

**FINAL**

**LEBANON CITY COUNCIL  
ANNUAL WORK SESSION MINUTES  
Tuesday, April 25, 2023, 5:30 p.m.  
Council Chambers**

**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, George Sykes, Douglas Whittlesey (Remote), and Devin Wilkie

**MEMBERS ABSENT:** Karen Zook

**STAFF PRESENT:** City Manager Shaun Mulholland, Deputy City Manager David Brooks, Interim City Clerk Darlene Cook, Director of Planning & Development Nathan Reichert, Deputy City Manager Public Works Nik Coates, Public Works Assistant Director Jay Cairelli, Finance Director Vicki Lee, Deputy Finance Director Alesia Williams, HR Director Samantha Lauzon, Human Services Director Lynne Goodwin, Library Director Sean Fleming, DPW Administrative Services Manager Kelly Crate, Chief Innovation Officer Melanie McDonough, Cyber Services Director Perry Eaton, Planning & Development Dept Administrative Assistant Crystal Taplin

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

- City Manager Shaun Mulholland announced the meeting criteria for the public, noting that there will be another opportunity for public comments at the May 3, 2023 City Council Meeting.
- Councilor Whittlesey noted he was participating remotely due to lack of childcare.

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

**3. ANNUAL WORK SESSION:** Presentation of Draft Strategic Plan Objectives (*Pages 2-4, Council agenda packet*)

City Manager Mulholland reviewed the background/history for the City's new Strategic Plan process and how it will be used in the budget process, which will work in concert with the City's Master Plan. The focus of the Master Plan is on land use, while the Strategic Plan will focus on the operational issues of the City, as well as other issues outside of the scope of the Master Plan. The genesis of the Strategic Plan comes from the annual Outcomes & Work Plan (OWP), which is department-focused and developed by staff on an annual basis. The Strategic Plan will focus on key functional areas of the City government. The City of Lebanon is building its Strategic Plan using Miro, a popular collaborative whiteboard tool, which will allow the City to work through its strategic planning process in an open, transparent, collaborative environment.

The objective is to have the Council driving this process. This process will also include input from the City Boards/Commissions/Committees, City Staff, and the public. Comments will be presented to the Council so they can direct which direction the City should be going and is a more formal way in which the Council will actually approve the objectives of the City. This is also a process that is being pushed by International City/County Management Association (ICMA) across the country.

More information will be provided as it becomes available, but the most recent additions to the Lebanon Strategic Plan can always be viewed by visiting the City’s website: [LebanonNH.gov/StrategicPlanBoard](http://LebanonNH.gov/StrategicPlanBoard)

Council members have already submitted some proposed changes to the City Manager. At this meeting, Council members will also propose changes to either the Summary of Strategic Objectives or the Vision Statements in the areas below and discuss their reasons for changes and will also work on rephrasing of language and send them to the City Manager for his review and incorporation into the Strategic Plan. It is hoped that once the changes have been made to the City’s Strategic Plan, the Council will be able to review and approve this new document at their meeting on May 10, 2023. It is also hoped the Council will be able to approve the Action Items by the end of July. (**Note: Action Items were not included in this presentation.**)

- **HIGH PERFORMING GOVERNMENT:** City Manager, City Clerk, Cyber Services, Public Works, Human Resources, Planning and Development

## Summary of Strategic Objectives

- 1.1** Operate City government at a very high level of Transparency. To the extent possible government documents are available in digital formats through the City’s website minimizing the need to make requests to staff.
- 1.2** Recruit, Develop, and Retain trained and qualified City staff.
- 1.3** Enhance process innovation using technology, data, and key performance objectives.
- 1.4** Advocate at the Regional, State, and Federal level.
- 1.5** Enhance the credibility of the City’s government.
- 1.6** Enhance community engagement.

## Vision Statement

The city government has to be responsive to the needs of its residents, businesses and partners. The delivery and/or the facilitation of the delivery of services is one of the cornerstones of effective local government. A responsive and effective city government does the following:

- **Transparency-** the decision making processes must be open and as accessible as possible to allow the public to participate. Government records need to be available, easily accessible and in a timely manner.
- **Ethics-** City officials and staff meet public expectations of very high ethical standards while conducting City business as well as in the pursuit of their personal lives. Ethical expectations directly relate to the credibility of the City in view that people have of it. City officials comply with statutory and regulatory requirements.
- **Problem Solving-** the expectation is that the City government is an organization that functions to identify and develop solutions to address problems and the needs of the community. Data driven decision making is operationalized when and where appropriate.
- **Teamwork-** highly effective organizations are those that can bring together the players to achieve the mission. Our team consists of elected officials, appointed officials, staff, volunteers, service providers and our partners who work together to drive and achieve success.
- **Communication-** an effective City government utilizes multiple modes of communication to inform residents including emergency messaging, how to information, education materials, opportunities and the activities of the organization. This must be timely, accurate, accessible and sufficient to keep the public informed.
- **Engaging-** the City takes proactive steps to engage the general public and key stakeholders in the development of public policy.
- **Efficiency-** the City utilizes management practices and process review procedures such as LEAN to reduce wasted time and money while at the same time enhance the quality of city services. City officials and staff operate in a culture of continuous quality improvement.
- **Technology-** the City utilizes technology to enhance the quality, accessibility, timeliness and efficiency of City services.
- **Innovation-** the City uses or develops innovative approaches to problem-solving and service delivery.

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- **Innovation**- the City uses or develops innovative approaches to problem-solving and service delivery.
- **Human Capital**- the quality, skill base, experience and emotional intelligence of City officials is of very high quality. The City invests in training and staff development constantly enhancing the effectiveness of City staff. The City is “growing” leaders from within its ranks to perform higher level and leadership roles in the organization. The retention of qualified personnel is a key objective for City leaders.
- **Partnership**- City leaders value the importance of partnerships with other municipalities, the school district, the housing authority and the other levels of government. Working with the business community, non-profit entities and neighborhood groups is highly valued in solving problems and providing services to the community.
- **Leadership**- the City values and understands its leadership role in the Upper Valley and the State of New Hampshire from a political, economic and social perspective. It actively advocates and exercises that leadership role in service to the people of the City and the Upper Valley.

### Staff Presentations and Council Discussions:

- 1.1 City Manager Mulholland spoke about and noted that progress has been made in this area.
- 1.2 Ms. Samantha Lauzon, Director of Human Resources (HR), spoke about this item and noted some of the reasons she stated were important for the City in order to recruit, attract, retain, engage and develop a competitive workforce. One of the Key Performance Indicators (KPI) they have drafted is implementing a citywide professional development training program by the end of 2024. Currently, each department manages their own Professional Development Training. The City Manager will negotiate new Collective Bargaining Agreements (CBA) with a goal of reaching an agreement by October of 2024. Currently, all CBAs are operating on a contract that began in 2022 and ends in December of 2024. HR will conduct wage classifications studies for all employee groups, one each year, with a goal of achieving the 60<sup>th</sup> percentile of the market rate. (This will vary depending upon the category of the employee).

Councilor Whittlesey suggested creating language to reflect the market rate by adding: “60% of the relevant market.”

City Manager Mulholland noted there will be videos within embedded documents on the City’s website.

- 1.3 For community engagement, the City will be transitioning to more videos and PowerPoint presentations (i.e., Alesia Williams, Deputy Finance Director, volunteered to do a video regarding how tax rates are determined)

Councilor Whittlesey would like to see an increase in Wi-Fi services to Colburn Park, etc..

Councilor Liot Hill spoke about what she approved of in the Vision Statement (listed on video). She opposed bullet #2 (Ethics) in the Visions Statement and strongly felt that an employee’s personal life does not belong in the Strategic Plan.

The Council had a robust discussion regarding whether a reference to any employee’s personal life belongs in the Strategic Planning document and most agreed this should be rephrased so it is not perceived that the Council is engaging in subjective judgements regarding a person’s personal behavior. Council members will submit their proposed language changes to the City Manager.

Under 1.2 in the Strategic Objectives, it was suggested the phrase “diverse group” be incorporated into this item.

- **HOUSING AND NEIGHBORHOOD:** City Manager, Human Services, Planning and Development

## Summary of Strategic Objectives

- 2.1** Facilitate the Development/Redevelopment of Housing.
- 2.2** Work cooperatively to address Homelessness.
- 2.3** Revise Land Use Regulations to limit barriers to development/redevelopment while preserving neighborhood character.
- 2.4** Development of a comprehensive Citywide housing strategy.

## Vision Statement

The City of Lebanon shall actively foster a diverse range of housing opportunities and choices for current and prospective residents, and will strive to promote the development of diverse, sustainable neighborhoods that reflect Lebanon's "small-town" character and distinctiveness.

The City of Lebanon shall encourage a range of housing options for all segments of the population. New housing development should contribute positively to existing neighborhoods and create safe and desirable new neighborhoods consistent with the other planning goals of the City as expressed in this Master Plan.

An inclusive community has a range of housing types to meet the needs of a diverse population. Those housing types include;

- Single Family
- Multi-Family (spanning duplexes to large apartment buildings)
- Elderly Housing
- Accessory Dwelling Units
- Manufactured Housing
- Temporary Housing - Homeless Shelters and Transitional Housing Units

The housing inventory of the City must include a mix to meet the affordability needs of its residents such that no more than 30% of combined household income is committed to housing. That mix of housing affordability includes;

- Market Rate Housing
- Workforce Housing
- Low Income Housing

[Chapter 7 of the City's Master Plan](#) is incorporated into this Strategic Plan.

## Staff Presentations and Council Discussions:

2.1 City Manager Mulholland noted that housing and housing needs have become arguably the most critical issue in the State of New Hampshire, as well as in Lebanon.

Mayor McNamara would like to see the word "continuum" added to this item in order to emphasize that housing is not all equal. We do not need just housing, but we need to work on a healthy continuum of housing.

2.2 Ms. Lynne Goodwin, Human Services Director, spoke about the City's homeless population, noting that on May 17<sup>th</sup>, 2023, she will be presenting a report to the Council regarding the assessment of

Lebanon’s unhoused populations. She will also be making some recommendations for housing solutions, based on options for a continuum of housing to meet people’s needs. The idea of a “continuum” is important to bring awareness when we think about options.

Councilor Wilkie spoke about his concerns over the term “address homelessness” and questioned if this could be made more explicit in the Vision Statement. He felt it should be made clear that the intention is to eliminate homelessness by supporting the people afflicted by homelessness. He will try to rephrase this item and send his suggested edits to the City Manager.

2.3 Mr. Nathan Reichert (Director of Planning & Development) spoke about Land Use and how we can encourage some thoughtfully designed, planned redevelopment in existing neighborhoods and infill areas. This is an ongoing, ever present challenge and explained his reasons. One of the things we want to make sure of is that we are allowing for the development of housing and making sure that housing meets the needs of neighborhoods in a safe manner (i.e., Accessory Dwelling Units (ADUs) are being permitted correctly, inspections are done, etc.). An update in the Housing Master Plan is being done by the Planning Board and will likely take 10 months to two years to complete. Currently, the Master Plan does not include homelessness. While we can shape the policy, we also need to make sure it is consistent with the City’s Zoning Ordinance. There are several other large studies they would like to do to help us adapt our regulations, so we are creating a regulatory environment.

Mayor McNamara noted that while preservation was great, he would like to see references not to just preserve a neighborhood’s character, but also preserving and enhancing a neighborhood’s character, and spoke about his reasons. He would also like to see the timeline moved up, noting that housing is an immediate need. The Planning Board’s efforts should move forward as quickly as possible ( $\leq$  18-24 months.). There is an urgency to getting this section of the Housing Master Plan taken care of.

Assistant Mayor Below also noted another great urgency is climate action and spoke about his reasons to make housing stock designed to be net zero energy and economically and environmentally sustainable over the long term. This needs to be part of our vision for housing. He will work on the language for this item in the Vision Statement and send in his suggested changes to the City Manager.

Mr. Reichert spoke about Energy Codes updates and the need for resources.

Councilor Whittlesey suggested a lot of this could fall under another Strategic Objective (2.5): “Support and/or facilitate innovative solutions to housing” and spoke about his reasons.

Councilor Liot Hill questioned what the City Council’s role would be in the cost/affordability of housing, and supporting wage growth in the City.

Councilor Heistad spoke about maintaining the history of neighborhoods, with the City Manager noting the Heritage Commission would be doing short snip-it videos about Lebanon’s history.

Councilor Wilkie suggested adding the word “nurturing” to neighborhoods and spoke about his reasons.

Mr. Reichert spoke about creating a Neighborhood Planning Report Card that could be placed on the Planning website page.

Councilor Liot Hill noted the Council should also address/acknowledge the human aspect in this item because some residents look at development as very threatening to the City’s future.

➤ **FINANCIAL STABILITY AND EFFICIENCY:** City Manager, Finance

**Summary of Strategic Objectives**

- 3.1** Maintain a responsible debt management plan.
- 3.2** Maintain a long term strategy to stabilize the tax rate and user fees to avoid spikes in the rates
- 3.3** Advocate and seek funding at the State and Federal level to reduce the impact on property taxes and user fees.
- 3.4** Maintain adequate cash reserves to ensure cash flow, the ability to respond to emergencies and the resources to take advantage of opportunities.

**Vision Statement**

The City strives to diversify its revenue streams to reduce the reliance upon the property tax as the primary source of revenue for general government operations. User fees have a direct relationship to the services provided and are commensurate with the actual cost of the services provided. The use of Unassigned Fund Balances in the General Fund as well as the enterprise funds is a strategy to minimize tax and fee rate spikes.

The Unassigned Fund Balance in the General Fund is healthy when it:

- is within a range of 19% to 24% of the current General Fund expenditure budget;
- provides a cash reserve to address emergencies;
- provides sufficient cash flow between semi-annual tax billings.

Financial planning is based on a long-term strategy to stabilize tax and user fee rates to minimize rate hikes. Planning for capital projects in the six-year Capital Improvements Plan that allows a more even spread of debt service payments where possible is utilized.

The City's debt load is maintained within the statutory requirements and the City Council's Debt Management policy for all funds.

The City utilizes federal, state, and private grant funding to offset the cost of capital and operating expenses. Additionally, the City advocates in partnership with other municipalities and the New Hampshire Municipal Association for more state funding to offset the impact to local property taxes. The City takes active steps to transition education funding from the statewide and local property tax to a more equitable cost share with other revenue sources.

**Staff Presentations and Council Discussions:**

Alesia Williams, Deputy Finance Director, reviewed the Summary of Strategic Objectives and the Vision Statements.

City Manager Mulholland noted that Rebecca Owens has transitioned into the Grant Writing position and will be seeking out and managing all grants for State and Federal funding opportunities. He also noted the tax rate in the recent past was 2.5% but expects this to rise to 4% for the City this year.

Mayor McNamara noted that while we cannot affect a lot of things at the state level, we need to be cognizant of the conditions we have and the sources of funding we have available to us as a NH community. This is unlikely to change for a very long time. The City has a lot of aspirations but we are never going to get outside support allowing us to do certain things we would like to do. We really have to prioritize.

City Manager Mulholland spoke about how the Council needs to be realistic when it comes to things the City can actually do in the Action Plans.

➤ **ECONOMIC VITALITY:** City Manager, Planning and Development

### Summary of Strategic Objectives

- 8.1** Facilitate a Sustainable and Resilient Economy.
- 8.2** Facilitate and develop partnerships to increase Early Childhood Education capacity and reduce cost.
- 8.3** Work cooperatively with UVBA, the Corporate Council and others to enhance the business climate in the region.
- 8.4** Coordinate regionally to enhance tourism opportunities in the Upper Valley
- 8.5** Implement opportunities for redevelopment in the four core business districts of the City.

### Vision Statement

The City is the economic hub of the Upper Valley. Most of the jobs in the region are located here in the City. The City is the host of a diversified and resilient economy. Traditionally the impacts of worldwide and national economic downturns impact the region to a lesser extent. The predominance of the medical sector, with Dartmouth Health being the largest employer in the region and the largest employer in the State, results in considerable supplemental and complimentary economic activity. The area has over 120 high-tech businesses, many of which are medtech and biotech companies. Many of these companies have a direct relationship or lineage from Dartmouth College and Dartmouth Health.

The region has the highest average salaries in the State. The Upper Valley economy is vibrant and resilient when it has the following:

- A trained workforce adequate to meet the needs of all employers;
- An innovative, creative, and entrepreneurial culture that drives and develops new ideas;
- A diversified commercial/industrial sector that includes small, medium, and large businesses;
- Adequate housing to meet the needs of the workforce needed for the economy;
- Adequate childcare and early childcare development to allow parents to work in the economy;
- Adequate public education and postsecondary education to develop and maintain a skilled workforce; and
- Vibrant and diversified retail, food, and general service sectors that meet the supporting needs of the Upper Valley.

The City's Master Plan addresses the larger vision statement relative to [Economic Development](#) located in Chapter 6.

### Staff Presentations and Council Discussions:

City Manager Mulholland reviewed the Summary of Strategic Objectives for Economic Vitality and noted what he considers to be the four core business areas of the City as being: The Downtown Business area; West Lebanon Downtown; the retail shopping district on Route 12A; and the Centerra/Mount Support Road area. He also noted we need to look at the regional resources we have and help the people in this region develop it in a positive way.

In response to Councilor Wilkie's question regarding Action Plans for the four (4) core business areas in the City, City Manager Mulholland noted that we are looking to develop plans and Action items for each of these four (4) areas.

Assistant Mayor Below noted a general observation for the Vision Statement and suggested using wording that includes "the region" throughout and explained his reasoning.

Councilor Liot Hill thought this might be the place to add "Living Wage Support" and placed under the 3<sup>rd</sup> bullet point to read: A diversified commercial/industrial sector that includes small, medium, and large

businesses that provide for 1) high paying jobs; or 2) wages that support the cost of life in the Upper Valley, and adding “Quality of Life into this topic. (i.e., adding to the title: Economic Vitality & Quality of Life.) Councilor Liot Hill will write up something and send her suggested wording to the Council.

**Social Health & Justice:** City Manager, Human Resources, Human Services, Planning and Development, Library

### **Summary of Strategic Objectives**

- 9.1** Develop and implement a citywide Equity Plan.
- 9.2** Maintain the City's ADA Transition Plan.
- 9.3** Implement equity in all policies, codes, charter and in the delivery of City services.
- 9.4** Be a welcoming community to people of all cultures, races, skin color, national or ethnic origin, language, religions, gender identity or expression, sexual orientation, mental or physical ability, age, political opinion or activity, economic status, immigration status or housing status.
- 9.5** Develop the concept of Environmental Justice throughout the organization and the community.

## **Vision Statement**

The City supports and upholds the federal and state constitutions.

The City resolves the following:

- Preserving the public trust and promoting community identity, civic pride, and quality of life for all residents, regardless of race, skin color, national or ethnic origin, age, sex, gender identity or expression, sexual orientation, mental or physical disability, religious or political opinion or activity, immigration status, socio-economic status, or housing status.
- The City takes a leading role in protecting civil liberties, promoting inclusiveness, and providing equal protection under the law to all persons in the City.
- A diverse population supports a resilient economy and fosters a high quality of life for its residents and visitors, in accordance with the City's Sustainability Principles.
- That while Free Speech is protected under the First Amendment; we can speak out against and discourage hate speech as contrary to our values.
- The City demonstrates its commitment to protecting its residents and visitors against discrimination on the basis of race, skin color, national or ethnic origin, age, sex, gender identity or expression, sexual orientation, mental or physical disability, immigration status, religious or political opinion or activity, socio-economic status, or housing status.
- The City takes a stand against ideologies of violence, hatred, and intolerance. The City denounces and rejects all ideologies based on discrimination, hatred, and intolerance, including racism, xenophobia, and homophobia, and condemns activities that promote these ideologies.
- The City is committed to fair and equal treatment of everyone in our community, including in housing, education, employment, and healthcare, and will strive to ensure all of our actions, policies, and operating procedures reflect this commitment.

### **Staff Presentations and Council Discussions:**

City Manager Mulholland noted this is a new category and has never appeared in the City's Master Plan.

- For 9.1: The Diversity, Equity & Inclusion (DEI) Commission will be working on this topic.

- For 9.2: This is a Planning Board function.
- For 9.3 and 9.4 : The DEI has already been working on this. (Note the Vision Statement above).
- For 9.5: DEI will be taking the lead on this topic in conjunction with the Tree Advisory Board and Conservation Commission in order to develop what the concept means (it means a lot of different things to different people).

Assistant Mayor Below suggested adding an additional item: “Sustainable Lebanon.”

Councilor Wilkie noted that in the Action Plans, there is also a Strategic Objective (9.6) by the library and was unsure if this should join the other Strategic Objectives. City Manager Mulholland noted he has not had a chance to review the (Libraries) categories yet.

Councilor Wilkie suggested that 9.4 should be rephrased to focus on the process by adding “Striving to become a welcoming community,” and explained his reasoning. Councilor Whittlesey suggested adding the phrase “Building a welcoming community.....” This was acceptable by Councilor Wilkie,

Councilor Whittlesey suggested he would like to see “transphobia” added at the end of the statement in 9.4.

**NEXT COUNCIL WORKSHOP MEETING: Thursday, April 27, 2023, 5:30PM.**

**3. ADJOURNMENT: The meeting was adjourned at 5:30 PM.**

Respectfully submitted,  
Dona E. Gibson  
Recording Secretary