



**JOINT LEBANON ECONOMIC DEVELOPMENT
COMMISSION AND DOWNTOWN LEBANON TIF
ADVISORY BOARD
WEDNESDAY, JUNE 28, 2023 - 4:00 PM
COUNCIL CHAMBERS, CITY HALL OR
REMOTE VIA VIRTUAL PLATFORM
LEBANONNH.GOV/LIVE**

1. Call to Order

- A. The June 28, 2023 Joint Economic Development Commission and Downtown Lebanon TIF Advisory Board meeting is hereby called to order.

2. Approval of Minutes

- A. May 24, 2023

3. New Business

- A. Discussion of Regional Cooperation with Nancy Merrill, Planning & Development Director for City of Claremont
- B. Review and Recommendation regarding proposed 2024 Budget by Downtown Lebanon TIF Advisory Board
- C. Review and Discussion of Master Plan Update Process for Chapter 6: Economic Development
- D. Review and discussion of previous RFP process for 20 Spencer Street
- E. Appointment of EDC representative to West Lebanon Revitalization Advisory Committee

4. Future Agenda Items

5. Next Meeting Date

- A. July 26, 2023

6. Other Business

7. Adjournment

Meetings are open for in-person and remote attendance. Members of the public that wish to attend remotely may do so by going to LebanonNH.gov/Live where you will find instructions on how to enter the meeting. Members of the public will be able to participate and ask questions through the City's virtual platform or by phone. Please note: Should technical difficulties occur during the meeting that disrupts virtual or phone connection(s), the meeting will continue without remote access capabilities.

DRAFT

**ECONOMIC DEVELOPMENT COMMISSION &
DOWNTOWN TIF ADVISORY BOARD
JOINT MEETING
WEDNESDAY, MAY 24, 2023 – 4:00PM
Council Chambers – City Hall – or remote via Virtual Platform
MINUTES**

EDC MEMBERS PRESENT: William Dunn (Chair), David Newlove, Kevin Purcell, Chip Brown, Councilor Karen Liot Hill (Vice Chair), Dan Nash

EDC MEMBERS ABSENT: Councilor Doug Whittlesey, Andrew Key, Tracy Hutchins (Upper Valley Business Alliance)

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

STAFF PRESENT: Deputy City Manager David Brooks

1. CALL TO ORDER:

- The May 24, 2023 Downtown TIF Advisory Board meeting was called to order at 4:00 PM. The Economic Development Commission meeting was not yet called to order, as a quorum was not present.

2. APPROVAL OF MINUTES:

A. April 26, 2023

An unofficial vote was taken regarding the April 26, 2023, minutes, as a quorum for the EDC was not yet present.

Motion by Ms. Smith to approve the minutes of April 26, 2023, as presented.

Second by Mr. Purcell.

** The Vote on the MOTION was approved by the EDC (4-0-0) and the TIF (4-0-1).*

Chair Dunn explained that various elements for redeveloping the lower parking lots have been considered. Some elements that have not yet been discussed include business use, housing mixes, timing, and roadwork reconfiguration options. Since the last meeting, he has discussed with City Manager Mulholland what the City Council is expecting as deliverables from these conversations. This will need to be included on a future agenda.

Mr. Brooks explained that a discussion regarding clear guidance on deliverables for the back parking lot area has been scheduled for the June 21, 2023, City Council meeting. Additionally, a 20 Spencer Street discussion item has been scheduled for the June 7, 2023, City Council meeting.

Chair Dunn explained that EDC is being asked to potentially redirect its discussion onto the 20 Spencer Street site, as EDC was originally involved in conversations on this item. This will be a topic at the June 7th City Council meeting. The EDC may then need to reprioritize its discussions on these topics. There were originally three developers interested in the RFI for the back parking lots and it could be possible that these developers are also interested in the 20 Spencer Street site.

Mr. Brooks noted that it has been four years since the City issued an RFP for the 20 Spencer Street site. At that time, there were two responses, and one was selected. The developer has since walked away from the project.

Councilor Karen Liot Hill (Vice Chair) entered the meeting and voted affirmatively to approve the meeting minutes of April 26, 2023.

** The Vote on the MOTION was approved by the EDC (5-0-0) and the TIF (4-0-1).*

1 In response to a question from Mr. Brown, Mr. Brooks explained that NHDES has lifted the activity and use restriction
2 on the 20 Spencer Street property. There is a continuing requirement for groundwater monitoring on the site. The site
3 can be developed while being monitored, as the groundwater is not proposed to be used for any purpose.

4
5 Councilor Liot Hill stated that the City Manager mentioned to the City Council that the previous developer would not
6 be moving forward with the redevelopment of 20 Spencer Street. Instead, conversations were being had with the
7 Lebanon Housing Authority regarding potential workforce/low-income housing on the site. She suggested that the
8 City Council should discuss if this is the right direction or if other options should be considered, as that would be a
9 large change from the original scope. As part of this discussion, she suggested that the EDC and TIF be involved.

10
11 Mr. Brooks noted that a tax-credit project might not generate as much tax income as a market-rate project, but both
12 would generate some amount of TIF revenue from the property, which is currently generating zero income.

13
14 Mr. Sykes stated that the City Council has competing interests to explore. The EDC and TIF have focused points of
15 view to be mindful of. It is important to hear from the City Council as to where it would like the EDC and TIF to focus
16 discussions.

17
18 Ms. Smith stated that, regarding the Spencer Street project, the previous developer was going to make some of the
19 units affordable. It could be possible to include both types of units on this site.

20
21 Mr. Purcell stated that he has heard from residents that ownership units, mixed office space areas, and larger units
22 would be of interest. He asked if there should be a pause on Spencer Street and the back parking lot projects, in order
23 to focus on other items of economic development interest.

24
25 Chair Schuster stated that increasing ownership in the Downtown will create a more sustainable Downtown. If Spencer
26 Street could include ownership, this would be great. There needs to be consideration regarding increasing density in
27 these areas. Zoning ordinances have some impediments toward this. Lebanon is a unique community and should
28 remain this way, while considering opportunities for increased density in certain areas.

29
30 The EDC and TIF agreed to put forward thoughts for the City Council meeting on June 7th regarding being involved
31 in the ongoing Spencer Street discussion.

32
33 **3. NEW BUSINESS:**

34 A. Review and Discussion of Responses to Downtown Redevelopment Request for Expressions of Interest
35 (RFI)
36

37 *This item was previously discussed.*
38

39 ***Motion by Mr. Owens to adjourn the TIF meeting at 4:47pm.***

40 ***Second by Mr. Sykes.***
41

42 **** The Vote on the MOTION was approved by the TIF (5-0-0).***
43

44 B. Discussion of Regional Cooperation with Nancy Merrill, Planning & Development Director for City of
45 Claremont
46

47 Chair Dunn explained that Nancy Merrill was unable to be present at the meeting this evening. A previous UNH study
48 found there was a lack of regional collaboration. A business inventory could be considered with the City of Claremont.

49
50 Mr. Purcell stated that lack of social engagement in the Upper Valley was also part of the study. This is consistent
51 with what he sees day-to-day as part of the retention of jobs in this area. There could be discussions regarding how to
52 reduce the attrition rate. The younger demographic would likely want for services to be considered and recruited.

53
54 Councilor Liot Hill suggested that there may already be data available that could be used for a gap study.

55
56 The Commission agreed to continue discussions on this topic.
57

58 C. Review and Discussion of Master Plan Update Process for Chapter 6: Economic Development
59

1 Mr. Brooks reviewed a redlined copy of this document with the Commission. The Commission reviewed the draft
2 Vision & Purpose Statement. Mr. Brooks stated that the strategic objectives of the Strategic Plan have been adopted
3 by the City Council.

4
5 The EDC agreed with the draft Vision & Purpose Statement, as amended.

6
7 D. Appointment of EDC representative to West Lebanon Revitalization Advisory Committee

8
9 The Commission discussed a representative to the West Lebanon Revitalization Advisory Committee. Chair Dunn
10 explained that a person has potentially been identified and he would like to continue discussions with Ms. Hutchins
11 regarding this.

12
13 **4. FUTURE AGENDA ITEMS:**

14 As previously discussed during the meeting.

15
16 **5. NEXT MEETING DATE:** June 28, 2023

17
18 **6. OTHER BUSINESS**

19 None at this time.

20
21 **7. ADJOURNMENT.**

22 *The EDC meeting was adjourned at 5:22 PM.*

23
24 Respectfully submitted,

25 Kristan Patenaude

TAX INCREMENT FINANCE DISTRICT

estimates

DOWNTOWN TIFD

REVENUE	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
1st half Warrant	\$ 41,997.00	\$ 204,978.28	\$ 195,912.00	\$ 380,173.00	\$ 389,670.00
2nd half Warrant	\$ 386,636.48	\$ 180,707.51	\$ 364,278.00	\$ 399,180.00	\$ 409,160.00
	\$ 428,633.48	\$ 385,685.79	\$ 560,190.00	\$ 779,353.00	\$ 798,830.00
Interest Earned	\$ 636.53	\$ 828.55	\$ 1,787.04	\$ 10,000.00	\$ 12,000.00
EXPENSES					
Downtown Tunnel Bond Payment		\$ (297,900.00)	\$ (288,320.00)	\$ (279,597.46)	\$ (270,980.00)
Balance Available	\$ 429,270.01	\$ 517,884.35	\$ 791,541.39	\$ 1,301,296.93	\$ 1,841,146.93

2023 TIFD APPROVED BUDGET

Rounded to Nearest 10th

OBVIOUSLY HIGHER NOW DUE TO REVAL BUT THIS WAS BUDGETED

DOWNTOWN LEBANON TAX INCREMENT FINANCING DISTRICT		EXPECTED
Revenue:		
2023 Estimated Property Taxes	\$ 393,570	\$ 779,353
Expenditures		
Transfers to General Fund (Downtown bond payment)	\$ (279,600)	
Future Operations & Maintenance	<u>\$ (113,970)</u>	
	\$ (393,570)	

2024 TIFD PROPOSED BUDGET

Rounded to Nearest 10th

DOWNTOWN LEBANON TAX INCREMENT FINANCING DISTRICT

Revenue:

2024 Estimated Property Taxes	\$ 798,830
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Expenditures

Transfers to General Fund (Downtown bond payment)	\$ (270,980)
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Future Operations & Maintenance	<u>\$ (527,850)</u>
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	\$ (798,830)
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**CITY OF LEBANON
REQUEST FOR PROPOSALS
FOR
20 SPENCER STREET, LEBANON, NH**

APPENDICES

A. Site Description

The 20 Spencer Street site is a 1.92-acre (83,725 square feet) parcel located on the southerly side of Spencer Street. The lot includes approximately 465 feet of street frontage and ranges from roughly 125 feet to 220 feet in depth. The rear of the property abuts the Northern Rail Trail corridor, which is owned by the State of New Hampshire.

The most recent use of the subject property was as a City of Lebanon Public Works garage and administrative office. A highway garage was originally built at the site in the early 1900s. The City has owned the site since at least 1949 and the current building was constructed in 1953 with an addition constructed in 1966. The City's DPW relocated from the property in approximately 2010 and the site has been used for storage and material staging by DPW and other City Departments since that time.

The City has had a Phase 2 - Environmental Site Assessment completed for the property, which is available on the City's project webpage. The City is willing to consider partnering with the selected developer to address and resolve known environmental issues on the property.

The property is located within the City's Downtown Tax Increment Finance ("TIF") District. The Downtown TIF District was established in 2018 to fund public infrastructure improvements within the urban core, starting with a tunnel rehabilitation project in 2019-20, which will help connect the Northern Rail Trail with the recently-completed Mascoma River Greenway that continues toward West Lebanon. Subsequent TIF-supported improvements may include traffic and parking improvements, streetscape and wayfinding improvements, and additional infrastructure and development projects. Downtown Lebanon is also a state-designated Economic Revitalization Zone (ERZ), which enables applications for short-term business tax credits for projects that create jobs or make facility improvements within the ERZ.



Aerial photo looking north at project site and surrounding properties.

The Neighborhood

Spencer Street is currently home to a variety of land uses from the City's Eldridge Park to about twenty (20) single-family dwellings to a 160-unit multi-family apartment complex. The street also hosts high-tech industry and a variety of light industrial (warehousing, auto repair, contractor's yards) and office uses.

The property is approximately one-quarter mile from Colburn Park in the heart of historic Downtown Lebanon and is bordered by the Northern Rail Trail, a continuous multi-use trail that extends approximately 58 miles from Lebanon to Boscawen, NH. The site is proximate to the City's Eldridge Park and the Carter Community Building Association (CCBA) fitness and recreation facility. The site is also within approximately 10 minutes of Dartmouth-Hitchcock Medical Center, Dartmouth College, numerous technology and manufacturing companies (including Geokon, Hypertherm, Fuji Dimatix, Mascoma Corp, TomTom, Adimab, Novo Nordisk, Timken, and many others), as well as regional shopping districts.

Site Specific Information

Location

The site is identified as 20 Spencer Street, Lebanon, New Hampshire and consists of Tax Map 92-31 and 92-32, which were legally merged by a Notice of Action recorded on November 7, 2018 at the Grafton County Registry of Deeds in Book 4400, page 0057.



Aerial photo looking south at project site and immediately surrounding properties.

Deed information:

Grafton County Registry of Deeds: Book 604, page 369; Book 1064, page 371-372; Book 1725, page 936.

Parcel Area

The site is 1.92+/- acres (83,725 square feet) in size as indicated on a property boundary survey recorded on December 20, 2018 at Grafton County Registry of Deeds as Plan #15652. A copy of a 2018 boundary survey is available on the City's project webpage.

Frontage

Approximately 465 feet along Spencer Street
Approximately 460 feet along the Northern Rail Trail right-of-way

Topography

Overall the parcel is generally flat, with elevations ranging from +/-576 to 582 feet AMSL
The majority of the lot is improved with paved and/or gravel surfaces.

Wetlands

None

Flood Plain /Floodway:

A portion of the property is located within Flood Zone AE, the 100-Year floodplain, pursuant to FEMA map #33009C0913E, effective 2/20/2008, with a flood elevation of approximately 578.5 feet AMSL. The property is not impacted by the regulatory floodway.

Existing Structures

The property is improved with an existing one-story, +/-11,400 square foot brick building constructed in 1953 with an addition built in 1966 and formerly used by the City of Lebanon Department of Public Works as a highway garage. Attached to the brick building is a +/-1,050 square foot modular building formerly used for administrative offices.

Current Use

The existing building is currently used by several City Departments for storage of recreational and maintenance equipment. The remainder of the site is currently used for temporary staging of equipment and materials.

Abutting uses to the north

Eldridge Park; Emerson Place Apartments, a 160-unit multi-family development; Mixed-use property including offices, warehousing, and a contractor's yard.

Abutting uses to the south

The Northern Rail Trail corridor located within the former Boston and Maine railroad right-of-way, now owned by the State of New Hampshire. South of the trail is a mixed residential neighborhood of single-family dwellings and converted multi-family dwellings.

Abutting uses to the east

Daniels Moving and Storage warehouse facility; Geokon Inc.

Abutting uses to the west

Elite Cleaning, Carpet, Upholstery and Rug cleaning business; multi-family dwellings, and public parking areas.

Water / Sewer:

The property is served by municipal water and sewer utilities.

A 15" sanitary sewer main flows along the entire frontage of Spencer Street,

A 12" water main runs along the entire frontage of Spencer Street

Restrictive deeds or covenants

An Activity and Use Restriction (AUR) was filed on January 30, 2008 for a 50'x50' area in the northeastern portion of the Site where contamination associated with a former 10,000-gallon diesel Above-ground Storage Tank (AST) was identified in March 2007. Use in this portion of the property is restricted to commercial and/or industrial use that does not disturb the petroleum impacted soil with NHDES approval, construction of less than 3 months, or other activities approved by NHDES that do not cause undue risk to human health, safety,

welfare, or the environment. A NHDES approved Soil Management Plan is required for soil disturbance activities. The AUR specifically restricts child-occupied uses and relocation of petroleum impacted soil outside the AUR area. The Notice of Activity and Use Restriction was recorded in the Grafton County Registry of Deeds on November 12, 2009 at Book 3660, Page 0763 and a copy of a Restriction is available on the City's project webpage.

Subgrade conditions (from Phase II Environmental Site Assessment report, Section 4.3, prepared by Credere Associates, LLC, dated March 16, 2018):

In general, the soil encountered at the Site consists of a surficial layer of topsoil, sand, and gravel or asphalt underlain by sand with varying amounts of gravel. A silty sand layer was encountered at the bottom of borings CA-SB-2 at 11.5 feet below ground surface (bgs), CA-SB-3 at 14 feet bgs, CA-SB-4 at 8 feet bgs. Refusal was not encountered in any of the soil borings advanced by Credere.

Transportation Routes

The site is approximately one quarter mile from City Hall / Colburn Park where local transit service through [Advance Transit](#) can be obtained (Red and Blue Routes). The site is also located within one mile of Exit 18 on Interstate 89 and near US Route 4 and NH Route 120, which intersect at Colburn Park. [Dartmouth Coach](#) provides intercity bus service from Lebanon to Boston (Logan Airport and South Station) and New York City. The [Lebanon Airport](#) is located approximately 5 miles away and provides daily commercial flights to Boston and White Plains, NY, with complimentary ground transportation to mid-town Manhattan.

Traffic Counts:

Given the existing roadway network patterns and downtown business offerings, the traffic converging in the downtown core is comprised of both "through" and "to" traffic. That is, some portion of the traffic stream is using the downtown street network to reach a destination outside of the core, while another portion of the traffic stream is headed for a specific downtown location.

Average Daily Traffic counts, provided by NH Department of Transportation, for roads in the vicinity of the site are as follows:

- Bank Street (US Route 4): 5,653
- South Park Street (US Route 4 / NH Route 120): 8,213
- Hanover Street (NH Route 120): 5,876

Zoning:

The property is zoned Central Business District (CBD). Dimensional requirements within this district are detailed below. The purpose of the CBD zone is to provide in-town areas for retail and service businesses, banks, offices, and government facilities. Other related commercial activities and higher density residential uses should be encouraged. The Permitted, Conditional Use, and Special Exception Uses allowed within the Central Business District are outlined in the Zoning Ordinance, which is available through the City's project webpage.

Dimensional Requirements

Minimum Lot Size: 3,000 square feet

Maximum Building Coverage: None (i.e. 100% coverage is permitted)

Setbacks:

Front Setback: 0 ft min

Side Setback: 0 ft min

Rear Setback: 10 ft min (may be reduced by Special Exception)

Height: Principal Building; 55 feet is allowed for the subject property

Density: Density determinations for multi-family dwellings and mixed-use buildings shall be made by the Planning Board during the course of site review based on site specific conditions and factors such as the availability of parking and/or the ability to provide required parking, the availability of adequate water and sewer, and the ability to provide required site improvements and to meet all other requirements of the Site Plan Review Regulations and all other applicable City regulations. [§306.5]

Parking: Uses in the CB District and the PB District are exempt from minimum and maximum parking requirements because of the availability of public parking. However, parking requirements in the CBD and PB districts shall be as required by the Planning Board through its Site Plan Review of new uses or changes or expansion of use. [§607.4]

Disclaimer: The best efforts were made to verify the information outlined above, however, the city is not responsible for errors or omissions in data presented.

B. About Lebanon

The City of Lebanon is the hub of the Upper Connecticut River Valley region and the center of the Lebanon NH-VT Micro NECTA area. Lebanon is a thriving small City that offers our residents the best of rural and urban living - a fact that was recognized by our being ranked third in a recent listing of the 100 Best Small Towns in America.

With a resident population of approximately 13,600, Lebanon's daytime population swells to nearly 35,000 as the employment and shopping hub of the Upper Valley. Approximately 19,000 people work in the City, including at Dartmouth-Hitchcock Medical Center (DHMC); in one of the many high-tech companies located in our business parks; at one of the national or local retail stores or restaurants in our commercial areas; or at a small business in one of our historic central business districts. Lebanon's infrastructure — state-of-the art telecommunications, direct interstate highway access, a commercial airport and intercity bus service, public water and sewer systems, and freight rail service — supports a dynamic and diverse business community.

The City's 2012 Master Plan includes the following element as part of Lebanon's long-term vision for Downtown:

Downtown Lebanon shall continue to be a vibrant part of the community - a crossroads where residents and visitors work, meet, shop, learn, participate in local governance, and share in a good quality of life and a firm sense of community and belonging. The City of Lebanon seeks to promote and enhance downtown Lebanon as a vital business, social and recreational center of the community while preserving its historic "small-town" atmosphere.

In 2016, the City completed a Downtown Visioning Study and Tunnel Assessment Project. The study represents the City's efforts to identify a long-range, multi-faceted, community-led vision of how to make Downtown Lebanon a desirable destination for the region. The analyses and recommendations in this study were developed based on specific goals and objectives identified in the Lebanon Master Plan and with substantial public input gathered through broad citizen engagement. Six key concepts emerged from the final report including:

- Create a Downtown Arts Walk
- Seek mixed use and infill development that enhances the vibrancy of Downtown
- Complete the Mascoma River Greenway with new riverfront and tunnel segments
- Welcome people downtown with an attractive Hanover Street Gateway
- Connect Downtown, neighborhoods, and recreation with a more walkable, bikeable street and path network
- Create Organizational Capacity

Housing:

- a) *Median Sales Price:* The following are median sales prices for housing in Lebanon, as reported by the NH Housing Finance Authority (www.nhhfa.org).

	<u>All</u>	<u>Existing</u>	<u>Single-Family</u>	<u>Condominiums</u>
2017	\$241,300	\$232,000	\$251,700	\$185,500
2016	\$235,000	\$235,000	\$240,000	N/A
2015	\$205,000	\$204,500	\$215,000	\$182,000
2010	\$220,000	\$220,000	\$220,000	N/A
2005	\$240,000	\$232,000	\$252,000	N/A
2000	\$129,500	\$129,500	\$134,200	N/A

- b) *Median Rents:* The following are median rents, as reported by the NH Housing Finance Authority (www.nhhfa.org).

	<u>All</u>	<u>Studio</u>	<u>1-Bedroom</u>	<u>2-Bedroom</u>	<u>3-Bedroom</u>
2017	\$1,446	\$672	\$1,685	\$1,499	\$1,580
2016	\$1,346	\$761	\$988	\$1,599	\$1,562
2015	\$1,329	N/A	\$1,095	\$1,419	\$1,466
2010	\$1,163	N/A	\$750	\$1,214	\$1,359
2005	\$836	N/A	\$713	\$838	\$1,155
2000	\$668	N/A	\$547	\$669	N/A

- c) *Rental Housing Vacancy Rate:* The following are rental vacancy rates, as reported by the NH Housing Finance Authority (www.nhhfa.org).

	<u>All Units</u>	<u>Percentage</u>
2007-2011	177	5.9%
2012-2016	64	1.9%

- d) *Household Income:* The following is summary of median household income for Lebanon, Grafton County, and the State of NH as reported by the 2017 Census (<https://factfinder.census.gov>).

	<u>Lebanon</u>	<u>Grafton County</u>	<u>New Hampshire</u>
Median Income	\$64,564	\$61,036	\$71,305
# of Households	6,267	34,856	526,710

Economic Data:

- a) *Market Analysis:* As a component of the Downtown Visioning Study and Tunnel Assessment project, the consultant completed a market analysis to consider the economic position of Downtown Lebanon and to identify potential development opportunities. The summary of the Market Analysis is contained in the Chapter 3 of the Visioning Study [Final Report](#) and the full market opportunity analysis is included in [Appendix B](#) of the Study, which are available through the City's project webpage.
- b) *Unemployment Rate:* The following is a summary of the unemployment rate for Lebanon, Grafton County, the regional labor market ("MicroNECTA – NH only"), and State of NH for 2014 through 2018 (November) (<https://www.nhes.nh.gov/elmi/statistics/laus-arch.htm>).

<u>Lebanon</u>	<u>MicroNECTA</u>	<u>Grafton County</u>	<u>New Hampshire</u>
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November 2018	1.5%	1.7%	1.8%	2.2%
November 2017	1.8%	1.9%	2.1%	2.4%
November 2016	1.8%	2.0%	2.3%	2.7%
November 2015	2.1%	2.2%	2.4%	2.9%
November 2014	2.5%	2.7%	3.0%	3.8%

- c) *Property Tax Rates and Assessment Ratios*: The current City tax rate is \$29.72 / \$1,000 of Assessed Value. The City's current valuation ratio is +/-90%. New Hampshire does not have sales or income taxes.
- d) *Colleges and Universities*: Lebanon is six miles from Dartmouth College, located in Hanover, NH. River Valley Community College, Granite State College, and Franklin Pierce University maintain satellite facilities in the City meeting a wide range of adult learning needs.
- e) *Airports*: Lebanon is home to the municipally-owned Lebanon Airport (LEB), which is classified as a non-hub primary commercial service airport. LEB is one of only three commercial service airports in New Hampshire and one of only four airports in the state to have an air traffic control tower. Lebanon Airport (LEB) covers an area of approximately 440 acres and contains two asphalt paved runways:
- Runway 18/36 measures 5,200 ft x 100 ft, approx. N/S orientation: 168.41 deg. true
 - Runway 7/25 measures 5,495 ft x 100 ft, approx. NE/SW orientation: 59.75 deg. true
- f) *Major Employers*: The following is a summary of Full Time Equivalent Employees at major employers in Dover:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>Sector</u>
DHMC	7,441	7,000	7,381	6,904	6,625	Hospital
APDMH	575	610	624	607	586	Hospital
Fujifilm Dimatix	544	506	451	390	-	Manufacturing
Hypertherm	449	451	563	569	558	Manufacturing
SAU88-Leb Schools	383	386	395	-	378	Education
Timken Company	-	-	-	377	423	Manufacturing

**CITY OF LEBANON
REQUEST FOR PROPOSALS
FOR
20 SPENCER STREET, LEBANON, NH**

4. Selection Process & Criteria

Limitations:

This RFP does not commit the City to select any developer or proposal, to pay any costs incurred in the preparation of a response to this request, or to enter into any contract for services or sale of property.

The City reserves the right to accept or reject any or all submissions or proposals received as a result of this request, or to cancel this RFP in part or in its entirety, if deemed to be in the best interest of the City.

Process:

All responses to the RFP will be reviewed and evaluated based on the information contained in the respective submission packages, responsiveness to the selection criteria set forth below, and other factors reflecting the best interests of the City.

Representatives from the City's Economic Vitality Exchange Committee and the City Administration will evaluate submissions beginning after the submission due date. At the conclusion of deliberations, a short list of developers will be invited for interviews.

Following the interviews, and possible public presentation(s), the preferred developer candidate will be selected, and their proposal(s) will be forwarded to the City Council for approval.

Selection Criteria:

The factors to be considered in the selection process with their relative weight include:

Development Team – 20%

The Committee will consider:

- Development team's relevant credentials, particularly related to comparable residential and/or mixed-use development projects.
- Development team's demonstrated ability to effectively execute work in a timely manner.
- Proven ability to work effectively and productively with the community and public agencies.
- Development team's track record in contributing to the revitalization of adjacent neighborhoods and sustainable building practices.

Development Vision – 40%

The Committee will consider:

- Development team's creativity and overall development vision for this site.
- Development team's design aesthetic as demonstrated in previous projects and as proposed.
- Responsiveness to the characteristics and qualities presented in the Master Plan and Downtown Visioning Study, and the connectivity to creating a vibrant and interesting urban core.

- Development team's experience with and commitment in this project to high performance, energy efficient, and sustainable building practices, including use of renewable energy and low impact development techniques.
- Any proposal, or option for, affordable workforce housing units, including proposed eligibility criteria.

Financial – 30%

The Committee will consider:

- Revenue generated from the sale of the property.
- The value to the community of any proposed commitment to affordable workforce housing units in exchange for a reduction in the sale price.
- Revenue generated in the form of projected tax income.
- Updates to public infrastructure.
- Other components, which might result from a public/private partnership.

Other -10%

The Committee will consider:

- Completeness and quality of the submission.
- Other compelling information and materials as provided by the development team.
- Overall value of the project in supporting goals of the City's Master Plan, Visioning Study, and Sustainability Principles.

**CITY OF LEBANON
REQUEST FOR PROPOSALS
FOR
20 SPENCER STREET, LEBANON, NH**

1. Introduction

The City of Lebanon, New Hampshire is interested in identifying a qualified and capable developer to propose and complete the redevelopment and revitalization of a City-owned parcel located at 20 Spencer Street within the Lebanon downtown core. The redevelopment of this site would include a residential and/or mixed-use development of multiple stories of sufficient architectural character and quality to support the City's Master Plan goals for high-performing facilities, to contribute taxable value, and to be compatible with the appearance of surrounding downtown Lebanon buildings.



The 1.92-acre site is located near the center of the City's historic Downtown Central Business District and is walking distance from Colburn Park, the civic heart of the community. The adjacent downtown area is home to a variety of restaurants, retail space, offices, the Lebanon Opera House, AVA Gallery and Arts Center, the Upper Valley Music Center, and the Carter Community Building Association fitness and recreation facility, as well as public recreation and

public parking areas. The site, just off Exit 18 of I-89, is also within approximately 10 minutes of Dartmouth-Hitchcock Medical Center, Dartmouth College, major technology and manufacturing employers, and regional shopping districts.

The City of Lebanon proposes the sale of the property, or a portion thereof, to a developer or development team for the express purpose of having the site redeveloped for residential and/or mixed uses, with on-site parking, subject to the guidelines outlined in this proposal. Alternatively, the City would consider entering into a public/private partnership where the developer works in concert with the City to address and resolve site-related issues and permitting in order to achieve a successful redevelopment outcome.



Aerial photo looking south at project site.

The City is also willing to consider financial scenarios proposed by potential developers that would be judged on the basis of their ability to realize the Vision and Development Objectives outlined herein, conform to the City's Master Plan goals and development regulations, and achieve the best result for the City of Lebanon and its citizens.

Upon the successful completion of the redevelopment of the 20 Spencer Street property, the City may be open to partnering with the successful developer on additional opportunities within the downtown area as envisioned in the Lebanon [Downtown Visioning Study report](#).

2. Vision and Development Objectives

In the 2016 Downtown Visioning Study, the vision for Spencer Street was articulated as follows:

"Spencer Street will become a walkable neighborhood street with the addition of a new sidewalk and lighting. New development at the former City DPW lot [20 Spencer Street], and improved building facades or fencing along other parcels, will create a more consistently attractive and safe street. A mix of commercial and residential use will keep the street active at different times of the day and week, spread out traffic, and support economic development for Lebanon. Walking connections to the

Mascoma River Greenway and other riverside paths and parkland will provide residents and workers access to beautiful recreation amenities.”

- p.80 of Downtown Visioning Study Final Report

The Visioning Study also included conceptual-level renderings of possible redevelopment scenarios for the Spencer Street corridor illustrated below.



- Residential Development Concept, Figure 5.16; p.85 of Downtown Visioning Study Final Report



- Office Development Concept, Figure 5.16; p.85 of Downtown Visioning Study Final Report

The City is seeking a developer for the site who will create a place that residents and visitors can enjoy and one which supports Downtown Lebanon by creating an attractive, vibrant focal point of the community in furtherance of the vision expressed by the community. This development should reflect the overall character of Lebanon, as well as enhance the vibrancy the Downtown enjoys.

The development should demonstrate a commitment to sustainable and green building practices consistent with [Lebanon's Principles for Sustainability](#), the goals of the [Energy](#)

[Chapter of the Master Plan](#), and the [City's support for the Paris Climate Agreement](#). The ideal developer will demonstrate state-of-the-art, cost-effective, high-performance energy efficiency and use of on-site renewable energy in a largely market-based development.

It is the City's objective to enter into a "Purchase and Sales/Development Agreement" with the qualified and reputable developer that submits the most appropriate proposal for redeveloping this important site. The successful proposal will feature the following components:

- 1) Land Uses: The City is interested in the following land uses for the site:
 - a) Residential and/or Mixed-use development. Commercial uses may include commercial services, restaurants, retail, office, medical, and/or arts/cultural uses. Residential uses may be ownership or rental housing. While rental or sales prices are anticipated to be mostly market rate, incorporation of affordable workforce housing is desirable and, in exchange for a commitment to providing a number of units as affordable workforce housing, the City may consider a discount on the sale price of the land.
- 2) Building Design: Interested developers should provide conceptual site plans and building renderings and/or models for their project. Developers are advised that the City is most interested in projects that will include architectural designs compatible with existing downtown Lebanon buildings, including modern or contemporary architectural designs that are contextually appropriate, with attractive perimeter landscaping and the installation of a public sidewalk and streetscape improvements along the property frontage. Proposed projects should comply with the following guidelines:
 - a) Multi-story construction (3 to 5 stories) measured from average surrounding grade. Applicants may elect, but are not required, to retain and rehabilitate the existing building(s) on the property.
 - b) Development of one or more new buildings on the site should align with and be located near the Spencer Street frontage and should tie in with roadway and streetscape improvements to include a sidewalk, street trees, and street lighting.
 - c) The building(s) should utilize high-quality, durable materials and appropriate design details to complement the character of the surrounding neighborhood.
 - d) The development should demonstrate a high level of energy efficiency and sustainable building practices, including minimizing fossil fuel use and maximizing renewable energy use to the extent economically feasible, and integrating Low Impact Development (LID) techniques to the maximum extent feasible. This can be demonstrated by a commitment to above-code performance through proposed conformity with one or more of the following voluntary standards:
 - [2018 International Energy Conservation Code \(2018-IECC\)](#),
 - [2018 International Green Construction Code \(2018-IgCC\)](#),
 - [LEED \(Leadership in Energy and Environmental Design\) standards](#),
 - [EPA Energy Star Certification](#) with [Indoor airPLUS qualification](#),
 - [US DOE Zero Energy Ready Home Program](#), or
 - [PHIUS+ 2015: Passive Building Standard -- North America](#).
 - e) The development should provide direct pedestrian and bicyclist connections to the adjacent Northern Rail Trail for occupants, customers, and tenants of the development.
 - f) Parking for vehicles and bicycles sufficient for the proposed development should be provided on-site, to the extent feasible. The City is open to considering the provision of supplementary parking within the nearby public parking lots.
 - g) Universal design for interior and exterior facilities should be integrated to the extent feasible.

- 3) **Community Economic Benefits:** The City is highly interested in development concepts which will:
- Provide a good mix of market-rate and affordable workforce housing that helps address the regional housing shortage.
 - Create vitality in Downtown and serve as a catalyst for redevelopment of surrounding properties.
 - Expand the City's tax base.
 - Demonstrate state-of-the-art, cost-effective, energy efficient, and sustainable building performance, including the use of renewable energy to meet some or all energy needs.
 - Support the City's employment base with permanent jobs that provide a living wage or better.

Further information and details about the City of Lebanon, in general, and the 20 Spencer Street property, in particular, are provided in the attached Appendices. In addition, the following documents and resources are specifically referenced for review by potential respondents to this Request for Proposals (RFP). Developers seeking to respond to the RFP will be expected to familiarize themselves with the City of Lebanon's 2012 Master Plan and the 2016 Downtown Lebanon Visioning Study as listed below.

Additional Information and Resources:

- [Property Survey: "Lot Line Adjustment Plat, City of Lebanon and Keith Beardslee, 10 & 20 Spencer Street, Lebanon, Grafton County, New Hampshire, Project No. 1526, Date: October 4, 2018", prepared by Rockwood Land Services, LLC, recorded on December 20, 2018 at Grafton County Registry of Deeds as Plan #15652](#)
- [Lebanon 2012 Master Plan](#)
 - [Lebanon Central Business District Chapter](#)
 - [Housing Chapter](#)
 - [Energy Chapter](#)
- [Lebanon Zoning Ordinance](#)
- [Downtown Lebanon Visioning Study](#)
 - [Executive Summary](#)
 - [Full Report](#)
 - [Appendices](#)
 - Appendix B: [Market Analysis Memorandum](#)
 - Appendix F: [Design Guide Strategies](#)
- [Phase II Environmental Site Assessment report, prepared by Credere Associates, LLC, dated March 16, 2018](#)
- [Downtown Lebanon TIF District](#)
- [Community Revitalization Tax Relief Incentive Program \(79-E\)](#)
- [Economic Revitalization Zone](#)
- [PHIUS+ Is Within Reach, Commercial Resource Center PHIUS](#)
- [Vital Communities Upper Valley Workforce Housing Information](#)
- ["Conceptual Reuse Plan, City of Lebanon Former DPW Site, Spencer Street, Lebanon, NH", prepared by Pathways Consulting, dated March 25, 2019.](#)

3. Submission Requirements

Developers responding to this RFP are required to submit detailed information as set forth in this section. Additional materials and information may also be included in the submission package as deemed appropriate by the respondent.

Proposals must be received no later than **1:00 PM on Friday, November 15, 2019** to be eligible for consideration. Proposals must be submitted in two (2) hard copies and one (1) electronic copy (.PDF or other general use format, on a portable USB flash drive or CD/DVD disk) addressed to David Brooks, Department of Planning & Zoning, 51 North Park St., Lebanon, NH 03766. Proposals shall be submitted in a sealed envelope clearly marked "Request for Proposals - 20 Spencer Street".

All materials submitted in response to this RFP become the property of the City of Lebanon and may be used as the City of Lebanon deems appropriate. All submittals will be subject to the applicable provisions of RSA 91-A.

Respondents should carefully follow the format and instructions outlined below. Proposals must contain the information and documents described below and the completed documents must be signed. Proposals which do not include the following items may, at the discretion of the City, be deemed non-responsive and may not be considered. The Proposal shall be written in sufficient detail to permit the Review Committee to conduct a meaningful evaluation of the proposed project.

The Proposal must include the following information:

1) Cover Page.

The cover page should include the following information:

- a) Title of RFP
- b) Respondent/Name of Firm
- c) Business Address
- d) Business Phone
- e) Facsimile Phone
- f) Web page and email addresses
- g) Primary Contact Person and contact information

2) Table of Contents.

The Table of Contents should outline the major areas of the proposal. All pages of the proposal, including the enclosures, should be clearly numbered and labeled and correspond to the Table of Contents.

3) Development Team and Organization.

State the members of the development team, including the developer (including principals and any joint venture partners), management company, architect, landscape architect, engineers, legal, marketing, financial partner(s) (if any), and other members key to development or operation of the project. Outline the roles and organization of the team.

4) Development Plan.

- a) Proposed development program information for the entire project and by phase, major use component, and building/site, as appropriate:
 - i) For total project and for each phase and use
 - Gross and net square feet of non-residential space
 - Number and type of residential units (e.g. studio, 1 BR, etc.)
 - Parking supply (on-site or off-site)
 - ii) Other information for the above or other uses as appropriate to fully describe them

- b) Public improvements (e.g. sidewalk and streetscape improvements, etc.) proposed for project in terms of:
 - i) nature/description (e.g. components, amenities, square footage, seating, public art, etc.)
 - ii) phasing
 - iii) capital cost (hard and soft)
 - iv) maintenance and management costs
 - v) responsibility for funding capital costs, maintenance, management, and programming
 - vi) basis for cost estimates
 - c) State whether the proposed project is confined to the property offered by the City or if it utilizes additional property. If the latter, specify the level of commitment of such additional property to be included in the Respondent's project and provide evidence of such commitment. If the proposed project may include additional property, but such property has not yet come under the Respondent's control, indicate the status of acquisition efforts, and, in the appropriate sections below, the impact on program, design, phasing, and proposed terms that acquisition of such additional property would have on the project. Furthermore, state whether the proposed project is intended to be a public/private partnership developing as a residential and/or mixed-use multi-story building.
- 5) Conceptual Design.
- a) A design narrative which describes:
 - i) the physical attributes of the project.
 - ii) the goals of the proposed design and development mix and how the various elements work to achieve those goals.
 - iii) energy efficiency and sustainable design features, including any low impact development techniques, proposed renewable energy systems, and targeted level of energy efficiency, which can be expressed as a target to equal or exceed or as a range within which the project is expected to perform as measured by site and source kBTU/sq.ft./yr., Energy Star score for new construction, LEED certification level, and/or other proposed metrics.
 - iv) characterization of design style, quality level, or other information that would give the City a better understanding of the character of the buildings, public improvements, and project as a whole.
 - v) the approach and level of commitment to involving the public in the design process.
 - b) A set of conceptual level design graphics (in 8 1/2" by 11" form in the body of the proposal document) and in one set of presentation boards, not to exceed 24" x 36" in size, which communicate the following:
 - i) an overall site diagram which depicts the location and mix of uses, including a table which identifies the net and gross square foot area of each use and number and type of units by building and/or floor level
 - ii) development site plan which highlights the key design elements and proposed site materials
 - iii) not less than one overall cross section of the site which illustrates how the development relates to abutting parcels/uses
- 6) Project Schedule.
- Submit an estimated schedule for project implementation depicting milestones for the full project, from commencement through occupancy of the final phase. Schedule should be presented in a graphic format, allowing understanding of any cause and effect relationships between major elements.
- 7) Environmental / Public Approvals Plan.

Outline the major elements of the environmental and public approvals process (including agencies and approvals required) for the project and the key issues and time frames involved. Time frames should be incorporated in the Project Schedule.

The plan should address environmental remediation issues. Note, the City is open to considering a public/private partnership in which the developer works with the City to address and resolve site-related issues and permitting to achieve a successful outcome.

8) Public Funding Plan.

Identify any public funding, other than from the City, that might be sought for the project and your assessment of likelihood, amount, and timing of receiving those funds. Describe any actions the City, or other public body, needs to take to assist in acquiring the sought-after funding. Identify in your financial proposal whether any such funding is assumed and the implications if it is or is not secured.

9) Description of the proposed approach to developing, maintaining, and managing the project.

- a) Proposed role of the Respondent in developing the various project components itself versus partnering with or selling/sub-leasing off parcels to other developers.
- b) Proposed approach to land takedown.
- c) Proposed role of the Respondent in providing security and maintenance during the predevelopment and development phases of the project.
- d) Proposed approach to ownership, management, and maintenance of land and improvements relative to public areas and private development components.
- e) Concepts for activity/event programming of public spaces that will ensure their active use by and attraction to the larger community and the Respondent's proposed role in managing them.
- f) Activities which you envision the City participating in during the design, permitting and construction phases of the project.
- g) Nature and level of commitment to ongoing ownership and management of the project by Respondent.
- h) Identification of any anticipated or programmed transfer of ownership of the project or any portion of the project (including the land).

10) Financial Proposal.

- a) Price and proposed terms of purchase for the City-owned land.
- b) Any allowances or conditions relating to environmental remediation.
- c) Phased acquisition/land take-down schedule and relationship to key milestones.
- d) Scope, nature, cost, timing, and conditions, if any, relative to public improvements to be funded by the developer (e.g. creation of parkland, public infrastructure).
- e) Identification of any project components which may at any time charge a fee (e.g. parking garage) and provisions for on-site parking and proposed arrangements for off-site parking, if necessary.
- f) Proposed approach to long-term maintenance of the development and the public improvements and anticipated costs funded by developer.
- g) Any anticipated off-site improvements, their cost, and who would be responsible for funding these costs.
- h) Any option for dedicated affordable workforce housing units, including proposed eligibility criteria, and any proposed reduction in the purchase price of the property per affordable unit commitment expressed as an option for the City.
- i) All other key information or anticipated term sheet items that the City should be aware of in the formation of its approach to negotiating with your team.

11) Statement of Challenges.

A brief narrative which discusses the three most significant challenges facing this development as proposed and how they will be addressed.

12) Developer Qualifications and Financial Capacity.

- a) Approach to Financing - Description of your approach to financing the project, including identification of specific financial sources to be pursued for debt and equity, including the amount and source of equity.
- b) Commitment of Principals - Identify the level of financial commitment which the principals of the development entity will pledge to this project.
- c) Commitment of Institutions - Documentation from financial institutions willing to commit financing for this project as proposed herein, clearly citing any constraints, time sensitive terms, and/or conditions of the financing.
- d) Track Record - Summary level narrative which details the prime developer's and project team's experience in successfully executing comparable residential and/or mixed-use projects. Provide supplemental information for original team members and complete information for new team members addressing:
 - i) Number of years the Respondent has been in business, number of employees, and the primary markets served;
 - ii) Description of proposing organization's history, legal structure, development experience, qualifications, and understanding of the development requirements;
 - iii) Description of significant, comparable project(s) developed, managed, and/or designed by members of the proposed design team including:
 - name and location of project;
 - description of project including building energy use in site and/or source kBTU/sq.ft./yr., Energy Star score, LEED certification, or any other notable sustainable, renewable, or green building features;
 - total dollar value of project;
 - client contact person and phone number for reference;
 - specification of the development team member's role(s) in the project (e.g. primary developer, development manager, manager, architect, consultant, etc.);
 - the results/status of the project and the development team member's remaining involvement in the project.
 - iv) Information for team architect and any other members of the team including design professionals should be provided. If not provided in other responses to this RFP, include graphic representations of architect's prior relevant work, along with a description of the projects and their role in these projects.