Council hereby schedules a public hearing beginning at 7:00 pm on November 16, 2022 for the purpose of receiving public input and taking action on a resolution to place proposed amendments to Section II, Elections, §C419:8- 10; Section III, Administration, §C419:16-18, §C419:26-33, §C419:38-40, §C419:44-45, and §C419:48; Section IV, Merit Plan, §C419:54; and Section VI, Miscellaneous Provisions, §C419:59-60, §C419:62, §C419:70, of the City Charter on the ballot of the March 14, 2023 Municipal Election correcting the current changes to capitalize the first letters of city and manager where the term City Manager is a replacement in this draft.

Seconded by Councilor Simon.

Roll Call Vote:

All voting Yea: Assistant Mayor Below, Councilors Heistad, Liot Hill, Wilkie, Whittlesey, Simon, Zook and Mayor McNamara

None Voted Nay

Absent from vote: Councilors Sykes

****The Vote on the Motion was approved by members present (8-0)***

13. COUNCIL REPRESENTATIVES TO OTHER BODIES:

A. Diversity, Equity & Inclusion Commission – Statement on Housing and Equity in Lebanon

Included in agenda packet:

1. DEI Statement on Housing and Equity in Lebanon

BACKGROUND

The Diversity, Equity & Inclusion (DEI) Commission was established in July of 2021 to enhance the City's support for a welcoming environment by encouraging cooperation, tolerance, and respect among those living, working, and visiting the City; to provide information, education, and communication that facilitates understanding and celebrates our differences; and to advise City government in ways that unite the community and ensure all are equally respected, valued, needed, and cherished.

The DEI Commission serves as an advisory body to the City Council and the City Administration. The DEI Commission has asked the Council to consider several steps that would enhance equity in housing.

On behalf of the DEI Commission, Councilors Wilkie and Liot Hill read the following statement into the record:

DEI Statement on Housing and Equity in Lebanon

On July 19, 2022, a member of the public attended the DEI Commission meeting to voice concerns over housing affordability in Lebanon and wondered about measures that could potentially be taken to mitigate the shortage. Across the United States, rental and homeownership prices have risen substantially in the last year. This has priced lower-income individuals and families out of the purchasing market and squeezed household budgets for the most vulnerable members of the population. Even before the surge in housing prices, the growing population in Lebanon had exceeded the housing supply, pushing the workforce farther and farther afield and making transportation a challenge. The lack of affordable housing presents an equity issue for the people who live and work in Lebanon.¹

The DEI Commission recognizes that the City Council understands the extent of the housing crisis and is taking steps to address the issue. We would like to highlight the resolution passed by the Council on 21 April 2022, to empower the City Manager to take steps to enable, incentivize, and partner in the development of solutions to unmet housing needs, particularly the plans to develop regulation and guidance to aid in the creation of Housing Opportunity Zones and Residential Property Revitalization Zones, and the suggested move to partner with the Lebanon Housing Authority to use city-owned property to help overcome barriers to affordability. Removing barriers to the construction of Accessory Dwelling Units, also proposed for study in the Council's resolution, would also help ease the shortage and allow the community's older residents more opportunities to "age in place," and the DEI Commission encourages the study of creative incentives for employers and landlords to this end.

In addition, the DEI Commission strongly advocates inclusionary housing requirements for any new growth areas in the City. We are encouraged to hear that there will be workforce housing units in the new development on Spencer Street and that the City is aiming for workforce housing units in forthcoming

RFIs as well. A combination of zoning requirements and incentives for developers is important in the drive to construct below-market-rate units on the same sites as market-rate units. This last point is important, because the inclusion of working- and middle-class families side-by side in the same developments ensures equal access to new-growth areas with high-quality schools, shopping, and other services. The DEI Commission is strongly in favor of these kinds of actions, which will hopefully address the shortfalls of the present market over time.

The DEI Commission also recognizes that housing insecurity is an immediate crisis for many members of the Upper Valley community. Annual Point-in-Time (PIT) surveys conducted each year by HUD, with participation by local organizations like the Upper Valley Haven, suggest a present need for more local solutions for unhoused individuals. We believe that a solution that would address this immediate need should be a high priority for the City.

The DEI Commission recognizes that actions taken in the direction of housing justice are not always easy, nor are they always popular. Constraints from higher levels of government, like regionally-calculated Area Median Income formulas, can create a “squeezed middle” of residents who need assistance but are too “well off” to qualify for it. Local constraints, too, like concerns often phrased as being about the “character” of the City, can stand in the way of helping our most at-risk populations. We appreciate these challenges and encourage the Council to press on in the name of equity and justice.

The DEI Commission would like to take this opportunity to both congratulate the City Council on the steps it has already taken and encourage the Council to continue to make further inroads on this pressing equity issue as the process continues.

ACTION: *No action is required by the Council. This is for informational purposes only.*

11. City Manager Report:

City Manager Mulholland updated the Council on the following:

- Work by Comcast to bring high-speed internet access to the City has been completed.
- EPA: PFAS update.
- GM EV Charging Station Grant Program.
- ICMA (International City Manager Association): City Manager Mulholland has been asked to join the ICMA and requested the Council’s approval. After the Council asked questions about the ICMA, they unanimously approved his request.

14. FUTURE AGENDA ITEMS: NONE

Mayor McNamara left the meeting at approximately 8:45 PM.

15. NON-PUBLIC SESSION:

- RSA 91-A:3.II(a) “The dismissal, promotion, or compensation of any public employee or the disciplining of such employee,”

Councilor Heistad MOVED to go into a non-public session for the purpose of discussing RSA 91-A:3.II(a) “The dismissal, promotion, or compensation of any public employee or the disciplining of such employee,”

Seconded by Councilor Liot Hill

ROLL CALL VOTE:

Councilors Voting Yea: Assistant Mayor Below, and Councilors Heistad, Liot Hill, Simon, Whittlesey, Wilkie, and Zook

Councilors Voting Nay: NONE

Councilors abstaining: NONE

Staff Present: City Manager Shaun Mulholland

Councilors absent: Mayor McNamara, and Councilor Sykes

The Vote on the Motion was approved by members present (7-0)

The Council went into Non-Public Session at 8:50 PM

1. The CM briefed the Council regarding a personnel matter. No Action was taken.

Councilor Wilkie MOVED to go out of non-public session.

Seconded by Councilor Liot Hill.

ROLL CALL VOTE:

Councilors Voting Yea: Assistant Mayor Below, and Councilors Heistad, Liot Hill, Simon, Whittlesey, Wilkie, and Zook (Remote)

Councilors Voting Nay: NONE

Councilors abstaining: NONE

Staff Present: City Manager Shaun Mulholland

Councilors absent: Mayor McNamara, and Councilor Sykes

The Vote on the Motion was approved by members present (7-0)

The Council came out of Non-Public Session at 9:10 PM

16. ADJOURNMENT:

Assistant Mayor Below adjourned the meeting as the acting chairperson at 9:10 PM

Councilors Voting Yea: Assistant Mayor Below, and Councilors Heistad, Liot Hill, Simon, Whittlesey, Wilkie, and Zook (Remote)

Councilors Voting Nay: NONE

Councilors abstaining: NONE

Staff Present: City Manager Shaun Mulholland

Councilors absent: Mayor McNamara, and Councilor Sykes

****The Vote on the MOTION was unanimously approved by members present (7-0)***

The meeting was adjourned at approximately 9:11 PM.

Respectfully submitted,

Dona E. Gibson

Recording Secretary