

FINAL

**ECONOMIC DEVELOPMENT COMMISSION &
DOWNTOWN TIF ADVISORY BOARD
JOINT MEETING
WEDNESDAY, FEBRUARY 22, 2023 – 4:00PM
Kilton Library Community Room – or remote via Zoom
MINUTES**

EDC MEMBERS PRESENT: William Dunn (Chair), Councilor Karen Liot Hill (Vice Chair), Dan Nash, Chip Brown, Andrew Key, David Newlove, Tracy Hutchins (Upper Valley Business Alliance) (remote)

EDC MEMBERS ABSENT: Kevin Purcell, Councilor Doug Whittlesey

TIF MEMBERS PRESENT: Barry Schuster (Chair), Victoria Smith, Peter Owens, Christina Haidari

EDC MEMBERS ABSENT: George Sykes

STAFF PRESENT: Deputy City Manager David Brooks

1. CALL TO ORDER:

- The February 22, 2023 Downtown TIF Advisory Board meeting was called to order at 4:05 PM. The Economic Development Commission meeting was also called to order.

2. APPROVAL OF MINUTES:

A. January 25, 2023

*Motion by Chair Dunn to approve the minutes of January 25, 2023, as presented.
Second by Victoria Smith.*

** The Vote on the MOTION was approved by the EDC (6-0), and the TIF (4-0).*

Chair Dunn noted that, due to inclement weather on the way, there would be a hard stop to the meeting at 5pm, and the groups would likely only take up the first agenda item under New Business.

3. NEW BUSINESS:

A. Recap and Public Input on Potential Downtown Redevelopment Opportunity Process

Chair Schuster explained that a Request for Expressions of Interest was issued for a vision regarding the parking lots behind City Hall and 1 Court Street. Three presentations for distinctly different plans were previously viewed by the groups. Since that meeting, several new suggestions have come to light through the City's website. This afternoon, the public is invited to speak and give any additional ideas or comments.

Chair Dunn explained that one method of communicating with the committees is through an online form. There have been a number of submissions through that form, and he asked Councilor Liot Hill to further enumerate those items.

Councilor Liot Hill recapped the eight submissions. One was from Charles Depuy, who stated that the entire lower level of the parking area should be green space with plenty of gardens. Any development on the upper level should be City-owned, and parking should be paid for by bond issue and assessment to downtown businesses. He also submitted a map of Taylor Street being discontinued. Susan Johnson shared a plan that was submitted showing riverfront reclamation and parking structures further away, with commercial uses closer to existing development in the downtown area. Barbara Slaiby stated that Lebanon has been a leader in new housing developments, but that housing should likely not belong in this particular part of town and that it should primarily be used as a park, protecting that riverside habitat. Patricia Morse stated that there is already high-density housing happening in the downtown area, and that this area should be focused on riverbank amenities and recreation. Linda Mason echoed

Mason echoed that there should be no apartment buildings behind City Hall, and this should instead be a riverfront area for all residents to enjoy. Susan Kellogg also submitted testimony that this should be at a riverfront park with some retail, but not necessarily housing. This should be a public amenity focused on the riverfront. Robert McLellan's testimony also focused on making the riverfront a public amenity and not necessarily a place for individual housing. Councilor Liot Hill stated that the testimony focused on the riverfront being a public amenity and any commercial uses be primarily focused on commercial, retail, restaurants and other kinds of activities that will contribute to a vibrant downtown.

Chair Schuster explained that the committees are involved in this project as a way to improve the vitality and economic base of Lebanon. The Tax Increment Financing (TIF) District Committee is involved because there is an area of downtown Lebanon, including this parking area, some of Spencer Street, and some of Mechanic Street, where any tax increase increment goes into a special fund that can be used to pay for projects in this area. The intention is to support incremental financing projects in a financially and fiscally prudent way.

Chair Dunn explained that there is a river running through this back parking lot area. It has been underutilized for years, and there is no access point to it. If there is a way to make this more of an amenity through development of the area, this could then spur further economic activity. The RFI was needed to elicit concepts to start considering pieces of the project.

Chip Brown stated that the commentary received was in line with the ideas of both committees prior to putting out the RFI. The goal is to create a riverfront park. Some development was considered as a way to help finance the redevelopment of the parking lots, but the intention was not to build out a majority of the land.

Chair Dunn noted that a development component may help to fund the rest of the project. If the project is a park only, with related riverfront access, this will not be revenue neutral and could actually be an expense to the community. The intention is to balance these items out.

Chair Dunn asked for public comment.

Susan Johnson, Ward 3, stated that she sent an opinion and picture to the groups. She explained that it was very unclear to the public what sort of influence they could have on this project. A Master Plan vision document showed a pedestrian bridge over the river, and this could be a great part of this project. She stated that she would like to make sure there is still a place for the Nexus Festival in this area. She stated that a parking garage with grass on top of the building could be considered. She noted that many people in the downtown area have requested a grocery store.

Charles Depuy echoed what was said by Ms. Johnson. He suggested that, instead of considering a parking garage on Flynn Street, placing this off to the west would allow for a larger park area. This area of downtown is a sea of asphalt, and the temperature gain could be seriously affecting the City.

Rainey Kelly, Ward 1, stated that she has a particular interest in good connectivity between the Mascoma River Greenway and the Northern Rail Trail. She would like to keep this open to the public and make it parkland.

Larry Kelly asked how many parking spaces currently exist in this area and how many additional spaces would be provided by a parking garage. It was noted that the proposed parking garage should compensate for this entirely.

Bob Moses explained that the focus has been on the River throughout this process. The RFI was also focused on the river, access to it, and how to make it an important part of downtown Lebanon while connecting the Rail Trail. There are many more possibilities now than there were a year ago when this process started. Proposal #3 discussed access over the River. One of the proposals mentioned an elevated connector from the tunnel which would allow for visibility of the River. He would like to see the parking in this area balanced as he is not a fan of parking decks or garages. These can be eyesores and maintenance issues. Lebanon does not need any more transitional housing, but affordable housing is needed. One of the proposals mentioned ownership units, which would be useful in this area and to the City.

Jon Chaffee stated that one criteria should be an easy connection between the riverside park and Colburn Park. The committees may even want to consider an additional performance venue as part of this project. Another criteria is that active access to the river is important. An extended walk along the river would entice people to come into downtown.

Doreen Schweizer stated that she saw some classism in the proposals. She is in support of green space and access to the River but asked the committee to consider those most in need of cool areas and living near a green space. She suggested considering non-conventional housing, such as a halfway house which might not take up as much space as a condominium. There is a lot of poverty around the City and there could be a way to allow these people to be benefited.

Mr. Brooks explained that this process is still at the very early stages of this effort. All of these joint committee meetings are public and allow for public comment. The end of this process will be a recommendation to the City Council, which will lead to additional public meetings. If that leads to an RFQ, there will be other additional public meetings. In terms of housing, he explained that almost all of the housing units proposed in recent years are market rate housing. Very few of them are expected to be affordable. The fact that the City is the owner of this property gives a significant amount of leverage in terms of housing type for this project.

Chair Dunn noted that the visuals for the RFIs created excitement. These were exercises to give the committees ideas for thought. The proposals are not further along in the process than that at this time. The most consensus and the easiest conversations have centered around public access to the river, continuation of the Greenway to the Rail Trail, and providing these as a public amenity. The discussion now is if there are other parts of this project that could make this more possible.

Kathleen Corrigan stated that the proposed plans made the housing look very large, and this seemed to create barriers to part of the River. The drawings also made the park seem like part of the apartment complex. She would like to hear more about the issues regarding financing.

Chair Schuster explained that as taxes rise on properties within the Tax Increment Financing District, for example, if the tax is \$100 on a house and it rises to \$200, the increase of \$100 goes into the TIF Fund. This TIF fund could be used to allow for certain aspects of the project.

Councilor Liot Hill noted that this area right along the river is actually only a small part of the Downtown Tax Increment Finance District. The TIF District in downtown Lebanon also includes Colburn Park, parts of Hanover Street, and parts of Mechanic Street, all of which could use some attention. For example, one of the busiest bus stops on the Advanced Transit route is right in front of City Hall, but this has no bus shelter. Access to the riverfront was identified as a priority for this project but it was not the only thing identified as a problem that needs to be solved in downtown Lebanon. The TIF District was created in hopes that the public and the private sectors work together to create a tax increment. She also noted that the default is that all of the tax increment will go into restricted funds for the City including dollars that otherwise would go to the School District. 60% of property taxes go to the School District and segregating the TIF funds leads to competing interests because it essentially denies the School District increased dollars that it would otherwise be entitled to.

Chair Schuster stated that the concept of the TIF District is that it will allow for amenities to benefit and enhance the entire City.

Chair Dunn stated that next task is for the committees to review the proposals and consider them as ingredients for the project. The committees will then have to have more conversations regarding the proposed look and, materials, use, etc.

Mr. Nash suggested that some of the funding for this project could come from Current Use funds. He would like to see at least the first 50' of the riverfront restored to a buffer park. There also needs to be parking to support the vibrant downtown area.

Mr. Brooks suggested that the EDC members read the Vision statement of the Economic Development Chapter prior to the next meeting so that there can be discussion on it in regard to this project.

Councilor Liot Hill asked if the Planning Department can supply the committees with the parking studies previously completed. She stated that she believes, on average, on third of the parking in that back area is not being put to use. She also noted that, during the RFI process, it became clear from the developers that in order to cover the cost of providing some river park access, the space will need to be maximized for the developer's purposes. For a park to be cost neutral, a developer will need to develop a lot of the property. The public will have to decide how much it is willing to pay for this type of public amenity, without that full development. She stated, as a City Councilor, this

project is not on the City Council's 2-, 5-, or 10-year plans. There are many other items across the City that require the Council's attention, many in downtown West Lebanon which has been woefully underappreciated for some time. There are some great things currently going on in downtown Lebanon that make it very difficult to make a case for spending public tax dollars investing more in this area, when there are other portions of the City which also deserve attention.

The committees did not address other items from the agenda at this time.

- B. Review and Discussion of Responses to Downtown Redevelopment Request for Expressions of Interest (RFI)
- C. Review Final Report of Upper Valley Business Retention and Engagement Program
- D. Review and Discussion of Master Plan Update Process for Chapter 6: Economic Development

4. FUTURE AGENDA ITEMS:

None.

5. NEXT MEETING DATE: March 22, 2023

6. OTHER BUSINESS

None at this time.

7. ADJOURNMENT.

The meeting was adjourned at 5:00 PM.

Respectfully submitted,
Kristan Patenaude